

What CSR means to solicitors' firms and their clients

Notes from a talk given to the Chancery Bar Association Chambers Social Responsibility: Challenges & Opportunities on 2 November 2017 by Lakhraj Minhas

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Why is CSR so popular?

Corporate social responsibility (CSR) or responsible business is popular because it is expected of business.

These expectations come from 4 main stakeholders that businesses have to engage with:

- a) **Society:** Society as a whole mistrusts business and wants it to behave better. Businesses don't stand apart from society and are taken to task for their poor records. Recent examples include the emissions scandals affecting global car manufacturers which come at a time many people are increasingly concerned about air pollution.
- b) **Government:** legislation is increasing both from Europe and at home generally affecting larger companies and how they deal with wider societal issues . Some examples:
 - **Environmental** legislation has forced compliance in some areas with the Energy Savings Opportunity Scheme Regulations 2014 compelling firms over a certain to conduct energy audits to identify areas where energy can be saved.
 - **Supply chains:** The Modern Slavery Act 2015 requires larger firms to set out the steps they've taken to ensure slavery and human trafficking is not taking place in its business or supply chains. Affected law firms will be conducting audits and asking chambers they work with to respond positively to their requests for information on their own practices.
 - **Equality & Diversity:** The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 seek to level the field on pay between men and women and larger companies must review and [publicly report](#) the gender pay gap within their organisations required.
- c) **Clients and consumers:** There is considerable research showing how responsible business is good for business and most companies consider CSR issues as part of their reputation management as a poor reputation affects sales and tarnishes their brand. Sales fell of cars by manufacturers affected by the emissions scandal.
 - *55% of consumers say they are willing to pay more for products and services provided by companies that are committed to positive social and environmental impact. (Source: Nielsen)*
 - *There is a 5% – 40% increase in revenue for companies that demonstrate a clear commitment to social responsibility (Source: Nielsen)*
- d) **Employees:** Being a responsible business is recognised by many law firms as an important factor in recruiting, retaining and motivating employees. Factors such as culture and values,

diversity and work-life balance matter shown by the number of law firms who both apply and appear in [The Sunday Times 100 Best Companies to work for](#) Annual Index.

- *66% of employees report a greater commitment to their company as a result of their experience volunteering (Source: Corporate Citizenship & City of London)*
- *88% of millennials say they want to work for a socially responsible company (Source: Deloitte)*

So why do law firms engage with CSR?

Law firms are subject to many of the same pressures as everyone else in the business world and are changing in response to the political landscape. However, attitudes vary and most law firms engage for a variety of mixed motives:

- their competitors do CSR
- it's appealing to clients
- it's the 'right thing to do'
- employee engagement, retention and recruitment
- reputation and risk management

Approaches vary too with some law firms having a strategic approach spanning global offices and others taking a number of ad hoc initiatives for example charity fundraising and branding this as their CSR. There is little consistency of approach but most law firms try and address two issues in their CSR programmes that are particularly pertinent to the legal sector:

- Reduced access to justice due to funding cuts and a perception that lawyers should do more
- Widening access to the profession to attract and retain talented people from diverse backgrounds

CSR initiatives cluster around programmes that cover:

- *Pro bono and community giving*: junior lawyers give their time to support local law centres and charities, teams engage in corporate volunteering initiatives and some law firms have set up charitable foundations for example, DWF and Clifford Chance.
- *Equality, diversion and inclusion*: broadening their talent intake through a **variety of schemes [include a link to the useful links section]**
- *Environmental sustainability*: looking at their carbon footprint and taking action to reduce it as well as looking at sustainable procurement (such as buying Fairtrade products).
- *Staff well-being initiatives*: flexible working, encouraging physical activity (cycle to work schemes, gym membership), initiatives around mental health such as classes on resilience and mindfulness

Law firms are keen to get their initiatives get recognised and the annual British Legal Awards have a category for 'CSR/Diversity Initiative of the Year' award.