

Project Management Matters

A couple of years ago, Bill Payne of Dorsey & Whitney LLP invited me to come to Minneapolis on two weekends in mid-winter. Not for a retreat or winter sports, but to meet with partners in their office on Saturdays. Payne was then the head of the M&A Group and he explained: “We do a lot of mid-market deals, many with similar dynamics, documents and time pressures. Yet, each deal seems to be run like we were starting from scratch. We reinvent the wheel. We do wonderful individual work, sometimes under crisis conditions, but we don’t seem to pull together as a team.” He wanted more teamwork, more project planning, and more learning from each deal. I jumped at the chance to facilitate the partners’ discussions. Any firm that values matter management to this degree must be serious.

The field of Project Management is well established, but has been making slow progress in law practice. There is a professional credential (PMP), but you’re unlikely to see those letters beside J.D. In law firms, we even prefer to rename it as “case management” or “matter management.” As my experience with Dorsey & Whitney and other firms has proven, it is past time for lawyers to fully embrace project management. And profitable, I dare say.

A project is “a temporary endeavor, undertaken to create a unique product, service, or result.” In law firms, the definition fits best for result-oriented matters involving teams: a deal to be closed in 60 days; a case with a trial date in nine months. Law firms manage these cases, but with project management steps and tools, they could manage much better. I will review seven steps in one system of project management to illustrate the possibilities.

1. Define clear project objectives.

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These are the client’s goals, translated to your team as work products, strategies, and desired results. The best project managers start with the end point — the desired outcome. Then they do reverse planning. The trial lawyer begins by outlining the final argument to the court. The transactional lawyer starts with the deal’s closing agenda and document list. The stated objectives may include strategic alternatives: a bidding process instead of a straight sale of assets. Both are described and planned for. Above all, a project leader should assemble the team and explain the objectives at the beginning.

2. The plan: structure and schedule the project.

Although lawyers do a decent job of listing necessary work products or procedural deadlines, they fail to take advantage of some excellent project management tools. A PERT chart, for example, lists all tasks that have to be coordinated along a timeline. A GANTT chart, a standard tool in engineering and construction, shows a critical path

and the impact of missed deadlines when aiming for a result. GANTT charts also show personnel, input of resources like specialist attorneys, and completion milestones. These can be manually completed or written in planning software. These tools, well known to your own IT Department, are underutilized by lawyers.

3. Set up a risk management process.

From the firm's past experience, you know some things that can go wrong. What process do you have for preventing those problems or handling them if they do occur? In a transaction, what is your process for keeping the takeover target confidential? What is your staffing plan if the associate most familiar with the deposition evidence leaves the firm? A good project manager has a process for "plan B."

4. Review your plan assumptions.

This is a daily and weekly step. Looking back at our plan, will our assumptions hold? Can the depositions be completed as scheduled or will we need to drop less important witnesses? Why are we running above the fee budget at this stage and how will we adjust? Obviously, you need to have a strong plan to begin with, but this review step helps you to backfill gaps in the original plan.

5. Manage the project resources.

This step involves a whole set of core skills that more firms are paying attention to: delegation, feedback, team leadership, motivating others, and "managing up" to a partner or client. We are seeing a significant demand for training midlevel associates and partners in these skills. The need will only increase as clients ask us to move away from billable hours to discounts, capped fees, and project fees. The financial incentive may hasten the use of project management tools in firms. Since our main resource is a leveraged group of professionals, the challenge is to get the work done at the appropriate level, without hurting quality or timelines. Other professional services firms have been working on project fees for years and are very profitable. Law firms should be getting ahead of this client demand, not just managing "as always" at reduced net revenues.

6. Establish controls.

The most common controls require the project manager to get internal reports, set up regular communications, and establish protocols. Examples include: weekly time and expense reports from your finance people; short weekly team meetings with a standard agenda; updated issue lists; and protocols for numbering and disposing of draft documents. Good controls mean fewer risks and surprises in projects.

7. Learn from the completed project.

This is probably the most neglected step in law practice. We don't take the time to learn from each project and capture that learning. Law firm fee structures are partly to blame. In our advice to firms, we show team leaders how to overcome that deficiency. They can insist on something as simple as a 60-90 minute debriefing when the deal or the litigation is completed. The firm's knowledge management banks, team learning, and strategic thinking for future matters will all benefit.

Conclusion

If you want project management to come of age in your firm, what has to happen? First, you need a senior leader, like a Bill Payne, to champion it. Second, you need to assemble the pieces that you already have (lists, procedures, protocols, etc.) And finally, you may need outside expertise to write manuals, set up systems, and train partners and senior associates in best practices. To continue to ignore project management is to continue lost profits — in both revenues and human capital.