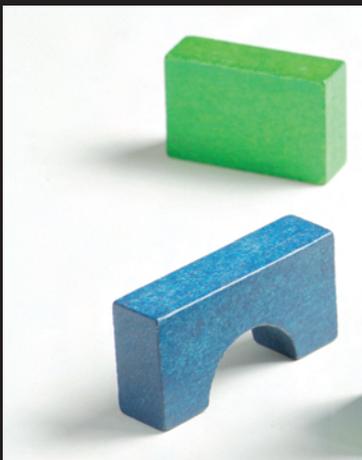


Project Management for Lawyers

BARBARA J. BOAKE AND RICK A. KATHURIA



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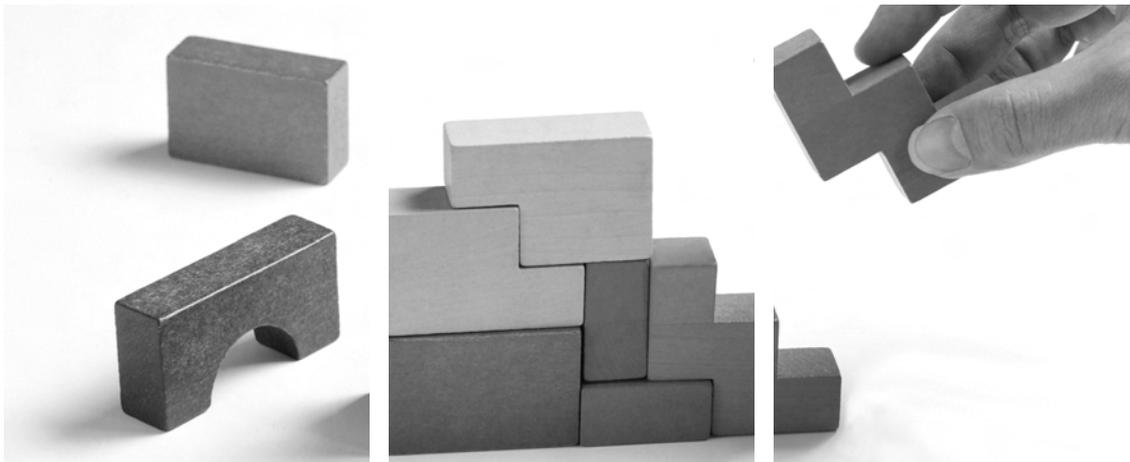
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Executive summary

DURING THE economic boom that began in the late 1990s, legal services were in high demand. Most large law firms were able to dictate the price for their services and the manner in which they would be delivered without much regard for their clients' business requirements. The credit crisis put an end to this dynamic and put the buyer back in the driver's seat. Although there are signs of economic recovery, this shift in the lawyer-client balance of power is unlikely to change.

Clients are now in a position to do something about the disparity they see between the cost of legal services and the value of those services to their business. General counsel – many of whom spent their formative years in private practice – are familiar with the systemic inefficiencies that can exist in law firms and are unwilling to accept the status quo. They are looking for better value, more efficiency and lower costs. They are no longer prepared to bear the entire economic risk of the cost of legal work that may or may not produce the expected results. Alternative fee arrangements are becoming more and more common.

For a profession built around time-based billing, this presents a tremendous challenge. It requires a fundamental change in the way legal work is priced and managed. It also presents a clear opportunity for law firms or legal departments willing to invest in legal project management.

Legal project management provides a structured approach to planning, pricing

and managing legal work that will bring a law firm's service delivery model in line with the changing expectations of its clients. It is a framework that allows lawyers to provide more reliable fee estimates, better matter management and improved matter profitability. In a highly-competitive, fixed-fee environment that is becoming the 'new normal', legal project management can be a law firm's lifeline.

This report is a practical guide for leaders of law firms and legal departments, who are considering legal project management as a way to deliver better value to their clients. It is also a useful handbook for individual lawyers who wish to improve their budgeting, planning and matter management skills.

Part One of the report will:

- Demonstrate the value of applying project management to a legal practice;
- Explain basic project management principles;
- Provide a simple legal project management framework;
- Describe tools and techniques to support the framework;
- Discuss legal project management as a pricing strategy; and
- Share practical advice on how to develop and implement a legal project management programme in a law firm or legal department.

As with any new initiative that requires a significant investment of resources, a

business case for legal project management must be made. Chapter 1 discusses the value of legal project management in the changing legal market. The misalignment between the way law firms have traditionally worked and the way clients run their businesses will become clear. The increasing size and sophistication of in-house legal departments, the growth of legal outsourcing and the increasing popularity of alternative fee arrangements have had a significant impact on the sustainability of the full-service law firm model. These market factors are discussed in detail and a compelling business case for legal project management is made.

Project management is a well-developed discipline that uses a wide variety of complex tools and techniques. The key to introducing project management to lawyers is to adopt only those principles that are simple and useful enough to be embraced by a practising lawyer. Chapter 2 describes the basic project management principles upon which the report's legal project management framework is based. The triple constraints of scope, time and cost that are common to all projects are examined. The project life cycle is explained and the five key project management processes are identified.

The project management principles discussed in Chapter 2 are incorporated into a simple legal project management framework in Chapter 3. The framework begins with the proposition that legal mandates are projects and can be managed accordingly. Lawyers are now expected to accept a dual responsibility for performing the legal work and managing the work within a budget. A legal project management framework provides a context within which this dual role can be performed.

The framework divides a legal matter into its component project parts (as opposed to its substantive legal parts) as follows:

- Define;
- Plan;
- Monitor; and
- Evaluate.

Each component of the legal project management framework is discussed in detail in chapters 4, 5, 6, 7 and 8. In addition, the legal project management skills, tools and techniques that support this framework are described.

The application of legal project management to pricing strategies is discussed in Chapter 9, including ways that it can contribute to overall firm profitability.

After the legal project management framework has been fully explained, guidance is provided in Chapter 10 on how to design and implement a legal project management programme in a law firm or legal department. Understanding that each firm will have its unique culture, the report provides practical advice on setting objectives, finding the right resources and managing change.

The case studies found in Part Two of this report provide examples of US, UK and Canadian law firms that have designed and implemented legal project management programmes successfully in their organisations. A case study from a large international financial institution is featured to provide a client's perspective on the value of legal project management and the way in which it will become the new standard for all law firms with whom it deals worldwide.

About the authors



THIS REPORT is a compilation of knowledge, best practices and lessons learned by two individuals with different but complementary backgrounds.

Barbara Boake is a senior partner at McCarthy Tétrault LLP, practising in the areas of bankruptcy, insolvency and restructuring. With over 20 years of practice experience and having served on her firm's board of partners and its executive team, Barbara was named one of the 'Top 100 Most Powerful Women' in Canada by the Women's Executive Network. While a member of her firm's executive team she was responsible for leading the development and implementation of the firm's 'Dialogue Project Management™' programme. Barbara speaks regularly on all aspects of project management for the legal profession.



Rick Kathuria is a professional engineer, certified management consultant and a certified project management professional with over 15 years of experience working on large international projects at top tier consulting firms, before starting his own consulting firm. His projects included managing multimillion dollar projects internationally, as well as the implementation of internal project management offices for several of his clients. He also serves in a leadership role in operating the Project Management Institute's 'Legal Project Management Community of Practice'. He has been working with McCarthy Tétrault LLP as head of its IT development group and director of its project management office,

where he oversees major implementation projects. He has spent the last few years working with senior partners of the firm to develop project management training and he designed the tools that they are currently using. In this capacity, he was also responsible for delivering training to lawyers and providing ongoing coaching to help them effectively project manage their legal mandates.

Both authors began with a blank slate and created a legal project management programme that is changing the way the firm's lawyers plan, price and deliver legal work. This report is a guide through this challenging, but very rewarding process.

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