

Promoting a Culture of Efficiency via Law Firm Talent Strategy

By LawVision on August 13, 2013

In her most recent LawVision Insights blog, Carla Landry addressed the excellent question of whether "Being efficient means your work becomes a commodity." Her answer? "Sort of." According to Carla, part, but not all, of a lawyer's work is recognized to be commodity work through a Legal Process Improvement (LPI) initiative. That's not necessarily a bad thing. As Carla noted, clients have already decided they will not pay premium or standard rates for what they view as commodity or routine work. If LPI is employed, then lawyers can identify those pieces of a matter that are routine and reduce the cost of delivering those services, thereby reducing the squeeze on profits. Those commodity services or routine aspects of a matter are streamlined, outsourced, replaced with supporting technology, sourced back to the client, or eliminated completely. What remains are the unique aspects of the matter that are viewed by the client as high-value and far less fee-sensitive.

So what are the implications of LPI for talent strategy development? First, it's important to keep in mind that the ultimate objective of developing a culture of efficiency is to reduce the overall cost of the delivery of the service. As such, it's not necessarily about speed (although improving efficiencies in that way are helpful too), but rather about sourcing. So how can law firms promote a culture of efficiency thru their talent management? Let's examine this concept via three lenses (and a series of three corresponding blogs):

- Attracting talent (today's topic),
- Developing talent, and
- Retaining talent.

Attracting Talent

In terms of recruitment, law firms interested in promoting a culture of efficiency will need to think differently about the kind of talent they need. The talent profile of an individual who excels in a culture of efficiency is different from someone who functions well in a more traditional firm setting because they are more adept at thinking outside of the traditional billable model. Firms that are successful in promoting a culture of efficiency recognize that they will need different types of talent in new and different roles in the future than they have needed in the past.

What are the new skill sets that some efficient law firms are already trying to attract? Firms promoting a culture of efficiency are increasingly looking for experiences with project management, pricing, six-sigma and/or process improvement. The increasing trend to hire pricing experts and practice group administrators is indicative of this trend. According to <u>Keith Maziarek</u>, Senior Project Manager of Pricing and Strategic Initiatives at DLA Piper:

We have realized great value in supplementing our lawyers' practices with professionals and technology that truly maximize the value of our services for all parties. Our lawyers need to practice law, and while we certainly coach them on the benefits of strategic pricing, performance metrics and project management, we recognize that they simply can't



do all these things as effectively as possible in addition to providing substantive legal advice. As a result, it makes the most economic sense for us to provide sophisticated business resources with the requisite skill sets and tools to contribute expertise in these disciplines that ensures every aspect of our engagement methodology is optimized. It's a separation of labor model that is closely synthesized to deliver efficiency and maximize value for both the client and the firm.

As a result, law schools may no longer be the best resources for recruiting all future client-facing talent. Until law schools expand their traditional teaching methods to include more skills-based and technical programs, which is slowly happening, law firms interested in promoting a culture of efficiency will need to consider less-traditional recruiting sources. New skill sets may be better sourced from MBA programs and colleges of professional studies like George Washington's Master of Professional Studies Graduate Certificate in Law Firm Management. Law firms may also consider relying more heavily on their paralegal programs as they continue to identify and manage the routine and commoditized legal work traditionally handled by associates. Consulting, corporate, entrepreneurial and sales organizations may also be ripe recruiting grounds for new talent. In addition to recruiting new talent, it is also essential that firms provide support, coaching and training to the existing lawyers responsible for matters and the new hires mentioned above. Unless they learn to "speak the same language" in terms of efficiencies and processes, firms run the risk of institutional disconnect. We'll address this concept in further detail in the next blog.

Talent strategy must work in concert with work processes and overhead models to maximize overall firm impact. In order for law firm talent strategy to successfully promote a culture of efficiency, it must include a holistic view of attracting, retaining and developing talent. Future blogs will address the crucial *development* and *retention* aspects of a talent strategy development in greater depth. Stay tuned.