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Benign Neglect Is Just as Harmful as Overt Acts

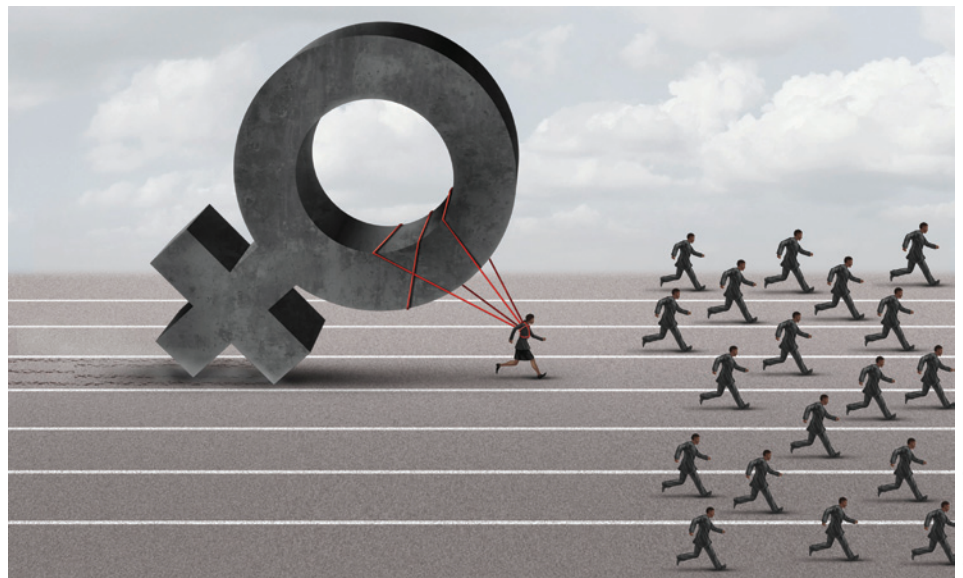
Being Ignored or Left Out of the Room Is Just as Damaging

BY KATHLEEN WU

WHEN TALKING ABOUT GENDER BIAS, we tend to focus on acts of commission rather than acts of omission. But much of what harms women (and other underrepresented groups) is simply being ignored or left out of the room.

That (presumably) benign neglect is as pernicious as the more overt acts of discrimination that become the basis of lawsuits and headlines.

Four recent news stories brought this fact home. The first is a recent *New York Times* magazine feature on the astonishingly low number of women serving in the highly-paid positions of mutual fund managers. According to a report by Morningstar, only 9.4 percent of American mutual fund managers are women, which the *Times* says “would be startling in any field in 2017, but in finance it’s almost mystifying. A substantial body of research has shown that having more women in leadership roles ... seems to improve performance.”



The *Times* found that the gender chasm in mutual fund management was attributable to a lot of factors, but one of the primary reasons was the lack of a built-in network on Wall Street directing women to lesser-known (but highly lucrative) fields such as mutual fund management. “Every Friday they (male

investment-banking students) were on the bus to New York, to network on Wall Street,” said one female Cornell M.B.A. graduate. “The second-years told the first-years what to do. It was like a conveyor belt.”

The male students—and the Wall Streeters they were networking with—probably never set out to exclude

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women. They stuck with their own, reached out to a buddy of their dad (or uncle or uncle's college roommate), and did what they've always done—all of which had the effect of giving a distinct advantage to those already in power (typically white males).

On the other end of the economic spectrum is a study of grocery store employees in France conducted by three Harvard researchers, Amanda Pallais, Dylan Glover and William Pariente. They found that minority employees performed worse under biased managers, but it wasn't because the managers treated them badly. "In fact, they said that biased managers treated them better in that they were less likely to assign them to cleaning, the least pleasant of their tasks, and were no more likely to assign them unpleasant registers or breaks," Pallais writes.

"Minorities simply had less interaction with biased managers during their shifts," she continues. "It seems that managers didn't pay as much attention to them. This is consistent with research that finds that individuals with implicit biases toward a group are less likely to speak to, more hesitant in speaking to and less friendly toward group members. In our study, managers may have been uncomfortable interacting with minority workers, so they simply spent less time managing them. The result was a drop in employee productivity."

In the legal profession, that kind of benign neglect means fewer opportunities for women to develop business and get the kind of big-ticket work that leads to success and hefty paychecks in Big Law. Specifically, according to a survey of big-firm partners by the legal search firm Major, Lindsey & Africa, this lack of opportunities contributes to a 44 percent gap in pay between female partners and male partners. Female partners earned an average of \$659,000 annually, compared with an average of \$949,000 for male partners, the survey revealed.

I found an interesting example of what can happen when the opposite of neglect occurs and a professional takes the time to communicate, listen and engage: lives are saved. Literally.

A study published in December found that Medicare patients treated by female doctors had better outcomes than those treated by male doctors. Researchers estimated that, if male doctors had the same outcomes as their female colleagues, there would be 32,000 fewer deaths each year among Medicare patients alone.

Yusuke Tsugawa, one of the researchers from Harvard's T.H. Chan School of Public Health, told the Harvard Business Review that the difference is not because women are better doctors than men.

"It is not the gender," he said. "It is differential practice patterns that are associated with the gender of physicians which is causing patients to be better or worse off. [Women] listen to their patients, they spend more time with them."

Interestingly, despite these better outcomes (seemingly, the only real metric in medicine that should matter), researchers found that female doctors in medical schools earn 8 percent less per year—almost \$20,000—compared to their male colleagues.

So what does all this tell us? Relationships matter. Patients do better when cared for by doctors who listen to them, employees perform better under managers who interact with them, and jobs go to those with better relationships on the inside.

But the impact isn't just limited to employees and patients. Higher-performing employees boost profits for shareholders. Healthier Medicare patients save taxpayers' money. And funds with more diverse managers tend to have better performance, benefiting the millions of us with our retirement money in them.

Everybody benefits when those in power reach out and build relationships with those looking from the outside in.

It's not a leap to assume that the legal profession would benefit greatly if talented lawyers of all genders and ethnicities were given more opportunities to take part in the relationships that contribute to success. The miracle of capitalism is that it isn't a zero-sum game. When anybody wins, we all win.



KATHLEEN J. WU is a partner in Andrews Kurth in Dallas. Her practice areas include real estate, finance and business transactions.