# Law firms face rating downgrades and client losses after Trump DEI agreements



Large law firms that forged agreements with former President Donald Trump to avoid adverse executive actions are now facing significant repercussions, as evidenced by their downgraded ratings in the Law Firm Maturity Index. This UK-based rating system seeks to provide corporate clients with a reliable assessment of law firms' integrity and values, reflecting a growing demand for transparency in legal services.

Stuart Woollard, co-founder of the Maturity Institute, noted that one prominent US law firm experienced a decline of just over ten percentage points in its ranking due to a DEI agreement with the Trump administration. Latham & Watkins, which was initially rated 'A', found its rating reduced to BBB+. This trend is concerning for firms that aim to maintain robust reputations while navigating the political landscape.

In March, the US Equal Employment Opportunity Commission escalated its scrutiny of major law firms, demanding reports on diversity, equity, and inclusion policies amid Trump’s issuance of executive orders. Following this, several law firms, including Latham & Watkins and A&O Shearman, entered into agreements with the administration, committing to provide substantial pro bono services for causes aligned with Trump's agenda. Specifically, A&O Shearman and Latham & Watkins pledged $125 million each, while Skadden offered $100 million.

The recent update to the Law Firm Maturity Index highlights that Latham & Watkins now shares a rating of BBB+ with six other firms, including Clifford Chance and Linklaters. Meanwhile, firms such as Skadden and Kirkland & Ellis received a lower rating of BBB, and A&O Shearman, along with firms like Ashurst and Dentons, garnered BBB- ratings.

This rating mechanism goes beyond traditional Environmental, Social, and Governance (ESG) and DEI metrics, focusing on a firm’s ability to adeptly manage complex stakeholder ecosystems, which encompass employees, clients, suppliers, and wider communities. Importantly, Woollard observed that the decisions to engage in DEI deals with the Trump administration have introduced significant risks related to stakeholder management, including potential staff and client attrition.

In-house legal teams have exhibited a growing interest in the index, with many organisations recognising the relevance of metrics derived from it when assessing their legal counsel relationships. Major corporations are increasingly distancing themselves from firms associated with Trump’s initiatives, leading to a broader reevaluation within the legal industry. Microsoft, for instance, opted to replace Simpson Thacher & Bartlett with Jenner & Block due to concerns over perceived political affiliations, highlighting the shifting dynamics within corporate legal counsel relationships.

This trend corresponds with an observed surge in internal dissent within law firms, with partners and associates increasingly vocal about the ethical implications of such agreements. Reports of resignations and internal petitions reflect a workforce that is acutely aware of the potential repercussions of aligning with contentious political figures. Such internal strife echoes sentiments expressed by legal scholars and professional organisations, calling for a reassessment of current practices within the legal profession.

Woollard emphasised that the need for a more transparent and accountable approach in legal practice is becoming increasingly pressing. As firms grapple with the consequences of prioritising political ties over professional ideals, they are beginning to understand that human factors, once considered soft issues, are in fact critical drivers of long-term success and sustainability. The landscape of legal services is evolving, and the implications of these developments extend beyond mere ratings, potentially altering the foundations on which firms build their reputations.

In navigating this tumultuous environment, law firms face the dual challenges of realigning with core professional values while effectively managing relationships with stakeholders who are increasingly wary of political entanglements that could jeopardise their reputations and operational stability.

### Reference Map

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## Bibliography

1. <https://www.legalfutures.co.uk/latest-news/integrity-index-downgrades-law-firms-that-did-deals-with-trump> - Please view link - unable to able to access data
2. <https://www.legalfutures.co.uk/latest-news/integrity-index-downgrades-law-firms-that-did-deals-with-trump> - This article discusses how large law firms that struck deals with President Trump to avoid punitive executive orders have been downgraded by the Law Firm Maturity Index, a UK-based rating system assessing the integrity and values of law firms. Firms like Latham & Watkins, A&O Shearman, Kirkland & Ellis, and Skadden agreed to provide substantial pro bono services to causes supported by President Trump. The article highlights the impact of these agreements on the firms' ratings and the broader implications for the legal industry.
3. <https://www.jdjournal.com/2025/05/07/major-corporations-distance-themselves-from-biglaw-firms-linked-to-trump-a-growing-crisis-of-confidence/> - This article reports on major corporations distancing themselves from prominent law firms that have engaged in pro bono agreements with former President Donald Trump's administration. It highlights Microsoft's decision to replace Simpson Thacher & Bartlett with Jenner & Block due to concerns over the firms' perceived political alignment. The piece also notes that other general counsels are reevaluating their legal counsel relationships, leading to a broader industry reassessment of firms involved in such agreements.
4. <https://www.jdjournal.com/2025/04/16/big-law-in-turmoil-surge-of-resignations-as-trump-administration-targets-major-firms/> - This article discusses the internal turmoil within major law firms following the Trump administration's targeting of firms that have engaged in pro bono agreements with the administration. It details high-profile resignations, internal petitions, and debates urging leadership to reconsider such concessions. The piece also covers government pressure, including investigations and oversight, and the backlash from academia and professional associations, highlighting the broader implications for the legal profession.
5. <https://legaltalknetwork.com/podcasts/thinking-like-a-lawyer/2025/04/law-school-ranking-chaos-and-biglaw-trump-deals-turn-sour/> - This podcast episode discusses the impact of pro bono agreements between major law firms and the Trump administration on law school rankings and the broader legal industry. It covers the internal resistance within firms, including resignations and ethical uprisings, and the growing dissent among associates and partners. The episode also touches on the government's pressure on firms and the backlash from academia and the bar, providing insights into the challenges faced by the legal profession during this period.
6. <https://news.bloombergtax.com/daily-labor-report/trump-deals-show-big-law-long-ago-chose-business-over-profession> - This article examines how major law firms' agreements with former President Donald Trump's administration reflect a prioritization of business interests over professional ideals. It discusses the rationalizations provided by law firm leaders for these deals and critiques the broader implications for the legal profession, suggesting that such actions have contributed to an era of extreme wealth inequality and public dissatisfaction with government.
7. <https://www.jdjournal.com/2025/04/03/trump-targets-big-law-firms-wilmerhale-and-jenner-sue-skadden-and-milbank-cut-deals/> - This article reports on the Trump administration's actions against major law firms, including WilmerHale and Jenner & Block, which filed lawsuits in response, and Skadden and Milbank, which reached agreements with the administration. It provides details on the executive orders issued against these firms, the legal challenges they faced, and the broader context of the administration's targeting of the legal industry.