It’s a New World – Use Legal Project Management to Conquer It!

Susan Raridon Lambreth, Principal, LawVision Group
Founder, Legal Project Management Institute

David A. Rueff, Shareholder and Legal Project Management Officer, Baker Donelson Bearman Caldwell & Berkowitz

What is Legal Project Management?

• A process for defining, planning, executing and evaluating matters / projects
• A more proactive, disciplined approach to the management of legal matters which includes application of specific knowledge, skills, tools, and techniques to achieve project objectives
• Underlying principle: effective communication and setting and meeting of expectations
Project Management: Key Elements

An Intersection of Disciplines
Trends Driving Law Firms to Use Project Management Approaches

• Changing client demands and expectations
  – Clients’ under pressure
  – Not sympathetic
  – PM widely used in companies

• Increasing competition for legal work
  – Opportunity for competitive advantage
  – Critical to compete for price sensitive work/against new business models

Changing profit equation in law firms
  – Must increase realization and/or matter profitability to survive
  – Caps, not AFAs, the problem/issue
  – Implementing controls

Better way to practice law
  – Ethical compliance
  – Clarification of expectations with the Client
  – Greater teamwork and collaboration
  – Better training/development
Key Elements

- Upfront discussion of client’s objectives / expectations
- Detailed “scoping” of the work – whether on an alternative fee or to align with project budget
- Breaking down the work into component parts to develop more accurate budgets and plans
- Development of budgets and management of the matter to the budgets
- More active management of the matter throughout
  - Enhanced project team communication
  - Enhanced client communications
- Dealing with scope changes throughout a matter
- End of matter debriefing / lessons learned

If Implemented Correctly, Legal Project Management Drives:

- Greater value to clients / increased client satisfaction
- Improved financial performance
- Greater collaboration and teamwork – within and across practices
- Better morale / esprit de corps
- Better training and development of your professionals
Benefits of Legal Project Management

Benefits to Firm / Team

• Improved profitability of matters
• Greater client satisfaction
• Increased revenues from clients
• Enhanced risk management
• Greater differentiation from competitors
• Greater consistency across offices
• Improved teamwork within project team

Benefits to Client

• Greater predictability
• Improved communication / “no surprises”
• A more managed approach to legal work
• On budget / on time
• Greater efficiencies
• Enhanced quality of the work / greater consistency

LawVision/Legal Project Management Institute Framework™:

Engaging
Evaluating and Closing
Planning
Executing

LPM Framework
Baker’s Solution - **BakerManage™**:

- **Patent pending** process

- BakerManage and the Firm’s implementation of LPM won the International Legal Technology Association (ILTA) *Project of the Year* award in August 2012


- Portions of the BakerManage Process are currently *incorporated in the ABA’s Legal Project Management* programs

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**BakerManage - Internal / External:**

![BakerManage Process Diagram](image-url)
BakerManage – Baker Donelson’s LPM Process

Legal Project Management Framework: Engaging Phase – The Start of the Matter

- **Activities & Processes**
  - Identify stakeholders
  - Set matter expectations and parameters
  - Establish initial objectives

- **Deliverables & Work Product**
  - Stakeholder analysis
  - High-level matter timeline / schedule
  - Scope of work agreement
Power / Interest Grid

- **Medium to High Importance**
  - **ELEVATED**
  - (must be satisfied)
  - **HIGH**
    - (watch / manage closely / communicate regularly)

- **Least Important**
  - **LOW**
  - (monitor / least effort required)
  - **GUARDED**
    - (consider / keep informed)

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Detailed Scope of Work (Project Charter)

- **Project / Matter Title**
- **Matter Definition and Brief Description**
  - **Objectives**
    - What are the client’s and the firm’s objectives? What is the client trying to do?
  - **Success Factors**
    - What are the criteria for determining matter success – from the client’s and the firm’s perspective?
- **Key Deliverables (both legal work and project deliverables)**
- **In-Scope and Out of Scope**
  - Outline the nature of the services to be provided to the client – the “in-scope” services and what is “out of scope”

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Detailed Scope of Work (Project Charter) (cont.)

- **Key Milestones and Dates**
- **High Level Estimate / Fee Arrangement**
  - Describe the agreed upon fee structure and billing arrangement whether fixed fee, hourly, etc. (include bonuses and penalties)
- **Key Resources**
  - List the key lawyers, other legal staff, and / or stakeholders that will be involved in the matter
- **Major Project Risks**
- **Assumptions and Constraints**
Legal Project Charter

A project charter describes what your project is and how you will approach it. It's a critical component of the project management initiation and planning phases, and you'll refer to it throughout the life of the project.

- **Purpose**
  - Reasons for undertaking the project
  - Outlines the project objectives
  - Defines the boundaries of the project
  - Puts the basic project concept into context
  - Serves as a reference of authority for the future of the project
  - Provides direction concerning the solution

- **Benefits**
  - Reduce confusion
  - Creates alignment
  - Articulates the assumptions and constraints

"It serves both as anchor, holding you to your objectives, and as navigator, guiding you through the milestones that will mark your progress."

Project Development Phase:

*Identify Client Needs and Create Project Plan*

**Project Budget:**

- Identifies original budget allocations by phase, task, timekeeper.
- Real time comparison by daily time entry.

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**Budget To Actuals**

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<tr>
<th>Task</th>
<th>Budget</th>
<th>To Bill MIP</th>
<th>Base Ant</th>
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Project Development Phase:
Identify Client Needs and Create Project Plan

Project Budget:

- **Set constraints** (not an AFA, but reasonable estimates for the engagement) - automated alerts to notify of pending budget overages;

- Provide **historical information** for more reliable estimates;

- Integration of **all costs related to a matter** (local counsel, expenses); and

- Phase / Task codes meet **E-Billing requirements**.

Communication Plan:

- **Reporting** has historically been the monthly bill and email correspondence, unless requested by in-house counsel. Communication can be improved with:
  - **Scheduled meetings** versus hap hazard conferences;
  - Publication of **billing guidelines**; and
  - Clarification of **reporting timelines and methods** (30 days or less).
Project Development Phase:
Identify Client Needs and Create Project Plan

Communication Plan:

- Client selection of extranet resources;
- Secure access to Project Plan, Schedule, Budget, Team Calendars and Matter Status; and
- Case Notes for matter updates.

Case Notes allows team members to summarize progress and to avoid duplication of work which can result from starts and stops in the engagement.
Legal Project Management Framework: Planning Phase – Planning the Work of the Matter

Activities & Processes
- Determine deliverables / work product
- Establish work assignments and other resources needed
- Determine budget
- Develop detailed matter schedule
- Perform risk assessment

Deliverables & Work Product
- Deliverable / work product list
- Work assignments (task plan)
- Approved budget
- Updated matter timeline
- Project plan

Elements of a Project / Matter Plan

- Schedule
  - Development of a work breakdown structure
- Resources plan
- Risk management plan
- Communications plan
- Budget
- Change management plan
**EXECUTION PHASE**

**IMPLEMENT CLIENT GOALS AND COMMUNICATE**

<table>
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<tr>
<th>MONITOR TASKS</th>
<th>TEAM MEETINGS</th>
<th>MONITOR SCHEDULE</th>
<th>CONTROL BUDGET</th>
<th>CONTROL SCOPE</th>
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*BakerManage – Baker Donelson’s LPM Process*
Project Execution Phase:
Implement Client Goals and Communicate

Matter Level Monitoring Information:
- General Information and Documents
- Matter Contacts and Stakeholders
- Matter Statement of Work

Monitor and report task status. Provide summary of case progress.

Track budget to actuals.
How do you get started?

- Identify the objectives for your initiative
- Identify the supporting framework
- Identify champions or first adopters
- Training
- Organization and support for implementation
- Sustaining the initiative
- How can technology help
Addressing the Tough Questions?

- My clients are not asking for budgets or planning, why do I need to do anything different?
- I provide the client with a budget, but they never ask me about it again? If I go over, I just explain the issue and they increase the budget. Why do I need to invest time in more planning?
- Do clients really expect me to use LPM? How are they using LPM?
- This takes way too much time - how do I bill my time for this?
- How do you address unknowns in the case such as opposing counsel’s strategy?

Using LPM to Develop Business

- Using LPM on a single matter to clarify expectations, confirm scope, develop a reliable budget and improve case management.
- Enhance responses to RFP by using LPM to more thoroughly evaluate the work.
- Using LPM to improve portfolio management and client communication.
- Using an LPM framework in the role of National Counsel.