



MANAGEMENT

LEGAL PROJECT



Staying power:

A Legal Project Management (LPM) update

Legal project management has been an unqualified success for many major law firms that have adopted it — but only because they have supported it from the top, built programs from the ground up, and stayed relentlessly focused on practical, real-world, lawyer-first training. Here are LPM success stories from across the United States.

By Pamela H. Woldow

Y*es, but will it last? Yes, but will it work in the long run?* These are the questions swirling over the head of the Legal Project Management (LPM) revolution.

LPM has emerged from its infancy and begun to both mature and move in new directions. Originally driven by the efforts of large law firms to satisfy major clients' demands for greater predictability, efficiency, and budgetary control, LPM now is evolving into new forms appropriate for smaller firms and a broader variety of clients, while continuing as a powerful tool in high-ticket U.S. and E.U. legal arenas.

Equally significant, LPM has become the focus of broadened interest from global firms and legal departments. For example, Australia's largest law firm, **Mallesons**, recently committed to firm-wide LPM implementation, the first Australian firm to do so.

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Some skeptics still question whether law firms can translate initial LPM rollout into the long-term fabric of firm operation and culture. "I hope we can do it," said one large-firm administrator, "but we are very big and well-established. Changing to firm-wide LPM will be like pulling the foundation from underneath a skyscraper and trying to insert another. Unless LPM produces significant benefits for us quickly, I'm afraid inertia will take over, and we will have spent a lot of time and money for nothing."

Questions remain at the individual partner level, as well. After one global firm provided — mandated, actually — LPM training for its partners, one of them got a call from an interested client. "Don't worry about all this LPM stuff," the partner reportedly said. "It's just the latest fad. You and I will do things as we always have, and this whole LPM thing will shrivel and die." Firm management was not pleased when the client reported this conversation.

TAKING IT TO THE NEXT LEVEL

We at Edge have watched closely as firms we've worked with and other first-adopters continue to build out their LPM programs. Some high-profile players deserve attention and, perhaps, emulation.

Nixon Peabody, for example, now is well along in firm-wide implementation of a streamlined, user-friendly LPM approach, called Nixon Peabody Project Management (NPPM). Rather than going with a full-immersion rollout, Nixon Peabody created a multi-office task force that participated in a pilot training program and used it to design a wider general awareness initiative. Following considerable design collaboration with its outside consultants and a second pilot training program, Nixon Peabody eventually took

internal control of LPM implementation, including developing bespoke program materials, work flow processes and templates.

McGuireWoods took a slightly different approach following a period of extensive expansion that included four major acquisitions, eight new offices in the U.S. and abroad, and a 30% increase in lawyer headcount. To maximize buy-in and "buzz," they first employed a tiered LPM general awareness initiative with firm management and office heads (and then with the practice group leaders) before training rank-and-file lawyers. In workshops in the U.S. and E.U., the firm trained partners and associates together to improve practical collaboration skills. In addition, at McGuireWoods, LPM has proved a powerful tool for building a cohesive culture as well as improving efficiency.

Similarly, **Sutherland**, a 425-lawyer Atlanta-based firm, first used general awareness presentations to senior lawyers to position LPM implementation. Training in the firm's five offices then emphasized pilot projects with a variety of client teams, rather than broad-scale general immersion. The firm reports solid success with implementing LPM using this bottom-up, rather than a top-down, approach.

Elsewhere, global law firm **Eversheds**, which for years has been a thought leader in large firm management and operation, is said to have invested \$20 million in an integrated set of LPM and account management practices that already have realized up to 35% in client savings over the last two years.

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DEVELOPING TECHNICAL TOOLS

Although LPM is not a software-driven discipline, it certainly benefits from support technology that helps integrate information and populate "dashboards" that help lawyers scope, plan, budget, monitor progress, monitor time and billing, communicate, and generate reports about project progress.

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Among the best is **Baker Donelson's** BakerManage system, a model of singular clarity, simplicity and utility. BakerManage serves as a one-stop information shop, neatly integrating project information, budgeting, team selection and communication in a format that echoes the classic project management activity sequence.

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A NOTABLE CASE STUDY: THE DECHERT EXPERIENCE

In 2009, global law firm **Dechert LLP** made a huge splash by offering basic LPM training to every partner in its U.S. and European offices, a major undertaking. I was retained to design and facilitate LPM training that included scores of workshops for hundreds of partners over an intense nine-month period. This full-immersion initiative started before Dechert had fully developed its LPM support infrastructure, process templates and budgeting software. Recently, I spoke with Dechert's two primary LPM champions to see how the firm's move into LPM adolescence and maturity was progressing.

Conversations with Ben Barnett, head of Dechert's Products Liability practice, and Colleen Nihill, Director of Legal Project Management, make

it clear that the firm's LPM efforts are continuing to gain traction, both internally and with clients.

"Clients are giving our LPM initiative a warm reception, and many are surprised and pleased at the extent of our commitment to LPM," Barnett said. "This is both because we showed that we understood the need to improve service delivery and because — unlike many other firms — we have continued to build an effective infrastructure to implement and deliver LPM."

Nihill said the firm is keenly aware that LPM is not just a matter of teaching LPM principles or terminology. Barnett added that this means producing tangible and objectively measurable outcomes: "We are showing that we can deliver realistic budgets, track where we are against budget, and provide reports that are meaningful to clients."

LPM ADOPTION AT DECHERT

Interestingly, while LPM has been adopted widely by such Dechert practice groups as antitrust, products liability and certain transactional areas, generally the firm is finding that LPM implementation is progressing more on a lawyer-by-lawyer basis than practice group by practice group.

"The good news is that we're seeing strong lawyer buy-in at all levels," said Nihill. "Our culture has shifted from understanding LPM principles to active use by an increasing number of our lawyers. Individual lawyers want to use LPM tools for better matter management. Partners want the methods that will let them communicate better with clients. Associates, to my surprise, are coming to me and asking how to create Gantt charts."

BUILDING UP AND BUILDING OUT

Since the 2009 rollout, Dechert has developed a sophisticated internal project management department, headed by Nihill, a former practicing lawyer. "It's clear that our lawyers respond better when trained and supported by LPM experts who have practiced law," she noted. "They want to know that our LPM processes and tools are being developed by people who've 'been there and done that.'"

The LPM section is positioned as a sub-department of Dechert's Finance Department. "Because LPM requires lots of financial information and analysis, it was most logical to house it there," said Barnett, "and we have assigned a dedicated analyst to LPM head financial analysis. This way, we're building an infrastructure that permits greater access to LPM-related information by our lawyers and practice groups."

AN EXPANDING TOOLKIT

Dechert also has progressed in developing new tools and templates to support LPM. It created what it calls the “Smart System,” which allows timekeepers to enter time using a single set of codes. Behind the scenes, the firm’s LPM software reclassifies time into the proper slots for particular clients and for the firm. “We found that resistance diminished when lawyers learned they can get contemporaneous time and billing reporting that helps them manage matters and provide current information to clients,” said Nihill.

The LPM department also has helped build task codes across the practice groups that reflect the type of work Dechert lawyers actually perform. The coding process started using ABA codes, but these have now been adapted to fit the work done and the type of information needed for budget forecasting.

LESSONS LEARNED

In many regards, Dechert’s experience with long-term LPM implementation mirrors what Edge has been advising other firms. In short:

1. LPM requires powerful champions and a highly visible commitment from firm leadership, both short-term and for the long run.
2. LPM should be defined in terms of the firm’s culture and strategy and designed with its clients and their priorities firmly in mind.
3. Implementation should be keyed to lawyers’ “right-now” needs – it must deliver immediate practical utility, or else it will not be adopted.
4. Training should go short on theory and long on hands-on practice; to accept LPM, lawyers need to see it in action.
5. Training must run in parallel with all other aspects of developing tools and infrastructure. One-and-done training, or LPM without adequate technical and staff support, are roads to failure.
6. LPM can and should be scaled to the group, team or project in which it will be used (for example, a short-cycle M&A transaction may require few task codes; a long-cycle litigation matter will need more planning, more granular information and more monitoring). One size does not fit all.

No matter how ambitious a firm’s vision for long-term LPM institutionalization, implementation should be approached incrementally. “You should not try to build a perfect system right off the bat,” said Barnett. “You can’t do everything and anticipate everything at the outset. Don’t bite off more than the firm — and its lawyers — can chew. Build something that works now, recognizing that you will probably be changing and redesigning almost everything as your LPM function matures.”

Asked, in light of its experience, whether Dechert should have done anything differently, Barnett responded instantly: “Yes. We should have started sooner.” •



Transformative innovation

Pamela Woldow has earned global recognition for her pioneering approaches to transforming today’s law firm-client relationships. Drawing on her deep expertise in Legal Project Management, Convergence Programs, Alternative Fee Arrangements, RFPs and law firm selection, Pam helps law firm lawyers work more profitably while also providing better value to clients, and she counsels corporate legal departments in containing costs and creating stronger alliances with outside counsel.

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