

Legal Project Management: You Can't Fake It Anymore (Part 2) – Service Delivery as Part of Strategy and Differentiation

By Susan Raridon Lambreth on February 5, 2018

Virtually every article kicking off 2018 has talked about the "new" world that law firms are facing: more work going to inhouse counsel and alternative legal service providers (or ALSPs), increasing pressures on law firms to provide price certainty, predictability and transparency, changing technologies that will affect legal services, and the need for greater innovation. Along with all these pressures, legal project management is now mentioned in virtually every publication for lawyers. In his recent article, "Six things modern GCs really want from their law firms", Steven Walker stated "legal project management (LPM) has long since ceased to be a marketing buzz word, optional extra or throwaway requirement in an RFP... GCs want, and expect, law firms to have integrated LPM into service delivery for complex projects." LPM has evolved from a topic occasionally mentioned to a foundational approach to how legal work is being handled.

Ultimately, many lawyers are discovering that one of the best ways to improve client relationships, enhance the efficiency of their work and increase teamwork and collaboration is with the use of LPM approaches. Many examples of these will be discussed this week at <u>Project Management for Lawyers</u> by Practising Law Institute.** Over the past 8 years of cochairing this program, the audience has consistently exceeded 350 attendees year after year. However, the big change has been in the makeup of the audience. For many years, it was about 55% law firms and about 40% in-house lawyers (and 5% others). Last year, almost 55% of the audience was in-house lawyers. When the audience was asked what motivated them to start their project management efforts, 28% indicated it was client or company expectations. The expectations to manage work with LPM approaches is becoming the standard.

Mark Cohen, who regularly writes about changes in legal services, penned an interesting article published in Forbes on January 2nd titled, "Differentiation in the New Legal Marketplace and Why It Matters." In the article, he quoted from a conversation with Steve Immelt, CEO of Hogan Lovells. Steve "divided differentiation into three parts: (1) practice – differentiated expertise, skills, and judgment; (2) delivery capability— the effective deployment of legal expertise, technology, and process to solve client challenges; and (3) customer satisfaction—achieving results and providing an excellent consumer experience that promotes trust. Steve noted that practice differentiation is shrinking and largely confined to 'bet the company' matters. That means a firm's unsupported claims of 'elite legal talent and top-notch legal work'—without more—will no longer cut it. For firms to be competitive, they must also possess—or collaborate with-legal operations teams that provide transparent, efficient, real-time accessible, cost-effective, price-predictable, expert legal delivery capability." It is this service delivery differentiation that has become a part of the strategy of many firms that are leaders in LPM. Their firm management and leaders of their LPM initiatives recognize that differentiation is more than a function of your practice mix, your geographic footprint and the quality of your lawyers.

Virtually every client interview and panel of in-house counsel stresses that they believe there are more than ample quality lawyers to choose from. Most recently at <u>Thomson Reuters' Marketing Partner Forum</u>, a panel of four in-house counsel said exactly this during their session "A Law Firm Performance Report Card." The distinguishing factor for much of their work is HOW the work will be handled – how much efficiency, transparency, consistency and value add will the firm's approach provide the client. That is their goal – LPM is the path to the goal.

Service delivery as a differentiator can take many forms. Service delivery - how firms deliver service to their clients



involves the way they price, manage and deliver the work. It involves how they communicate with their clients and about the matter. It involves *client service*. Last year, Ron Friedmann wrote in his blog <u>Prism Legal</u>, "Law firm management needs to think more about their clients. Right now, they expend more energy on boosting profitability with inward measures than they do on client service. That cannot be sustainable. Protecting long-term profitability requires focusing on clients, specifically better service delivery and value." Whether this includes artificial intelligence, new staffing models, LPM, process improvement or other approaches, changing the historic service delivery models to meet the clients' objectives of greater efficiency, transparency, consistency and predictability, while still maintaining high quality, should be a key part of every legal organization's strategy.

** If your firm or legal department are subscribers to PLI, there is no cost to attend <u>Project Management for Lawyers</u> on 2/7/18 (live in NYC or a group webcast site or from your computer at your desk) but you do need to register.