

# COMING OUT OF HER SHELL

This Oil Company's General Counsel Spoke Out and Became a Champion of Diversity

TERRY CARTER

**T**HE MID-1990S WAS MIDLIFE crunch time for Catherine A. Lamboley. High on the ladder as an associate general counsel at Shell Oil Co., she began to question herself, wondering how she had become two separate people, one person at work and someone else when not.

It also was a reflective time for her employer, which was restructuring business operations and had just completed a strategic study of diversity issues.

Both Lamboley and Shell were about to experience significant change. At a session to discuss issues raised in the strategic study, she let loose years of pent-up emotions, complaints and concerns about being a woman in what is still one of the more male-dominated industries.

"I was pretty frank and blunt in that session," recalls Lamboley, now a Shell senior vice president, general counsel and secretary. "I had become so assimilated to this culture that I hadn't realized how I had changed to fit in. I realized I had to be who I was, and if it hadn't worked out at Shell it would have been somewhere else."

Rather than knocking her off the career ladder, her candor caught the ear of the head of the company's oil products division and propelled her upward. Within weeks, Lamboley was asked to come over from the legal office and take a high-level operations position in oil products—a perch not usually associated with lawyers.

"I was told he wanted diversity in thinking and that he liked the way lawyers thought and wanted to bring that into his organization," says Lamboley, who was named vice president, Commercial Marketing and Services. She spent three years in the job until she was beckoned back to legal for a chance to move farther up. The general counsel was about to retire and tapped her as his successor.

## TAKING THE PLEDGE

LAW FIRMS HOPING TO DO BUSINESS WITH SHELL OR OTHER companies that stress diversity would do well to look at what Lamboley has done. She is one of the leaders in making sure outside law firms walk the walk when it comes to hiring, using and promoting women and minorities.

Back in 1999, the chief legal officers of about 500 major corporations signed a pledge of commitment to diversity in the legal profession. But that document, titled "Diversity in the Workplace—a Statement of Principle," did not send a detailed enough message to outside law firms, or so Lamboley and many others believed.

This summer an updated pledge, called "A Call to Action—Diversity in the Legal Profession," was developed by Sara Lee Corp. general counsel Roderick Palmore. It calls for companies to base decisions for outside legal work "in significant part" on law firms' diversity and to "end or limit" relationships with those that fall short.

"Rick Palmore and Cathy Lamboley and a few others have distinguished themselves by moving beyond the signing of pledges and trying to put principles into implementation and action," says Veta T. Richardson, executive director of the Minority Corporate Counsel Association.

Lamboley took over the top legal job at Shell in June 2000, and the following January began tracking the demographics of outside law firms with "report cards." Shell wanted firms to report not only numbers of women and minority lawyers, but also the percentage of Shell's work that was done by them. This has been refined to look not only at the hours billed by women and minorities but also the fees attributed to them.

Shell had been using hundreds of outside law firms, but after initiating the report cards, it cut back to 44. In 2003 it scaled back to 27 firms known as "strategic partners" getting the bulk of its work, along with a few others.

Firms with diversity and good lawyers have done well. Others have fallen away. "I bet we were one of the smaller ones on their list if measured by revenues to outside counsel," says Tracie J. Renfroe, the partner who oversees Houston-based Bracewell Patterson's relationship with Shell. "We're now a strategic partner."

Renfroe says that in the past several years the number of women and minority lawyers at her firm handling Shell matters has grown, as has the amount of work.

"I have to assume there's a correlation there," says Renfroe. "Shell's leading criteria still is to find the best lawyer available for the job."

## TALENTED ADVOCATE

LAMBOLEY HAS GOTTEN SO MUCH ATTENTION FOR HER Diversity initiatives that her own skills as a lawyer tend to be overlooked.

"While there are important social issues people need to be sensitive to, it almost diminishes her to concentrate on that aspect because she is such a fabulous lawyer," says Ralph C. Ferrara, a partner with international law firm Debevoise & Plimpton, one of Shell's strategic partners. He is a former general counsel with the Securities and Exchange Commission. "She gets down in the trenches and in battle as a hands-on lawyer. When I deal with her I feel I'm dealing with one of my partners at Debevoise."

For the past couple of years, Lamboley has sent cover letters to law firms along with their report cards. She of-

fers her perceptions of how well firms are promoting diversity. She also has asked some to explain why they're not doing better—and detail how they plan to fix it.

Lamboley believes what is most significant now is the advancement of

*In 1999, legal officers of about  
500 corporations signed a  
pledge to diversify staff.*

women and minorities once they're in law firms. How many are becoming partners, section heads or members of management committees?

"It's not on the report card yet," Lamboley says. "But that is a logical next step." ■