

Project Management

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Rethinking the Role of Technology in Legal Project Management

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In my legal project management (LPM) consulting work with both AmLaw 100 and smaller firms, I have encountered an increasing number of highly proficient nonlawyer technical professionals who feel, as one chief knowledge officer put it, “like I’m a prophet without honor in my own land.”

Whether the nonlawyer professional heads up the project management office, is director of information technology, chief information officer or chief knowledge officer, he or she may be thinking “I don’t get the respect I deserve” or “I don’t have a seat at the table.” The table referred to could be one of several including: the one at which senior firm management drives and responds to the fundamental changes reshaping the legal profession; the table at which multi-disciplinary operational teams are created and their members assigned various degrees of responsibility and authority; or the table at which the firm plans and budgets strategic initiatives dependent on technology.

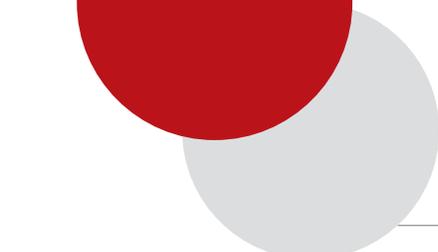
This problem does not reflect any inherent disrespect of nonlegal professionals by lawyers. I think firms appreciate that their technology professionals are, because of their expertise, indispensable. The challenges of implementing LPM, however, may mean that while a firm’s resident experts are respected, they may not be respected for the things that will earn them those seats at the table. Other nonlegal experts in law firms, such as COOs, CFOs and CMOs, are seen as business experts and important contributors to the immediate economic well-being of their firms. Technology experts may be accorded less clout if they are regarded as “just technicians” who are expert

in the details of information management but unsophisticated at understanding the strategic drivers of firm success. In other words, there may be a tendency to regard them as skilled implementers of technology support resources, rather than as technology experts who can help shape the firm’s future form and operations. If IT professionals are to earn greater respect and greater clout, they need to rebut these stereotypic judgments and help firms understand the value they can bring to strategic initiatives.

THE CHANGING LEGAL LANDSCAPE

Some legal technology experts may not understand why LPM has suddenly become such a hot trend and prominent issue. There may be others — perhaps experts certified in other forms of project management — who do not understand how LPM is different from the methods and systems they know so well.

Businesses facing economic pressures are demanding that their in-house legal departments control rampant legal costs and drive greater efficiency into legal service delivery. In response, chief legal officers and general counsel are hammering law firms to develop detailed budgets for client work, to work consistently within those budgets, to plan and manage their work efficiently, and to minimize unpleasant surprises. One way to do this is by moving away from time-based billing (*i.e.*, the billable hour) and toward value-based billing, which is pricing based on the deliverable and not the time spent delivering. This has popularized “alternative fee



arrangements” (AFAs), such as fixed and flat fees that cap the amount a firm agrees to charge for a matter and preclude firms from passing their operational inefficiencies through to the client. Firms agreeing to AFAs understand that if they don’t deliver on their AFAs’ pricing promises, their clients will take their business elsewhere. The challenge for firms, of course, is not only that they must deliver services at the agreed-upon price, but that they must perform services in a way that is profitable for the firm.

THE EMERGENCE OF LPM

In response to the AFA trend, legal project management became the hot topic almost overnight, because it promised a rational, consistent, controlled and measurable framework for scoping, planning, executing, monitoring and completing different kinds of legal work. Many project management professionals were understandably delighted at this trend, because it seemed to promise a demand for their expertise, the opportunity to gain a higher profile in firm planning and operation, and the opportunity to rub elbows at the table with executive management.

However, LPM is a different animal from other forms of project management. The skills and attitudes valuable in IT or manufacturing project management systems actually can be counterproductive in law firm settings. Yes, there are superficial similarities: LPM and “other PM” both encourage extensive planning before execution begins. Both draw on methods for executing tasks to clearly defined standards, using consistent approaches to produce uniformly excellent outcomes. Each has a distinct nomenclature.

Generally speaking, however, manufacturing project management is about continually improving repeatable processes — making sure that each widget meets rigorous standards and is just like every other widget. It tends to be highly mathematical, highly formulaic and extremely technical. Similarly, in IT, the project management charter and execution tends to be linear and has all participants moving toward a clearly defined goal. Certified project managers can spend thousands of hours learning the details and nuances of their discipline.

Legal project management differs in focus. The goal is to drive greater consistency and efficiency into decisions and judgments made by human beings in response to widely varying (and often intentionally hostile or obstructionist) circumstances. LPM recognizes that legal issues are not always precisely controllable and that legal goals are not always attainable, no matter how skilled the lawyers. In short, project management focuses on delivering invariant results; LPM focuses on delivering value as efficiently as possible under the circumstances.

Several law firms have downplayed this difference, believing that such project management methodologies

as Lean and Six Sigma will translate readily to law firms. Those firms employ professional project managers who work alongside lawyers to integrate project management constructs into the lawyers’ practice of law. In addition to adding another layer of overhead, many firms have concerns about how well this “piggy-back” approach will work outside of large portfolios of routine projects. And, interestingly, other firms have not followed suit, opting instead to train lawyers to efficiently manage matters.

My experience in training hundreds of large firm partners has been that lawyers, jealous of their independent thought, judgment and action, usually do not take gladly to “rigid” and “mechanistic” approaches to doing their work. In short, they think legal project management is the same as other types of project management, in that it will require a steep learning curve and will increase their workloads. Once they learn that LPM is, in fact, a flexible framework for managing legal tasks, they begin to appreciate its value, both in increasing efficiency and in providing business development leverage with clients clamoring for firms that can deliver LPM.

Unfortunately, many legal technology experts see LPM primarily as “a software issue,” a matter of buying, building or converting project management tools and “installing” them. They see technology as the “driver” of LPM, rather than as its facilitator. This recalls the utter failure of CRM, which was a case of the tail wagging the dog — or the technology wagging the lawyers. As we saw then, lawyers will shut the door on this mindset quickly and firmly.

UNLEARNING AND ADAPTING

Legal technologists need not act passively or resign themselves to a secondary role; however, those who really want a seat at the table would be wise to do the following three things: 1) walk a few miles in the shoes of the lawyers with whom they must collaborate to empower and implement LPM; 2) move from being an “authority” in a narrow technical discipline to being a supportive strategic player; and 3) make themselves as useful as possible to other LPM stakeholders by serving as a project booster and sponsor, and by positioning themselves as an instrumental player on the LPM project team.

Given their skills and knowledge, it certainly is appropriate for legal technology experts to lobby for a role on LPM planning teams. However, these requests should be accompanied by a clear indication of the type of support they can provide and, perhaps, a clear indication that they do not expect to lead the team. First and foremost, this support can include helping to identify measurable objectives and standards that help provide “evidence” for LPM’s value and ROI on the firm’s LPM investment. They can and should demonstrate how their capabilities can support LPM-related objectives (e.g., demonstrating how effective mining of data

in current billing systems can support LPM budgeting and monitoring). They also might seek roles on particular client teams — whether litigation or business — where they can help lay the groundwork for identifying practical, useful metrics and show how various forms of information capture can improve the team’s sophistication and flatten its learning curve.

Legal technologists can reposition themselves as essential contributors to the LPM implementation process, valued for more than just possessing technical expertise that no one else in the firm has. This repositioning process will help legal technologists redefine what it means to be “indispensable” at their firms. **ILTA**

PAMELA WOLDOW, Partner and General Counsel at Edge International, has earned a worldwide reputation — both among chief legal officers and law firms — for her expertise in optimizing the efficiency and cost effectiveness of the lawyer-client relationship. The ABA has designated her as a “Legal Rebel” — leading innovation in the practice of law. Pam has extensive experience managing legal departments and handling high-stakes litigation matters globally. Among her roles, she served as the Chief Counsel of the Pennsylvania Department of Insurance and as the Pennsylvania Deputy General Counsel, where she managed annual litigation budgets of over \$100 million and a large internal legal staff. She has also practiced in a major national law firm. Pam is a Certified Master Coach and counsels law firms and corporate legal departments. She can be reached at pwoldow@comcast.net.