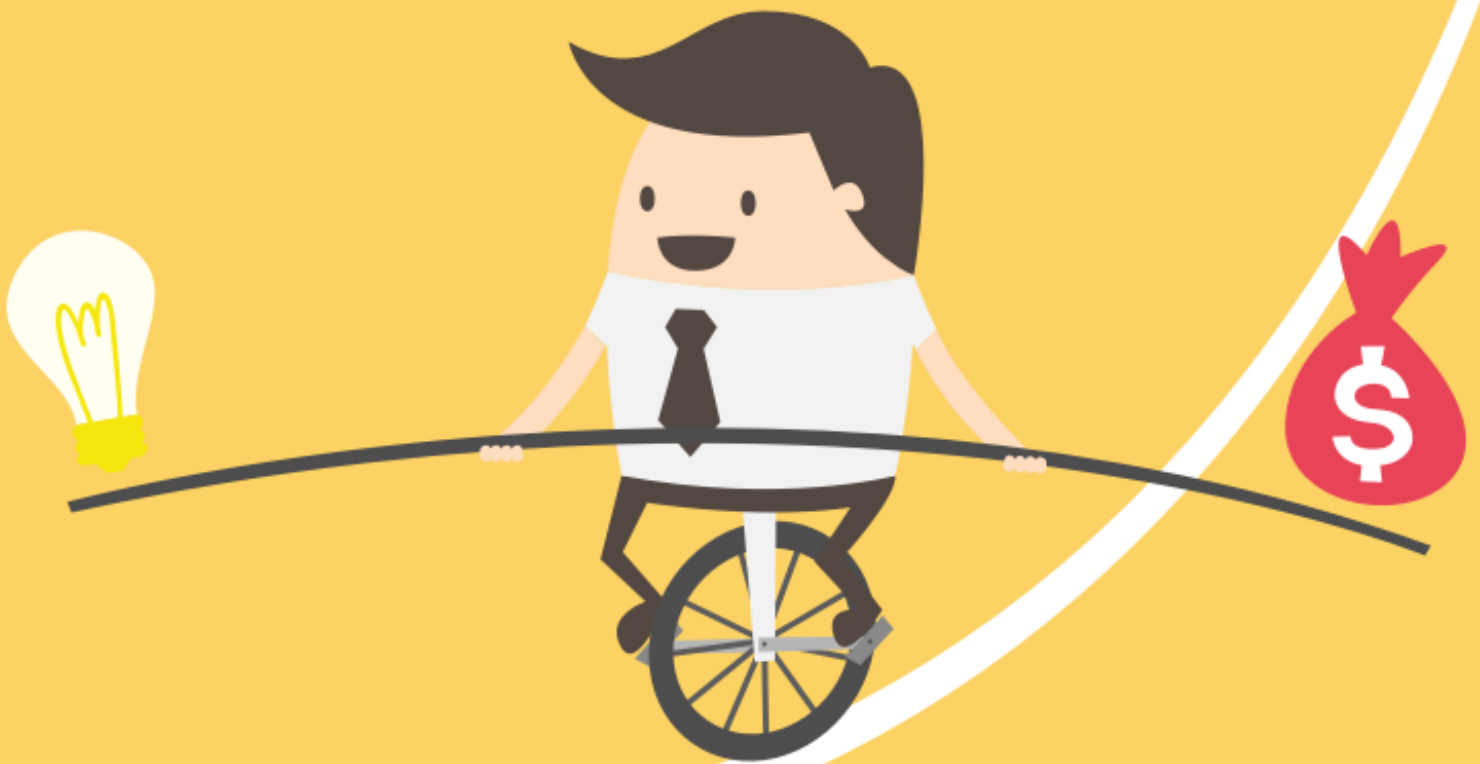


Legal Project Management is Change for the New Economic Reality



Carla Landry

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Introduction

It doesn't seem possible that project management in its modern form has only been around for six or seven decades. Today, it's not even the gold standard for the world's most profitable companies; it's business as usual.

Now law firms are faced with the same opportunity to apply project management techniques to how they serve their corporate clients. Clients certainly aren't complaining; in fact, they are insisting that law firms give them the level of transparency and accountability that project management tools deliver.

When a law firm provides its client with a quote, no matter that it was only an estimate, they expect the lawyers to strictly adhere to that figure. Otherwise what follows are difficult conversations, disgruntled clients, and, ultimately, write-offs that harm both the bottom line and the ongoing relationship.

Lawyers, regardless of budget, strive to achieve the best possible outcome for their clients. That much is clear. Keeping an eye on the budget is not incongruent with this goal. Firms can and should actively manage the delivery of their legal services. If partners expect their firms to profit and grow, as well as to manage client expectations and engender trust, legal project management (LPM) is the clear solution.

Nothing is more frustrating for top lawyers than wasting time mired in the weeds, doing things that are both a waste of energy and talent. Sure, the details matter...a lot. Clerical duties slip into any profession. And, of course, no attorney wants to spend hours doing work they can't justify billing. But when the matter is at stake, and things are threatening to go awry, professionals will do whatever it takes to get to the desired outcome. That's what good lawyers do.

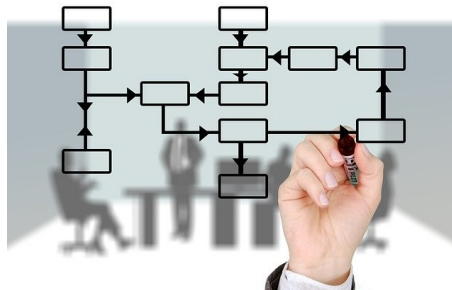
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The economic reality is clear, however: Firms are leaving significant dollars on the table. Even measured against worked (or agreed) rates – which are already discounted – collected realization rates hover below 90%.

Is that a good enough argument for change? It should be. Lawyers need to do more than get it done by any means necessary; rather, they need to manage effectively and execute flawlessly. The superstars who meet this benchmark are able to hone in on the scope, define the tasks, and determine a realistic schedule that aligns with client expectations.

Legal project management is the name of the game.

Make no mistake about it, though: LPM involves some shift in firm culture. Yes, you can press-apply an LPM solution, train a few key players, and never improve the bottom line, let alone deliver exceptional value to clients. Many firms have taken this half-step. Management 101 tells us that true change happens at the systemic level, though, through a reengineering of (1) the processes, (2) the supporting technology, and, of course, (3) the people and their behaviors.



What's the Big Deal About Processes

Project management, in its original iteration (in traditional business), featured quality, cost, and the rigid adherence to a schedule. Professionals are fine with the quality part of the equation. But most lawyers really did not sign on for the latter two.

So, how do you inspire your associates, let alone your partners, by saying, okay, this year we're going to minimize billable hours and strictly follow the plan? Of course, it's not going to happen like that.

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But you do need to get people on board, especially right now. Resistance occurs, in part, because LPM changes the way lawyers price the job, how they manage their matters, and, ultimately, how the work gets done. Nobody likes change.

It's clear why clients are increasingly demanding LPM. As work settles into its new post-pandemic normal, they will demand even more. In order to implement it effectively, however, you must think in terms of what LPM means for the firm. When done right, it promotes efficiency and effectiveness, allowing the firm to increase profits. These benefits are an easier sell than the features.

Still, how do you get there?

LPM requires some change. You're going to pull the change management levers of people, technology, and process in order to gain growth, efficiency, and effectiveness. If you recall Change Management 101, you need to invest in all three to get sustainable, systemic change in your firm. You can't simply buy the latest gee-whiz software (technology) and expect (people) to sustain meaningful change. Moreover, LPM is not a series of procedures accompanied by formulaic spreadsheets and templates.

So, let's start with process. But what exactly does that mean for LPM? Here are three principles you should keep in mind:

Avoid Paving Cow Paths

Too often, change is about taking bad processes and making them faster. The cows walk here? That's where the cars should go. That's not always the best solution. Yet it is frequently how change occurs. Take time to question how you've always done things. A candid discussion will foster buy-in among the people who are behind these processes and lead to better decision-making about the solutions.

Do not shortchange the process work by relying on old flowcharts and process diagrams, or, worse, borrow something that works for a similar organization. Your firm has its own unique set of challenges and circumstances, not to mention its own strategies and objectives.

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Link Process Objectives to LPM Initiatives

The processes that will impact LPM should be firmly linked to LPM objectives. This isn't merely a theoretical exercise; it should be part of an actual planning meeting. Prior to starting a single process initiative, define the problem you are trying to solve. The improvements made should benefit the organization as a whole, or, at the very least, not harm one department at the expense of another.

What happens if it's not clear to your constituents why process matters...if the steps suddenly seem too complicated? Then you've either failed to make your case or you are moving too quickly, maybe both. Milk the discussion for objections and treat opposing viewpoints with respect. When you reach a consensus, distill the benefits down to a single guiding principle: "We will improve our value-add to clients." "We will reduce our overall cost." The new economy demands a strong benefit.

Make Sure Someone Owns the Processes

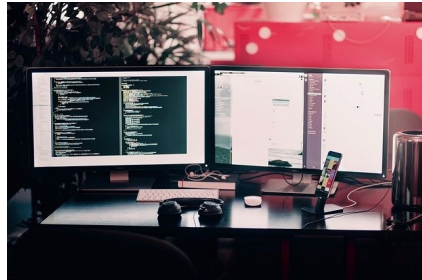
A capable somebody within the organization cares deeply about this process and understands its impact on the firm's viability. Assign that person the role of process owner. A process without an owner is like a boat without a rudder. The process owner must be able to identify where their actions intersect with others.

Although the process owner is not likely to be fully trained in process improvement or project management, they should be coachable. They must also have an organizational vantage point and be able to influence other areas outside of their span of control. The process owner provides a single point of contact for the legal project manager and holds the key to successful implementation.

What happens at the three-way intersection of process, technology, and people? Enhanced communications, delighted clients, and fewer collisions among the cows. These steps are geared toward overcoming any natural resistance to change and building a foundation upon which the firm can thrive. Given the right processes, executed in the right way, you'll see real improvement in your ROI.

If there was ever a time to do the things that make a significant difference to your bottom line, that opportunity presents itself now.

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Leveraging Your LPM Technology Spend

Technology is not the only answer. In fact, you don't even need technology as part of your legal project management initiative. But let's just say that carefully selected technology not only saves time, but allows lawyers to focus on... wait for it... the practice of law.

LPM, when it's embedded in the fabric of the firm, changes everything. Unstructured and ad-hoc systems become replicable and transparent. Byzantine and ad-hoc processes are overhauled. Clients, who demand efficiency, are satisfied. But it has to be done right. This means putting in place the people, processes and technology that support your initiative.

Let's focus on technology. Not brands and types; today we're technology agnostic. Rather, let's look at five success factors that will help make the most of your firm's technology spend.

1. Showcase the Value-Added

You're crushing your goals. You're exceeding your targets. You have gains from unlikely places. You have a story to tell. Look for LPM technologies that let you define, measure and track data and performance metrics that prove success. This means you'll need robust and flexible reporting capabilities.

Involve project teams and their clients, to the extent possible, in defining meaningful performance indicators and in the design of understandable report formats. All technology must support transparency, helping the project team to align with the clients' business objectives. As you demonstrate value, you'll build the critical buy-in needed to help your technology initiatives succeed.

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2. Define Realistic Goals

Since the 1980s, there has been a loud buzz surrounding technology-spurred productivity gains. In actuality, the [U.S. statistic](#) has grown by just 1.2 percent annually since the mid-2000s. Every gee-whiz technology is supposed to increase productivity. Ask how. Demand specifics from your technology vendors. Make sure you're measuring what you care about most. And then build your key performance metrics to capture this data.

Be realistic about what the technology actually delivers. If the solution is allowing attorneys more time to practice law, make sure you answer a key question your partners will have: How does this translate to the bottom line? If it doesn't, you'll need to reevaluate your technology selection.

3. Design a Dashboard for Busy Attorneys

The value of project management must be boldly communicated. One of the best ways to do this is via a well-designed dashboard. However, you should caution your technology vendors against the tendency to 'geek out.' This is not the place to put all the bells and whistles. Make sure that the LPM technology selected includes a user-friendly, customizable dashboard with plenty of white space. This allows practice group leaders and team managers data-based visibility into performance without having to crunch numbers or chase down busy project members.

Leaders and managers, of course, must take a primary role in defining what they want to see and how often they want to see it. Once they have clear evidence of LPM success, these leaders will become the biggest champions of your initiative.

4. Emphasize Collaboration

The work-from-home (WFH) reality is difficult for those who are unfamiliar with collaboration platforms. In addition to Skype and Zoom, law firm employees will need to collaborate on project management activities. Are you currently supporting internal and external collaboration for geographically-dispersed teams? Ensure that your project management platform makes it easy to share information. Not only will this create greater coordination among team members, the group will feel more cohesive.

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During these times of social distancing and WFH, it is particularly important to maintain the firm's culture and facilitate intergroup learning, so that project management becomes a way of life for the new normal.

5. Train for Operational Excellence

In the past, many practices achieved good success by either following the cow path or blazing a trail for each new matter. Others took a more structured approach with somewhat defined processes and systems. Both, however, missed out on the nuanced elements of optimized project management. That was before clients demanded more. Consider training both lawyers and staff to instill the operational discipline required to help LPM succeed. Your training should achieve the following:

- Everyone is on board and understands the importance of LPM
- Everyone understands their role and its contribution to the success of LPM
- Managers use KPIs and metrics to align their efforts with client objectives
- The firm's metrics encourage behaviors that deliver value
- There are well-defined resources in place to support transparency

Granted, not everyone is going to be a project manager. They don't have to be. But proper LPM training underscores the importance of providing value-added service to clients and cultivating operational excellence. The results can take a firm from good to great.

One final point: Want to ensure the adoption of new technology? Make it immediately salient by integrating it into the broader LPM initiative. There is no better way to help employees grasp the big picture.

Of course, technology without smart people and supporting processes simply will not deliver the productivity gains promised. You need all three.

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People and Legal Project Management

At the end of the day, LPM is about how people perform their jobs. Period. You can install some fancy new technologies and implement even more souped-up processes. But there is no LPM without people. If you're going to deliver value, you'll need to capture the hearts and minds of the people who comprise your firm.

Long gone are the days when employees did things just because you said so. And thankfully so. Because the more you engage your lawyers and your staff in the LPM initiative, the better your outcomes will be. LPM done right will transform your firm and yield a competitive advantage that surprises and delights your clients. In case I haven't said it strongly enough, LPM has the power to transform. But you'll need to tap into the power of the people.

Here are three areas that you can focus on to ensure that people — arguably, the most important element of transformational change — fully support the success of your LPM initiative.

1. Find sponsors who are committed to LPM

It's one thing to talk the talk. It's quite another to match your actions to your words. The most successful LPM initiatives have leaders who are vested in the project's success. Sponsors have an important role. Although they don't manage any part of the project, they help to create a climate where LPM can succeed. As such, your sponsor should be an executive committee member or come from the partnership ranks. If your sponsor already believes in LPM, great. If not, you'll need to present a strong business case... and keep presenting it until you have an evangelist.

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Identify your sponsor and meet with them early on. Encourage the sponsor to be involved as much as possible. Don't worry that it's too much. The most effective sponsors are already busy, so you must find ways to keep them engaged and involved. You want to make sure they don't lose interest or are distracted by other priorities. Invite your sponsor to speak at your project kick-off meeting, attend an occasional team gathering, or test run your training.

In order for a sponsor to be effective, they must be:

- Ready to use their significant influence to drive the right behaviors
- Able to either commit resources or persuade others to commit resources
- Eager to visibly and vocally support the efforts and achievements of the LPM team
- Available to resolve conflicts and advocate across departments when necessary

2. Ensure that rewards encourage the desired outcomes

If there is a mismatch between what your firm asks people to do and the actual outcomes, there's probably a very good reason. It's likely that the wrong behaviors are being rewarded. Sure, sometimes people do things that make no sense. And there are plenty of arguments that say that carrots and sticks don't actually work. But if you honestly examine the reward systems in your law firm, you will probably find that lawyers and staff generally do what they are incentivized to do.

In order to ensure that the rewards match the LPM outcomes, you'll want to clearly define your objectives in advance. Then ask both your team and your sponsors how best to encourage the necessary actions. Make sure that all of your systems are aligned to meet your goals. This includes how the firm rewards and promotes, as well as assigns matters.

Change the systems that need to be changed. Nothing is too sacred to ignore. And memorialize everything. If you are to realize the full benefits of LPM, you cannot rely on tribal memory. Neglecting to take these important steps may mean that any changes you make will be temporary at best.

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3. Train your people before time and just-in-time

If you expect LPM to become business-as-usual, you need to invest in training. There will be some heavily institutionalized habits to overcome. These habits exist at every level of the firm and they are part of the culture. You'll need to ensure that all of the people involved in LPM have bought into the goals and objectives of the initiative.

Of course, this includes project managers and leads. But it also includes other lawyers and staff who may play tangential roles. They may not need project management skills per se, but they do need to understand how LPM supports firm values, what it means to clients, and how the firm will attain success.

Do not train technical skills too far in advance. People may forget what they learned and never give LPM a fair chance. Some will never admit that they have forgotten how to do the thing or that they didn't get it the first time. If you need to, provide self-directed refresher training.

As mentioned, clients, if they were demanding before the economic downturn, will be even more demanding now. I've given you some tools to get started. There's no better time than the present.

One of the best things about LPM implementation is that it's easy to be transparent and honest about what it entails. Focus on your objectives. Clients will get what they want. Life will go on. It's important to demonstrate to people — your lawyers and staff — the way to succeed. It's a big job, but if you do it correctly, they will make it happen.

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About the Author



Carla Landry is a Senior Consultant with LawVision where she coaches legal teams on implementing legal project management and legal process improvement techniques into their matters. She leads the LawVision legal process improvement practice. Carla has spent over 25 years working in the legal industry, focused on helping lawyers manage their matters effectively and efficiently to enhance client relationships and improve financial performance. She was an Adjunct Faculty at the George Washington University teaching Economics and Profitability of Law Firms as part of master's program in law firm

management and is an Advisory Board Member of the Legal Project Management Institute. In addition to co-developing the first online e-learning course in legal project management, Carla developed two online e-learning courses for the Practising Law Institute (PLI), including a Telly Award winning one on process improvement and another on law firm profitability. Click [here](#) to read more or connect with her on [LinkedIn](#).

ABOUT LAWVISION: Through its legal project management (LPM) services, LawVision (www.lawvision.com) creates a competitive advantage for law firms and corporate legal departments to increase efficiency, improve profitability and reduce legal spend, as well as enhance client relationships. Over 5000 legal professionals in the US, Canada, Europe and Australia have engaged in LawVision's LPM training programs to learn the critical skills of LPM to minimize write-offs, enhance client satisfaction and manage teams.