

# PUBLICATION

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## Avis Budget Group Leads the Way in Supplier Diversity Programs

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**Baker Donelson client Avis Budget Group, Inc. is a leading global provider of mobility solutions, both through its Avis and Budget brands, which have more than 11,000 rental locations in approximately 180 countries around the world, and through its Zipcar brand, which is the world's leading car sharing network, with more than one million members.**

Baker Donelson is proud to have been included among the seven law firms which were chosen in 2017 to make up ABG's approved panel counsel group, after a multi-year selection process that utilized prequalification questionnaires, requests for proposals, presentations to senior management and interviews to identify the best firms that the company believes share its commitment to effectuating a change in the way that legal services are provided, with a focus on innovation, technology, use of alternative fee arrangements, diversity, client engagement, proactive counseling and the use of sophisticated metrics to measure performance.

It's no surprise that ABG has a robust diversity supplier program, having garnered multiple accolades for its efforts in promoting opportunities for disadvantaged, minority and women-owned businesses; among them are inclusion in *Women's Enterprise* magazine's Top 100 Corporations for Women's Business Enterprises; *Black Enterprise's* 50 Top Companies for Supplier Diversity list; and *Minority Business News USA's* 2017 Corporate 101: America's Most Admired Corporations for Supplier Diversity.

While ABG's legal team transformation efforts were focused on realizing cost savings through sustainable, dynamic and effective management of its outside legal spend, efficient and cost-effective insourcing of legal work and measurable management of its legal operations, diversity was a key driver in the ultimate selection process. Baker Donelson sat down with Michael Tucker, ABG's General Counsel and Chief Compliance Officer, at the Firm's biannual Diversity Retreat to learn more about the role diversity plays in ABG's everyday supplier interactions and decisions.

### **Why is diversity so important to Avis Budget Group?**

Diversity is important for reasons that are much greater than simply seeking outside counsel. From the business case perspective – in a very diverse country and very diverse world, people want to do business with people they are comfortable with and who they feel are comfortable with them. This is very important from service providers.

It's part of our whole values proposition and mission statement, to provide the best service for ALL of our customers, and our customers are very diverse. We're in 180 countries and people want to feel comfortable that you provide not only good service but good service that appreciates who they are. We serve a very diverse population, so the vendors we use need to make sure that they are also comfortable giving the best service to that diverse population.

### **How was diversity woven into your law firm convergence process?**

Diversity was a very significant part of our convergence RFP program. [But] our system is a little different. We don't set the standards for our law firms... We have allowed them to define what their commitment to diversity and inclusion is, and then we hold them accountable to achieve the goals that they say they want to achieve.

That's why I think our system works better than a lot of others that set arbitrary standards. We allow you to make a passionate decision about your commitment to diversity.

### **How does ABG ensure continued commitment from its law firms?**

Our process for dealing with diversity with our service providers is to allow them to tell Avis what their diversity commitment is and once we've agreed that it passes the "straight face" test, we then hold the law firms accountable for meeting those goals. If they miss one year, we re-evaluate what went wrong, and we set new goals for the second year. If you miss two years in a row, you are out of the program, thus putting millions of dollars of revenue at risk if you don't seriously achieve the goals that you have set for yourself.

It's very simple – it's got to be measurable. In the beginning, some people talk in general terms about "we're going to have this affinity group here and this conference there" – well, that doesn't really advance the ball. We look for plans that say this is how we are going to develop our diverse talent, and this is what we expect to achieve out of the conferences and meetings and development processes for our associates. And then we hold you accountable.

### **What have you observed about diversity at Baker Donelson?**

The one really important thing about Baker Donelson... is that diversity for Baker Donelson is like breathing. You may be working very hard to make this happen; it doesn't appear that way to me. It happens because culturally that is your mindset.

Even if you didn't have goals, I would expect that Baker Donelson would still be doing just as well as it is because you can feel that the culture in the room is one that is open to diversity.