

Law Firm Diversity Program

Overview and FAQ



Table of Contents

Program background.....	3
Program results	4
2020 changes to the LFPD to make greater progress	4
Resources.....	4
Program FAQ.....	5





Program background

1. In 2008, Microsoft launched the Law Firm Diversity Program (LFDP) to foster increased diversity at the law firms that were members of its strategic/preferred panel program and to advance its commitment as a signatory to the American Bar Association's Resolution 113.
 - a. Microsoft is a signatory to the ABA's Resolution 113 and has been a partner to the ABA in launching the Model Diversity Survey. More information about this partnership can be found here: [ABA, Microsoft partner to launch platform providing online access to ABA Model Diversity Survey \(americanbar.org\)](https://www.americanbar.org/diversity/2019/03/aba-microsoft-partner-to-launch-platform-providing-online-access-to-aba-model-diversity-survey/).
2. The LFDP is an incentive-based program that provides bonuses to participating firms, calculated as a percentage of their annual fees, for achieving and/or exceeding diversity representation goals.
3. Every year, Microsoft reviews and iterates on the LFDP diversity goals to enable and ensure continued progress.
4. Initially the program focused on diverse representation of lawyers within the firms, across all roles, and diverse representation on the teams that worked on Microsoft matters.
5. In 2015, in recognition of the need for more progress on diversity in legal leadership, Microsoft evolved the program to focus on leadership demographics—specifically looking to improve diverse representation within firm partnerships, on firm executive/management committees, and, as before, diverse representation on Microsoft matters.
6. In 2020, Microsoft invited more firms to participate in the program, made additional investments in the financial incentives available for demonstrated progress, and put a greater focus on growth of Black, African American, Hispanic, and Latinx lawyers in law firm partnerships. For more details, see “2020 changes to the LFDP to make greater progress” below.

Program results

- From 2008 to 2014, diverse lawyers working on Microsoft's behalf increased from 33 percent to nearly 50 percent.
- Since 2008, diverse lawyers working on Microsoft matters increased over 30 percentage points overall.
- Since 2015, diverse partner composition increased from 33 percent to over 38 percent.
- Since 2015, diverse representation among management committees increased by 12 percentage points.

2020 changes to the LFDP to make greater progress

1. While Microsoft has seen positive trends from the LFDP program, the company recognizes that diverse representation in the legal profession is still not where it needs to be.
2. Progress for some communities has been too slow, particularly in leadership and for Black, African American, Hispanic, and Latinx communities.
3. In 2020, Microsoft made additional changes to the program to drive greater progress on diversity in the legal profession. Specifically, Microsoft:
 - i.) **Invited more of the company's outside counsel law firms to participate in the program:**
 - a. In 2020, Microsoft expanded the program beyond the strategic/preferred law firm panel and invited more than 20 firms that also do a substantial amount of work for the company in the U.S. to participate.
 - b. In keeping with the LFDP's focus, all participating firms are eligible for bonuses for achieving and/or exceeding diversity representation goals (including year-over-year growth) for firm partnerships, on firm executive/management committees, and on teams working on Microsoft matters.
 - ii.) **Made additional investments to increase financial incentives for progress:**
 - a. In 2020, Microsoft made additional investments to increase the overall bonus opportunity available for participating firms (2.5 percent to 3 percent of annual fees).
 - iii.) **Put a greater focus on growth of Black, African American, Hispanic, and Latinx people in leadership:**
 - a. In 2020, Microsoft allocated a specific portion of the bonus that firms are eligible to earn in the program to growth in representation of Black, African American, Hispanic, and Latinx lawyers at the partnership level.

Resources

For more information, please refer to the following prior publications:

[ABA, Microsoft partner to launch platform providing online access to ABA Model Diversity Survey \(americanbar.org\)](#)

[Why Diversity Matters in the Selection and Engagement of Outside Counsel: An In-House Counsel's Perspective \(americanbar.org\)](#)

[Microsoft's Law Firm Diversity Program 2020 awards and the next evolution of the program \(Microsoft on the Issues\)](#)

[Microsoft announces winner in first UK Law Firm Diversity Programme \(Microsoft News Centre UK\)](#)



Program FAQ

1. What is the mission of Microsoft's LFDP, and how does the program promote diversity in the legal profession?

Microsoft is committed to progressing diversity in the legal profession by focusing on both our internal teams and the diversity of our law firm supplier base.

The LFDP encourages and supports participant law firms in advancing diversity and inclusion within their organizations with programming, resources, and incentives for progress, including the opportunity to earn a bonus, calculated as a percentage of their annual fees, for achieving and/or exceeding diversity representation goals.

Since 2015, the diversity goals focus on increasing diverse representation within firm partnerships, increasing diverse representation on firm executive/management committees, and increasing diverse representation on the teams that work on Microsoft matters.

In 2020, Microsoft expanded the reach of the program to include over 30 firms that are members of its strategic/preferred law firm panel and/or firms that do a substantial amount of work for Microsoft. In this same year, Microsoft also included an additional diversity metric to put a greater focus on increasing representation of Black, African American, Hispanic, and Latinx lawyers in law firm partnerships.

2. How does Microsoft's LFDP define diversity?

For purposes of the program, Microsoft defines diversity as greater inclusion of women, racial and ethnic minorities, LGBTQ+ people, people with disabilities, and veterans.

3. What progress have you seen from the program in terms of increased diversity?

Through the LFDP's focus on measurable goals and financial incentives, Microsoft has seen progress in diversity on Microsoft matters and in law firm leadership.

Diversity on Microsoft matters:

- From 2008 to 2014, the percentage of diverse attorneys working on Microsoft matters increased from just over 33 percent to nearly 50 percent.
- As of 2020, and for the 12th consecutive year, diversity has increased within the teams from participant firms who are working on Microsoft matters.
- 2020's gains contributed to nearly a 30 percentage point overall increase in the percentage of hours worked by diverse attorneys on Microsoft matters since the program launched.

Diversity in firm leadership:

Since 2015, when the focus on the LFDP program shifted to address diverse representation in law firm leadership:

- Diverse partner composition grew from 33 percent to over 38 percent.
- Diverse representation among executive/management committees increased by 12 percent.

4. What happens if a firm does not achieve goals under the program?

Firms in the LFDP program are eligible to earn bonuses for meeting or exceeding the program's diversity goals. The program is not "all or nothing." Firms can earn part of the potential program bonus for reaching some of the goals. Firms forego bonus opportunities when they do not achieve some or all the program's goals.

5. How have law firms responded?

Our law firm participants have responded to the program earnestly with their participation and progress. In addition to the results outlined above, at least 92 percent of participating firms met or exceeded some or all of the program goals in the past five years. In 2020, 100 percent of participating firms earned at least a partial bonus, and 70 percent of firms earned the maximum possible bonus.

Law firm partners share that two key elements of Microsoft's approach—clear metrics and partnership reflected in the incentive-based approach—make the program effective in influencing their internal efforts for advancing diversity and inclusion within their organizations.

6. How does Microsoft advance diversity with firms that are not part of the LFDP?

Diversity is a factor that Microsoft considers when selecting all of its outside counsel, alongside experience, price, and innovation in legal services delivery.

As a longtime signatory to the ABA's Resolution 113, Microsoft uses the ABA Model Diversity Survey as a tool to inform legal procurement decisions for those firms that are not part of the LFDP. As part of Microsoft's continued commitment to and partnership in the ABA's efforts, Microsoft recently partnered with the ABA to create a platform that streamlines the Model Diversity Survey making it easier for clients to access and obtain survey data. More information about Microsoft's continued partnership with the ABA can be found here: [ABA, Microsoft partner to launch platform providing online access to ABA Model Diversity Survey \(americanbar.org\)](#).

7. Does the LFDP track diversity globally?

Microsoft's LFDP program tracks metrics for lawyers in the U.S. offices of the participating firms. In 2020, Microsoft worked with its law firm partners in the United Kingdom to pilot a version of the LFDP in that region. More information about the UK LFDP can be found here: [Microsoft announces winner in first UK Law Firm Diversity Programme](#). In other regions, Microsoft works with strategic outside counsel law firms to advance diversity with regionally relevant diversity initiatives.



8. Is the LFDP the only program at Microsoft dedicated to increasing legal diversity?

Microsoft is committed to increasing legal diversity through several supplier diversity initiatives and initiatives to increase the pipeline of diverse talent into the legal profession.

In addition to the LFDP, Microsoft aims to address diversity broadly across the industry by partnering with the National Association for Minority and Women Owned Law Firms (NAMWOLF). Microsoft signed [NAMWOLF's Inclusion Initiative](#) and committed to spend at least \$15M with certified MWBE firms on an annual basis. Since joining in 2010, Microsoft has spent over \$155M on legal services at such firms. The company continues to grow the roster of WMBE firms, with a specific focus on increasing the number of Black, African American, Hispanic, and Latinx-owned businesses.

Outside of Microsoft's supplier programs, the company is committed to other initiatives to influence and drive greater diversity in the legal profession worldwide. Learn more about how Microsoft is [addressing the pipeline in the legal profession](#).

9. Is there anything else we should know?

Additional information can be found on the [Microsoft on the Issues](#) blog.

For interview requests or further questions, direct inquiries to rapidresponse@we-worldwide.com.