

UK Firms Could Win Recruiting Edge From US DEI Crackdown

By **Marialuisa Taddia**

Law360, London (March 21, 2025, 7:04 PM GMT) -- The Trump administration's clampdown on diversity programs has already begun to spill over to the U.K.'s legal industry, and some experts warn that the changes big U.S. and Magic Circle players are making could give firms with less exposure in America a competitive edge in recruiting.



The clampdown on DEI programs in the U.S. could potentially help City of London firms that have a reduced presence in America. (iStock.com/Walter Hurst)

Many U.S. corporate giants have been curtailing their diversity, equity and inclusion policies since President Donald Trump took office. And that shift has begun to affect the legal industry. The Equal Employment Opportunity Commission announced earlier in March that it had **written to 20 law firms** to seek information about their diversity, equity and inclusion-related employment practices.

The U.S. government isn't just targeting domestic U.S. firms, including Kirkland & Ellis LLP, Latham & Watkins LLP and Morgan Lewis & Bockius LLP. It's also pursuing some of the U.K.'s Magic Circle firms such as Freshfields LLP and Allen Overy Shearman Sterling.

Some of those firms **have shifted** to more generic language in their diversity messaging since the inauguration. Kirkland, Latham, Morgan Lewis, Greenberg Traurig LLP, Sidley Austin LLP, Gibson Dunn & Crutcher LLP, and Goodwin Procter LLP have all made changes. Some have even revised or removed specific diversity data and contact information, opting for broader, more inclusive terms.

And given the strong ties between the two jurisdictions and the weight of U.S. law firms in the London market, any changes big law firms make to backtrack from diversity efforts in the U.S. could prove a drag on their policies in Britain too.

Patrick McCann, the co-CEO of City Century — a collaboration of more than 50 City of London law firms —

told Law360 that "the legal sector stands at a crossroads." He didn't rule out the possibility that some law firms will alter their DEI practices — which could ultimately leave those firms worse off in what continues to be a hot market for legal talent.

"If some firms, visibly, pull back, those firms who stand strong on their strategies which, at their core are about leveling up where possible, could have a strong differentiator for colleagues, for clients, for the sector," he said.

James Lavan, executive director at legal recruitment specialist Buchanan Law, said that DEI have been major focal points for U.K. law firms in recent years. Under U.K. law, employers are obligated to take certain steps to support workers with protected characteristics such as disability, and the U.K. government intends to develop gender pay gap action plans and produce ethnicity and disability pay disparity figures later in the parliamentary term.

"It's been something they've been really not just trying to improve, but when they have had success in it, they've very much been singing from the rooftops about it," he noted.

He expressed doubt that law firms with a presence in both the U.S. and the U.K. would adopt entirely different strategies in each country, as it wouldn't fit their overall narrative. Lavan added that the outcome will depend on whether they follow the U.S. approach of staying quiet or the U.K. approach of continuing to speak out.

"I would imagine those firms at the moment will be trying to have a discussion about which direction do they go down," he said.

This could potentially give a leg up to firms with reduced exposure to the U.S., he noted.

"If you're a purely U.K. firm at the moment, then you've probably got a bit of an advantage," he said.

Slaughter and May stands out in that regard as the only Magic Circle law firm that has no presence in the U.S. The others have made major plays to get a bigger share of the lucrative U.S. market in recent years: Freshfields has been **hiring aggressively** and **opening new U.S. offices**, while the former Allen & Overy LLP **merged with** Shearman & Sterling LLP.

That could make it easier for Slaughter and May to stand by its raft of initiatives on equality, diversity and inclusion in recruitment, Lavan noted.

"They probably are going to be able to have the courage of their convictions to continue doing what they have already been doing in that area," he said.

Meanwhile, even if its Magic Circle and American rivals downplay diversity initiatives in the U.S., they may not be viewed favorably by the American authorities if they continue to actively promote these policies in Britain, Lavan pointed out.

Job candidates in the legal field are highly aware of their firms' DEI performance, and it is a key factor when deciding whether to leave or join a firm, he noted.

"We will get asked the question of how do they score on [DEI]," Lavan said — although this comes after other considerations, including the type of work, career progression and pay.

Chris Clark, a director at London-based recruiter Definitum Search, said that most candidates he sees will also consider first matters such as a firm's quality and its geographic reach. They will also consider the firm's profitability track record and **how much equity partners benefit** as the profit pie expands, he added.

"I don't think it really matters that suddenly the firm's been under attack for the DEI policies in the U.S. by the Trump administration," he said.

But there might be a slight shift in recruitment strategies, such as reducing diversity targets, according to Clark.

There could be "less pressure to focus on diversity over potentially the right individual regardless of the background," he said.

"Maybe firms will take a bit of a backseat where they can, or feel less pressure, but I don't think they'll outright stop it," he added.

Still, McCann said that at least so far he has been "very reassured" by what he has heard from law firm leaders about how they plan to operate. His City Century initiative is focused on promoting diversity in the profession through apprenticeships — and its members include some of the firms that are being

investigated by the EEOC like Hogan Lovells, Freshfields, and White & Case LLP.

"Many of our law firms have been around for decades, if not longer, and this current regime has less than four years to run," McCann added.

Julian Taylor, senior partner at City law firm Simmons & Simmons LLP, said Thursday that it's too early to gauge the impact on the market.

"We continue to focus on ensuring that we have the best talent in our business — that's what our clients want," he said.

But he added that he was "very proud" that the firm, which has just one U.S. office in San Francisco, set new targets in February for 20% of employees to come from lower socio-economic backgrounds.

Daniel Harris, a director for London and the southeast at recruiter Robert Walters, noted that the political climate in the U.S. might prompt some candidates to consider relocating to cities such as London or Paris. Still, major American cities such as New York continue to lure legal talent, he said.

"Although the policies of the Trump administration might stir some market movement, significant migration from the U.S. to Europe or the U.K. would require more drastic developments," he added.

But Harris warned of wider repercussions from the Trump administration's actions against legal professionals, pointing to a joint statement published Wednesday by legal organizations, including the Law Society and the Bar Council of Northern Ireland.

"If firms become embroiled in costly litigation because of these federal probes, they may indeed have to reduce recruitment costs," he said.

Richard Atkinson, the president of the Law Society, said in a statement to Law360 that the trade group stands by English and Welsh law firms, as well as U.S. colleagues targeted by Washington, D.C., over their DEI initiatives.

"Building a diverse and inclusive profession is important to our members and their clients," Atkinson said.

He pledged that the society will continue to support members and advocate for "impactful DEI initiatives" to ensure the profession mirrors the society it serves.

"We view this as potentially serious and an issue on which the profession needs to unite and collectively respond," Colin Passmore, the chair of the City of London Law Society, said in a statement.

With much still in a flux, there are perhaps more questions than answers.

Hannah Bradshaw, co-founder of BlueSky, a parental coaching platform for women in law, said that workplaces are more divided than ever. But she added that some aspects of the rollback, like a renewed focus on workplace cohesion and a move away from identity politics, will ultimately also be adopted in the U.K.

"It's clearly never been a more challenging time to work in DEI," she said.

--Editing by Joe Millis.