

Diversifying the Boardroom: Mary Quazzo Discusses the Chief Legal Officer's Role

Career Development



Mary Quazzo is a governance guru. She is the vice president, principal counsel, and secretary for Bechtel Group, Inc., and has served in-house at Bechtel for the past 27 years. Bechtel is not only one of the largest and most respected construction and civil engineering firms, but it is also one of the largest privately owned companies in the United States. At Bechtel, Quazzo advises on legal matters and transactions that span across the company's four global business units, including issues respecting corporate architecture, capital and organizational structure, financial and ownership matters, governance, and strategic alliances. She also serves as secretary to the board of directors of Bechtel Group, its audit committee, and to the boards of subsidiary entities.

In addition to her day job, Quazzo is also a strong advocate for diversifying the boardroom. She was part of the inaugural class of DirectWomen, a national non-profit that works to increase the representation of women lawyers on corporate boards, in 2007. Since then, she has continued to speak out about diversity issues and efforts. Recently, she was part of a committee convened by the Thirty Percent Coalition, which discussed and compiled a thought piece on how chief legal officers can help corporations achieve gender diversity on boards of directors. She took the time to explain her perspective on diversifying the boardroom as well as the specific actions the committee identified that in-house attorneys can take to be a part of the solution for pursuing and achieving gender parity.

Board diversity is good corporate governance



Quazzo starts with the premise that board diversity is good corporate governance. “It has been demonstrated in a number of ways that board diversity increases the bottom line, lowers risk profile, and enhances a company’s reputation,” Quazzo states. Although diversity discussions often focus on gender diversity, Quazzo adds that diversity can mean different things: “The goal is to bring different thoughts, insights, and perspectives, and a variety of skills and experiences into the boardroom. This variety allows a board to more fully probe, understand, and approach problems and opportunities the company faces.” That means including both men and women of different ethnicities, ages, and geographic insights, and with different skills and experiences. Given the severe underrepresentation of women in the boardroom, gender becomes an obvious focus for change.

Further, since it is a governance issue, in-house counsel have an obligation to bring the issue of diversity to management’s and the board’s attention. Quazzo explains, “Chief legal officers are in a position to advise management and boards on best practices in corporate governance, including benefits of diversity and inclusion. They need to take advantage of being in that position, and do what they can to raise the issue.”

Recognize the hurdles

To craft the right solution to the problem, each company that has struggled to include women in the boardroom should reflect on its own explanation for the imbalance. Although those explanations will vary by company, several themes are typical. Public companies, for example, face more of a spotlight on this issue. However, when it comes time to fill an open board seat, a search firm is generally engaged and its selection criteria perpetuates a lack of diversity before the search can even get off the ground. “Public companies may require that a director have CEO experience from a Fortune 500 company,” Quazzo discloses. “That immediately limits the diversity of the candidate pool. If more companies crafted their search criteria to focus more on the qualities and skills they are looking for,

and less on the title, they would find plenty of qualified, diverse candidates."

Private companies do not face the same scrutiny as public companies, but they do face similar challenges in developing a diverse candidate pool from which an open board seat is filled. "I think private companies are even more likely to fill an open board seat with someone within the close network of a current director or executive. That approach perpetuates the issue for obvious reasons. In those cases, a more intentional effort should be made to reach out more broadly to seek nominations," Quazzo states.

Effect change in the boardroom

Chief legal officers and other in-house counsel with access to management and the board of directors already have a role in advising on corporate governance, and they are often a part of the discussion regarding a board vacancy. They can therefore help make the case for increasing diversity in the boardroom and provide guidance to help make the company's efforts successful. But Quazzo cautions, "It is important to understand the company, the stakeholders, management, and the current board, and their history and current view on diversity. You have to approach the issue of diversifying the boardroom with all of these factors in mind. An overly aggressive approach may turn people off. You will need to give some thought to the best way to attract the right attention to this issue based on your company's circumstances."

The following are several of the actions Quazzo, along with the committee of chief legal officers, suggest attorneys can take to effect change in the boardroom.

1. Ensure female (and other diverse) candidates are in the pool of candidates considered for an opening. This will likely include working with the board's nominating and governance committees, typically responsible for director recruiting.

2. Encourage director searches to start with the skills and experiences required for the board seat, rather than focusing on a title such as CEO. For example, include other C-suite officers and also individuals with even more diverse backgrounds, including with government, academia, or non-profit organizations.

3. Work with management to identify senior women within the company who are good board candidates and help develop and sponsor those women for membership on other corporate boards, consistent with company policy.

4. Establish an understanding with the search firm that the corporate leaders view diversity as a priority, including the recruitment of women, people of color, and individuals with various ethnic backgrounds.

5. Become a spokesperson among your peers to encourage others to advance diversity in the boardroom.

Quazzo herself is not currently seeking an outside corporate board position. Her plate is plenty full with her role at Bechtel. She also notes that she has been able to fulfill her passion to make a greater difference in people's lives through her current role on the non-profit board of directors for ICA Cristo Rey Academy, a college prep high school committed to providing an excellent education and meaningful corporate work study experiences to students from disadvantaged backgrounds. "My work on the non-profit board is interesting and meaningful, and I make time for that because I am

passionate about it," Quazzo adds.

Fortunately Quazzo does not appear to be slowing down in her mission to diversify the boardroom. Having such an accomplished advocate and spokesperson for change, leading the discussion on how to get there, will almost certainly help more women obtain a seat at the table.

Olga V. Mack



Fellow

Olga V. Mack is a fellow at CodeX, The Stanford Center for Legal Informatics, and a Generative AI Editor at law.MIT. Mack shares her views in her columns on ACC Docket, Newsweek, Bloomberg, VentureBeat, Above the Law, and many other publications.

Mack is also an award-winning (such as the prestigious ACC 2018 Top 10 30-Somethings and ABA 2022 Women of Legal Tech) general counsel, operations professional, startup advisor, public speaker, adjunct professor, and entrepreneur. She co-founded SunLaw, an organization dedicated to preparing women in-house attorneys to become general counsels and legal leaders, and WISE to help female law firm partners become rainmakers.

She has authored numerous books, including Get on Board: Earning Your Ticket to a Corporate Board Seat, Fundamentals of Smart Contract Security and Blockchain Value: Transforming Business Models, Society, and Communities. She is working on her next books: Visual IQ for Lawyers (ABA 2024), The Rise of Product Lawyers: An Analytical Framework to Systematically Advise Your Clients Throughout the Product Lifecycle (Globe Law and Business 2024), and Legal Operations in the Age of AI and Data (Globe Law and Business 2024).

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