

## Legal Project Management: Have You Noticed Your Profits?

By [Carla Landry](#) on February 21, 2022

Legal project management is all about improving your outcomes. Many firms have an enviable client roster, a strong track record, and deep practice expertise. But competition today is not so much about a stellar reputation and world-class ranking. It's about breaking down some ineffective habits and replacing them with systems that work.

Like it or not, there are an increasing number of people who would love to have just a piece of your practice. In an increasingly competitive legal environment, some of the things that matter most are the things we fail to notice. Yet it is precisely the little things that can add up to big improvements over time.

Recall that in Part I of this series, Chris Nikic became the first person with Downs syndrome to finish an Ironman. He did it by following a system of 1% better every day, one that was outlined by James Clear, the author of the bestseller [Atomic Habits: An Easy and Proven Way to Build Good Habits and Break Bad Ones](#).

Clear says that there are four stages of habit formation. They are: noticing, wanting, doing, and liking. Noticing, which is the first step, may seem simple enough. But it's not really.

### Noticing the Clear Way

According to [Deepak Chopra](#), "You cannot change what you are not aware of." The alternative medicine expert goes on to say that noticing, as random as it seems, is anything but. "We notice the things we're looking for," he says. That explains a lot when it comes to legal project management.

In order to do things better, we have to look for the things that aren't working. Once we look for them, we'll probably see them. But why is it so difficult to notice that things have gone wrong until after the fact? You can probably chalk it up to a concept often associated with the financial world called lagging indicators.

There are all kinds of lagging indicators in our lives. A poor diet may raise your cholesterol. Smoking can damage your lungs. The inability to get rid of things can lead to a cluttered garage. There are lagging indicators in the world, as well, like the unemployment rate, which is a lagging indicator of economic decline. When the profit margins tank at a law firm, it's often a lagging indicator of a struggling practice.

What does it take to notice that things aren't working *before* a lagging indicator smacks you upside the head? One way to notice is by tracking. Put those goal-aligned metrics in place and make sure you hit the numbers. You need a system to determine, not only what you track, but how it's measured. Nikic, for example, tracked his Ironman training with a large whiteboard. It doesn't have to be fancy.

### Tracking alone is not enough, however.

This may be where you might think motivation comes in. But motivation must come from somewhere. It doesn't just magically appear. Nor is it a feat of sheer will or something inspired by a large bonus. According to Clear, you need intention. Intention involves putting together a plan that gets you to the when, where and how. This essentially takes the decision-making out of it. Once you make it easier to achieve the good behaviors and more difficult to continue with the

bad, the plan becomes easier to execute. You have to try hard to make bad decisions in a good environment.

LPM is that good environment. It frees you and your team up to practice law. Lawyers can look out over the horizon, build contingency plans, and ensure that they are appropriately managing risk. They can spend their valuable time at best and highest use, not on reinventing the wheel or jerry-rigging inefficient processes.

There is little rote decision-making when you have a system like LPM. When lawyers follow the process, they get better outcomes. How about goals? Sure, you still need them. Remember, however, that your competitors may have identical goals. Yes, goals set a direction and clarify what you want to achieve. But systems move your practice ahead.

Clear says it best: “You do not rise to the level of your goals. You fall to the level of your systems.” This is true whether or not you consider operational excellence within your wheelhouse. That doesn’t mean that you shouldn’t continue to invest in the culture that makes your firm unique. But, you still need systems. It’s the way of the world today.

### **LPM Firms Notice Fewer Write-offs**

Here’s what we’ve seen in many firms that have implemented LPM: they notice that their profits have increased and the number of write-offs has decreased. They may also notice that clients are pleased and eager to continue to work with them and to provide referrals.

At the start of this article, we mentioned that there are four steps in the Clear method of atomic habit formation: noticing, wanting, doing and liking. If you missed Part 1 of the series, you can read it [here](#). In the next article, we’ll continue discussing atomic habits.