

Minority Powerbrokers Q&A: Sidley Austin's George Madison

Law360, New York (October 31, 2014, 3:09 PM ET) -- George W. Madison is a partner in the banking and financial services practice of Sidley Austin LLP and resident in its New York office. His practice is primarily focused on financial institutions regulation and corporate governance issues. During the financial crisis, he served as the 30th general counsel of the U.S. Department of the Treasury, and as a senior policy advisor to Treasury Secretary Timothy F. Geithner. At Treasury, Madison was involved in the formulation of the Dodd-Frank legislation, the legal administration of the TARP program, and OFAC sanctions programs. As general counsel, he oversaw the legal divisions 2,000 lawyers and 1,600 staff.



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Madison previously served as EVP and general counsel of TIAA-CREF, the \$900 billion pension fund, asset management and insurance firm, and as EVP, corporate secretary and general counsel of Comerica Incorporated, the \$60 billion super-regional banking company. He also was a partner in a global law firm with international banking clientele focused on banking and structured finance transactions.

At Sidley, Madison assists foreign and domestic financial institutions and other institutional investors in navigating the complex financial regulatory, compliance, and policy requirements of the federal and state regulatory, law and enforcement agencies, and advising on economic sanctions, anti-money laundering, Bank Secrecy Act matters and foreign investments in the U.S.

As a participant in Law360's Minority Powerbrokers Q&A series, Madison shared his perspective on five questions:

Q: How did you break the glass ceiling in the legal industry?

A: Generally, I think one breaks the glass ceiling with a combination of important and caring mentors, untold hours of hard work, supportive colleagues, opportunities to prove oneself on interesting and complex projects, successful business development, and appreciative client relationships.

In my case, I was recruited by the New York office of a global law firm at a time when they were expanding in that market and searching for senior, accomplished lawyers who were entrepreneurial and experienced in leading complex transactional matters on behalf of money center banks and investment firms. I acquired that experience from toiling for many years as an associate at another prestigious Wall Street law firm that gave me increasing responsibility to run deals, as I demonstrated the ability to juggle multiple matters.

After successfully navigating the responsibilities of a large law firm partnership for nearly a decade, I was recruited by a super-regional bank to be their general counsel, and then years later recruited again to return to New York to become the general counsel of an iconic financial services firm that dominated the not-for-profit, college and university pension business. At the outset of the Obama administration, Secretary Geithner called me to public service while the nation was still reeling from the financial crisis to serve as the general counsel of the U.S.

Treasury.

Q: What are the challenges of being a lawyer of color at a senior level?

A: Whether you are working for a corporation, a federal agency, a nonprofit entity or a private law firm, the challenges facing senior lawyers of color are always the same: establishing yourself, becoming creditable, providing reliable advice, and having the most important people rely upon your advice on the most consequential matters under tremendously stressful circumstances.

These pressures are essentially the same ones confronted by members of the majority in the same situation. The difference often is in the degree to which lawyers of color even at senior levels have the preparation, the opportunity and the experience to undertake the challenge and, when they do undertake it, are subjected to the same performance standard. The need to establish your bona fides is more acute when you start from a place where skill, acumen, expertise and ability are not assumed to the same degree as with other lawyers of different ethnic backgrounds. And where errors of judgment are magnified disproportionately.

Q: Describe a time you encountered discrimination in your career and tell us how you handled it.

A: Discriminatory conduct at senior levels is less frequently experienced today than in the past and when it occurs it is much more subtle. It is rarely blatant and is more difficult to parse from other overlapping factors.

At the time I began practicing law about 35 years ago, and for some years thereafter, I found myself in the unique position of being the only minority involved in any capacity on every transaction in which I participated. Clients were comfortable working with lawyers with similar pedigrees, ethnicities and upbringings.

Often I met clients initially over the telephone and, without a recognizable accent, it was not until the first all-hands meeting that all parties (including my client) discovered my ethnicity. That led to shock and surprise and queries as to the whereabouts of the lawyer in charge of the matter; and then consternation when it was discovered that it was me.

You overcome these issues after a while with good humor, patience and a demonstration of your understanding of the relevant law, the transactions' content, the process for a successful completion, and a determination to represent your client zealously and achieve their objectives as efficiently as possible.

Q: What advice would you give to a lawyer of color?

A: This is the hardest question because it is so specific to the individual and the circumstances.

It might sound like a cliché but first find the right mentor: someone who has an interest in you and your career; someone whose character, integrity and personal qualities you admire and respect, not just their skill, achievements and business development prowess. Find a mentor who is powerful in the organization in which you work; someone who is willing to assign you to their most important matters and train you like he/she wished to have been trained themselves. Find a mentor who is prone to constructive criticism rather than destructive dissonance. Find a mentor who will protect you from institutional pitfalls but not from accountability for the mistakes

of your own making.

Next, the practice of law is a hard-working profession. Be willing to out-work everyone else: in quality first, then in quantity.

Legal practice is a consultative profession. Be collegial. Be a team player. Work with others and seek advice.

Opportunities abound for really good lawyers. Be strategic. Don't jump at the first opportunity. Decide how a particular opportunity fits with your interests and career goals. Take on new challenges only when you have mastered the current one and don't burn bridges with colleagues or clients.

When you encounter situations that seem random or unfair, seek advice within and without the organization from wise, trusted advisers.

Remember you are entitled to nothing other than the love of your family. Your professional employment relationship is a business. Think of it as a small business. You wouldn't employ or promote yourself if your contribution to the bottom line of your business was not additive. Learn how to develop and cultivate the business, client and internal professional relationships.

And never continue doing something you do not enjoy.

Q: What advice would you give to a law firm looking to increase diversity in its partner ranks?

A: There is no magic bullet here but the issue is common for all employers: It is about the recruitment, retention and promotion of talented employees. Recruits that see opportunity come. Employees who are valued and find a supportive environment stay. Your most talented people across a broad spectrum of skill sets drive the business. This is true regardless of ethnicity.

A law firm can increase its diverse partner ranks first by deciding that is an objective worthy of its resources and attention. Then there are two levels of concentration: developing the associate talent pipeline and attracting lateral partners.

Firms finding their ranks depleted by a dearth of diverse associates and unsuccessful in attracting newly minted lawyers or lateral candidates should make sure they are using the same standards they apply to the general population (including how deeply into the class they are willing to reach), that they are recruiting for diverse candidates at least from the same sources as their recruitment generally, and in the case of lateral candidates that they are instructing their search firms to identify and pursue diverse candidates for every available opening.

In order to account for expected attrition, every new class should have a significant representation of diverse associates. There certainly should be enough associates to fail, to leave the firm after a few years to pursue other opportunities, and to be promoted to partner in the normal course. The successful strategies are legend. I find the issue often is one of will and the determination to succeed. In a corporate setting, when executive management wants to achieve certain results they make it a component of their employees' performance scorecard and tie the award of bonuses to obtaining the objective. It is interesting how successful that strategy is.

Of course, there is something of a chicken and egg problem. Sometimes diverse candidates are deterred by the dearth of diverse partners who have succeeded at the firm. And conversely, the existence of diverse partners usually attracts diverse associates. Many firms have hired diverse lateral partners from other law firms, from senior positions in government, from among their alumni in corporate legal departments, and from the judiciary. The key to success in these arrangements is firmwide and practice group-wide support for their transition to the new firm. After all, the essence of leadership is about helping people to succeed with all the right tools.

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