

In the rear-view mirror: IWR-Camp 2020

Attorney Marion Ehmann, LL.M. (Stockholm) *

Legal Project Management in the focus of the 1st IWR camp

The key question came at the end: "The biggest problem for us is implementing what we have learned here. Do you have any tips for us?" I do. But first of all:

I. What is Legal Project Management (LPM) and why is it important?

It is about the application of tried and tested project management tools to legal cases.¹ Every matter is a project,² whereby simple questions fall below the de minimis threshold. The trick is to choose tools that are suitable for legal work and that add value for clients and lawyers. Because the purpose of LPM is to support lawyers with two success factors: 1. Better services for clients and 2. Healthy finances and firm structures.³

The main driving force is client demands for cost reductions and more predictable costs. This means that legal advice today is often provided after a prior cost estimate (which clients often consider binding) or at fixed prices. This brings the efficiency of legal work into focus. Only those who work efficiently and organise matter processing accordingly can continue to operate profitably with the desired client satisfaction.

Today, clients also expect us lawyers to try harder to understand their business, communicate better and adapt the scope of legal advice more to the respective risk. The sigh of a company lawyer "I want a garden shed and get a dam" has been heard.

There are further driving forces such as the development of technologies that can already now use machine learning to carry out simpler legal activities such as checking documents. And finally, there are the demands of young lawyers for better planning and compatibility of the legal profession with family and private interests. The fact that a lot can be achieved here with better project management has been shown e.g. by the 40-hour associate model introduced by Linklaters.

II. What tools are there?

The LPM toolbox contains useful methods for all areas of law and for large and small projects. The complexity and scope of the legal project determine which tools are used. The starting point is the division into five project phases: initiation, planning, implementation, delivery and evaluation.⁴

In the initiation phase, it is important to understand what clients need, what makes them "tick" and to agree the scope of the project in dialogue between lawyer and client. Tools are e.g. active listening and

* Professional Certified Coach (ICF) and Legal Project Practitioner (IILPM)

¹ Steven B. Levy, Legal Project Management: Control Costs, Meet Schedules, Manage Risks, and Maintain Sanity, 2009, p. 42.

² Steven B. Levy, Legal Project Management Field Guide, 2014, p. 14.

³ Jim Hassett, Legal Project Management, Pricing and Alternative Fee Arrangements, 2013, p. 1.

⁴ See Pamela H. Woldow / Douglas B. Richardson, Legal Project Management in One Hour for Lawyers, 2013.

high-value questions to explore clients' goals. This also includes prioritisation aids and tools for analysing stakeholders. This phase ends with the project charter, which contains key information about the project. The document keeps everyone who is involved on track and helps prevent the dreaded scope creep (the undiscovered and often unpaid expansion of the matter's scope)⁵.

The work breakdown structure⁶ is important in the planning phase. The name says it all: It's about breaking down a project into its units - the individual tasks. Risk analysis is also important. This is where essential information on certain risks is summarised and mitigation measures, responsibilities and decisions are recorded.

The implementation phase is about good leadership of the project team, effective information dissemination and coordination, and cost control. You can also use agile project tools here. Agile tools are useful when the goal of the project is unclear or when the framework conditions can change quickly, as is often the case with complex negotiations.⁷ Agile tools allow you to react quickly and flexibly to changes. In particular, Kanban boards and stand-ups, i.e. time-effective coordination at short intervals, have proven themselves valuable in legal projects.

The delivery phase is about presenting the result of the legal analysis and documenting it in a client-friendly manner.

The fifth project phase⁸ is aimed at deepening client loyalty and improving client services. The gold standard is an evaluation of the project with regard to three points: 1. Key figures of the project, 2. Client satisfaction and 3. Knowledge gained⁹ in the project team. Unfortunately, this phase is often neglected, be it due to lack of time, fear of the outcome of the evaluation or because it cannot be billed. This means that opportunities for stronger client loyalty and an improvement in one's own working methods and quality of legal advice are unnecessarily wasted. Lawyers and law firms that systematically evaluate their important projects can easily stand out from the competition.

III. What do law firms get out of LPM?

Law firms that have made sustainable investments in LPM initiatives have, among other things, noted the following improvements:

- The firm is better able to meet client demands for lower and more predictable costs;
- Higher efficiency leads to less write-offs and higher profitability;
- Improved risk management;
- Fewer surprises and last-minute work leads to less stress and mistakes;
- Clients are more committed to the project and understand their own contribution to success better;
- Team members are more motivated, have a steeper learning curve and a better work-life balance;
- Partners and project managers experience better legwork from their teams and thus have more time for other things, e.g. law firm development and acquisition.

⁵ The language of project management is strongly influenced by Anglicisms. I use them when they are clearer or more vivid than the German counterpart and explain them in German.

⁶ German: Project structure plan, cf. Fn. 5.

⁷ Jim Hassett / Ed Burke, Project Management: Why the Agile Approach Is So Important to Law Firms, Of Counsel, October 2017, 6-9.

⁸ The 4-phase reference framework of the International Institute of Legal Project Management (https://www.iilpm.com/wp-content/uploads/2020/01/IILPM-LPM-Framework-German-Version_2020.png) speaks of Definition, planning, implementation and completion. The evaluation is part of the fourth phase there. However, I am of the opinion that the evaluation is so important that it deserves its own project phase.

⁹ The terms gained knowledge or lessons learned focus on learning together. The alternatively used term post-mortem should in my opinion be avoided. Who would want to associate their own project with a corpse?

IV. What are my tips for implementing LPM?

- Choose the learning method that suits you: books, online courses or face-to-face courses such as the IWR camp. Face-to-face courses have the advantage that you can exchange ideas with other lawyers.
- Set yourself specific goals for your project management using the SMART method, i.e. Goals that are **s**pecific, **m**easurable, **a**tttractive, **r**ealistic and **t**ime-bound. Don't set your goals too high. Instead, rely on many small steps that you actually take.
- Reward yourself. Intrinsic motivational factors are most effective. Perhaps you find that with the methods of LPM you have a more independent team, better legwork or less stress? Until these effects become noticeable, try working with external rewards, perhaps a good bottle of wine, your favourite meal or an afternoon off?
- Get support from e.g. colleagues, mentors or a professional coach.
- Find allies in your law firm and develop strategies together to convince your colleagues of LPM as a working method.

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