

Did your ESG strategy get stuck in pro bono cases?

It is clear by now that the relationship between the legal profession and ESG is not a temporary blip. However, for many firms it remains unclear what an ESG strategy means or can mean for both their business operations as well as for the strategy and positioning of the firm.

In order to start thinking about what an appropriate ESG strategy might look like, it is necessary to understand what phase the firm is currently in and what the joint ambitions of the partner group are in terms of ESG.

In that context, there are two interesting models that can be used when starting to think about ESG.

The first model comes from Wayne Visser. In his publication *The Age of Responsibility, CSR 2.0 and the New DNA of Business*, he describes the various stages of Corporate Social Responsibility (CSR) by companies. He identifies five economic stages and the related stages of CSR.

Economic Phase	Stage of CSR	Modus Operandi	Through...
Greed	Defensive	Ad Hoc Actions	Investments
Philanthropy	Charity	Programmes	Projects
Marketing	Promotion	Public Relations	Media
Management	Strategic	Management Systems	Codes
Accountability	Systematic	Business Models	Products and Services

A model used by the Rotterdam School of Management in the online MOOC programme [Driving Business towards the Sustainable Development Goals](#) (worth following, by the way...) is based on the level of activity.

"Taking responsibility is changing the core of your operations. Charity is not taking responsibility".

Organisations (i.e. companies, law firms) that are seen as "in-active" limit themselves to meeting only the (minimum) legal obligations and even so in a limited manner. "Re-active" organisations may endorse UN principles, but primarily from a reputational perspective (i.e. green washing and social washing).

"Active" and "pro-active" organisations, on the other hand, actually take their responsibility; they realize positive social impact. This involves actively contributing to one or more Sustainable Development Goals (SDGs).

These days, there is hardly a law firm of any significance to be found that does not engage in some way in sponsorship, donations and pro bono business; the days of pure greed are (and fortunately so) over in this respect. In other words, charity is not unknown to the legal profession. A significant number of the law firms - in particular the larger firms

- know how to professionally communicate this charity and sustainable activities to external stakeholders, albeit at the risk of - the aforementioned - green or social washing. In this case, specific (sustainable) actions are actively communicated, but without making a clear effort to actually change the policy, let alone the business model of the firm.

The last two steps (i.e. the Management and the Responsibility phases) in which ESG is systematically integrated with management systems and in the business model, and thus also on how turnover and profit are generated, do not yet seem to be widely embraced by the legal profession.

The developments regarding **E**nvironmental Sustainability, **S**ocial Responsibility, and **G**ood **G**overnance follow each other in rapid succession. For that reason Venturis has labelled ESG as a global development that has a fundamental effect on the legal market, and that can lead to further market segmentation.

ESG does not seem something that can only be done on a pro bono basis...

In spring 2022 Globe Law and Business will publish the Special Report ***Building the Sustainable Law Firm: Developing and Implementing an ESG Strategy***, by Sophie Boyer Chammard and Robert F. van Beemen

For more information: <https://www.globelawandbusiness.com/special-reports/building-the-sustainable-law-firm-developing-and-implementing-an-esg-strategy>