

Legal Project Management

Clients expect it...but are you delivering?

Commissioned by:

KinchRobinson
Training for lawyers 

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Executive summary

The market for delivery of legal services is experiencing a period of rapid change, already well underway but now turbocharged by the response to COVID-19 and the introduction of remote working practices on a truly global scale.

Firms are recognising that 'if it ain't broke, don't fix it' is a dangerous strategy in a highly competitive landscape dominated by powerful buyers of legal services, and increasingly impacted by the ambitions of the Big 4 and alternative legal service providers.

Legal Project Management (LPM) is evolving quickly to meet growing client demands to deliver their work more effectively, on time and to budget in a commercial environment hugely affected by the coronavirus.

Firms who embrace this opportunity stand to gain significant competitive advantage.

[OMC Partners](#) interviewed a range of leading UK and US law firms about their approaches to LPM, common challenges, and their views of the future. These conversations took place prior to the UK lockdown in March 2020.

LPM is on every firm's agenda without exception, it's just a question of where.

What were the key themes that emerged?

- **Clients value LPM:** demand for LPM support is on the rise and increasingly expected as a matter of course. Firms acknowledge the part that LPM plays in delivering consistently excellent service to clients and winning new business.
- **LPM means different things to different firms:** firms are developing a range of LPM approaches to suit their needs, driven by the size of the firm, range of practice areas and appetite for change. A minority of firms are allocating significant resources to developing their LPM offering but many firms are still tentative, unclear about the optimal approach to follow.
- **Gaining credibility is a challenge:** the task facing any firm planning to 'win hearts and minds' and embed LPM is significant - building trust, demonstrating benefits, providing evidence of return on investment, identifying suitable qualifications, finding or training LPMs who understand how a law firm operates and how legal transactions 'work'...
- **Benefits are hard to measure:** firms consistently struggle with measuring and quantifying the benefits of LPM – to the firm and to its clients. However, where LPM functions demonstrably add value, the investment case writes itself.
- **LPMs don't lead matters, they follow:** LPMs are rarely placed front and centre. Lead matter lawyers still manage day-to-day delivery. In most other professions project managers lead projects and are ultimately responsible for successful delivery.

Some solutions?

- **LPM support needs to be focused and proportionate:** successful implementation of new working practices depends on providing lawyers and partners with a toolkit that offers simple solutions for more straightforward work and much more sophisticated support for high value, complex or high-risk transactions.
- **Common standards, qualifications and career paths:** there is a recognised need to share best practices, learn lessons collectively and develop standardised approaches to delivering legal matters. As the benefits of LPM are recognised, and buy-in grows, a structured career path and sector-specific qualifications should be a defined goal.
- **Simple tech works best:** firms report using a range of simple technologies to support the adoption and use of LPM. Few of these are legal sector specific.

Where do firms go from here?

- **Build a business case** to convince budget holders to invest in developing your LPM capabilities
- **Talk to your clients** – the more you understand their requirements the stronger your case
- **Collaborate** – share best practice and develop standardised approaches
- **Define and document** your firm's preferred approach to LPM
- **Identify** your resource requirements
- **Recruit** the right people
- **Train all** your staff with basic LPM awareness, skills and know-how
- **Measure** the benefits
- **Communicate** those benefits - loudly & widely

And if that sounds like a project plan, that's exactly what it is.

April 2020

Introduction

Mentioning Legal Project Management (LPM) ten years ago would have drawn a blank look amongst most law firms (and their clients). With a few limited exceptions, the Legal Project Manager role just didn't exist.

Fast forward to 2020 and LPM is moving swiftly up law firm agendas - particularly in light of the recent coronavirus pandemic and the explosive growth of remote collaborative working.

LPM has become a staple part of many leading firms' offering, along with process improvement and enhanced pricing and technology capabilities.

LPM headcount has increased year on year for 5 years, growing at up to 60% per annum. One leading recruitment agency reports phenomenal growth, with new mandates being received daily and unprecedented demand for LPM support in Q1 of 2020. LPM 'hotspots' are emerging in the US, the UK and other key jurisdictions such as Hong Kong and Singapore, where growth continues apace.

The benefits of adopting LPM are well documented:

- deliver greater value to clients
- reduce/eliminate surprises for the firm and the client
- drive quality and consistency
- avoid duplication of work and constant reinvention of the wheel
- reduce write-offs and improve margins
- make firms comfortable in pricing, especially fixed fee work
- evidence compliance with regulatory requirements
- reduce risk for firms and for clients
- make clients look good

But despite the clear benefits, firms are still grappling with buy-in and scaling up their LPM capabilities to meet client needs.

Against this backdrop, OMC Partners interviewed a number of senior LPM practitioners drawn from a range of UK and US firms. The aim was to:

- canvas their views about the current state of the market
- explore the challenges they are facing
- identify emerging techniques and approaches
- consider the future development of LPM

The paper was commissioned by legal training provider [Kinch Robinson](#).

Where is LPM now?

LPM means different things to different firms

- Firms have developed a range of LPM approaches to suit their needs, often driven by the size of the firm, range of practice areas and – frankly – appetite for change.
- Approaches to focus LPM effort include:
 - LPMs dedicated to specific matters throughout the matter lifecycle
 - LPMs dipping into matters at specific points, typically scoping and planning, financial reporting, or discrete stages of a matter e.g. e-disclosure, due diligence, completions
 - LPMs providing light-touch support, coaching, and resources to lawyers
- The role that LPMs perform markedly varies from firm to firm:
 - **60%** of LPMs focus on scoping, planning and then managing legal matters
 - **30%** concentrate on improving legal operations but don't manage matters
 - **10%** of LPMs perform a mix of the above
- Unsurprisingly, Global and International firms possess more extensive LPM capabilities, while National and Specialist firms are still relatively immature in terms of LPM (Figure 1).

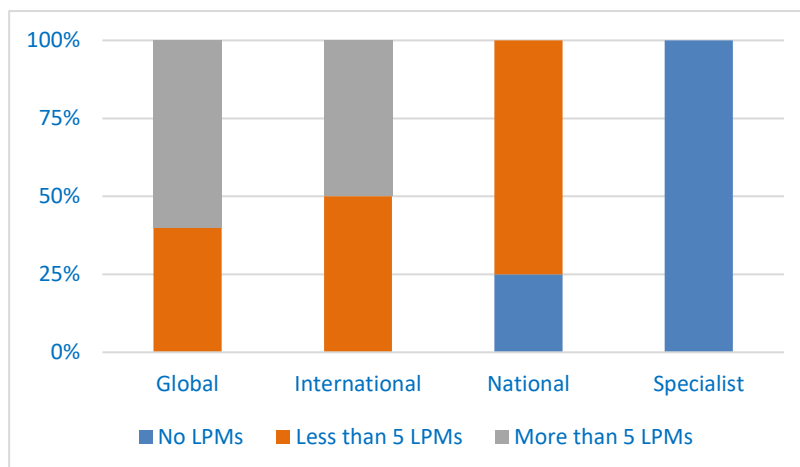


Figure 1- Number of LPMs by Firm Type

- The size of LPM teams and the speed of take up are directly related to the scale of LPM investment.

Many firms are still finding their way

- A minority of firms have fully grasped LPM.
- Many are still tentative in their approaches - nervous of the reaction of partners, uncertain as to the level of take up from lawyer colleagues, or unclear as to the optimal way forward.
- Respondents report numerous initiatives and 'proof of concept' pilots to fit specific situations: learning by doing, by making mistakes, and by trial and error.
- Generally, respondents accept that whilst LPM is in its infancy, more structure and consistency is required across the legal sector. And not just within firms, but between firms too – with best practices being shared widely.

Clients - on the whole - value LPM

“Clients want this”

- Demand for LPM is increasing and is frequently expected as a matter of course. Clients, particularly financial services clients, are now asking firms, ‘who is your LPM?’.
- Most respondents report favourable client support.

Case Study: Mindful Business Charter

An increasing number of clients are signing up to the Mindful Business Charter. This agreement between leading banks and law firms is committed to driving change in working practices and recognises LPM as a key skill to help deliver on this commitment.

“as a business community we have a responsibility to do things differently”

- A small minority of clients still refuse the involvement of LPMs, viewing them as just another overhead.
- There is still work for firms to do in conveying the benefits of project management – both internally and externally.
- Where both clients and firms deploy project managers this results in like-minded people talking to one another. Benefits include speaking the same language, familiarity with the process, strengthened relationships and providing another point of contact to spot cross-selling opportunities.
- LPMs add greater value still when seconded to client businesses, bringing collaboration to an even higher level.

Case Study: Barclays' LPM Consortium

Working with its top 15 panel firms, Barclays established an LPM Consortium to develop uniform approaches to delivering the Bank's legal work. With the majority of the Bank's multi-million legal spend focused on these firms there are clear financial and efficiency incentives to developing a best practice approach to LPM across these core firms.

As a result, Barclays report:

- a **25% efficiency gain** through clearer scoping and budgeting;
- **enhanced management information and budget forecasting;** and
- **improved relationship management** overall.

The need for focused and proportionate LPM support

- Most firms have made a conscious decision that deploying large numbers of legal project managers is not currently cost effective or proportionate. Instead they are focusing LPM effort on larger, unique matters.
- Where lawyers manage their own matters, firms often provide 'dip in and out' LPM support. Alternatively, lawyers self-serve using a suite of tools and techniques, supported by third party training which captures wider cross-sector approaches and know-how.
- At a basic level, firms deploy LPM resource taking account of a range of factors:
 - stage of LPM journey
 - availability of LPMs
 - size and nature of law firm
 - matter type and subject matter
 - repeatability
 - historic profitability
 - fee structure
 - partner and client acceptance of LPMs

“ there is a risk of trying to do everything for everyone all at once ”

- However, evolved firms are taking a more structured approach and allocating LPM resource following a sophisticated assessment of risk, complexity, value of the job, price sensitivity and client demands, to best focus effort on complex, high value and 'bet the farm' matters (Figure 2).

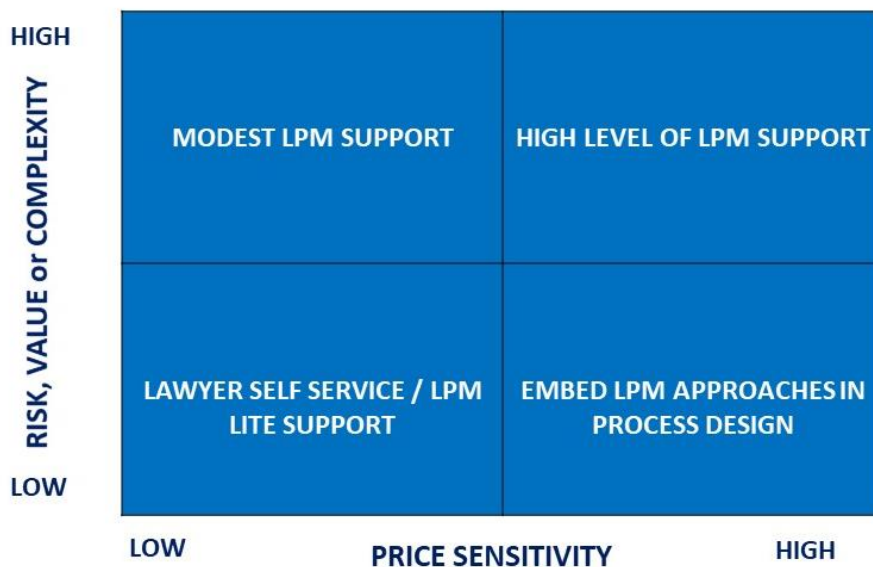


Figure 2:
Allocating
LPM Effort

- Not surprisingly firms' largest matters by revenue or reputation receive the most LPM input, partly to better manage margins.

“ I question the value of deploying LPM on matters unless complex, cross office, £1m+ fees ”

- Typical work types cited as suitable/appropriate for LPM support include corporate reorganisations, disputes and investigations, large scale M&A and, of some note, low margin fixed fee work.
- The inclusion of low margin work demonstrates firms' developing understanding of the role of LPM and pricing. When delivering fixed price matters with tight margins, effective management is critical to maintain or improve profitability.

Simple tech works best

- Respondents use a range of simple technologies to support the adoption and use of LPM, although few of these are tailored to the legal sector.
- Mainstream project management software may be used to produce detailed project plans and Gantt charts, but respondents report such generic tools being 'too heavy' for managing legal matters and of limited value in tracking tasks at a detailed level.
- A common theme is the lack of a scalable tool for LPM which can be flexed according to the matter; light and nimble for smaller transactions but capable of more where required.
- More generally, client collaboration and document sharing tools are considered helpful as they allow progress to be shared with clients.
- Use of live dashboards, accessible by the client at any time, deliver exactly the type of real-time, transparent reporting that clients really like.
- Several firms are using tools with budgeting and data analytics capabilities.

Case Study: Data Analysis

One leading firm employs data analysts to mine data, analysing historical matter data to understand costs and trends, in order to strengthen future cost and effort budgets.

However, the age-old problem of 'Garbage in; Garbage out' is still cited as an obstacle to effectively using data, reinforcing the need to reduce the range of matter time codes used and move to common standards across practice groups.

What are the major challenges facing law firms?

There is a need for common standards, qualifications and career paths

- Over three-quarters of respondents commented on the lack of common standards for managing legal matters.
- Consequently, firms have developed their own bespoke LPM standards. Some are documented and supported by templates and systems; others are less formal and rolled out (in full or in part) on a case-by-case basis.
- 70% of respondents are developing their own templates and standards for LPM but, save for a few pockets of collaboration, these are not shared between firms. Varying firm to firm, some are solely for use by LPMs and others are made available to the lawyer population on a self-service basis.
- There is a consistently recognised need to document and share best practices, learn lessons collectively and develop standardised approaches to delivering legal matters.
- A consortium of 6 firms in Bristol, for instance, meet regularly to disseminate know-how and discreetly share war stories.
- Key areas cited for developing common standards include:
 - matter and task management
 - resource management
 - utilisation, realisation and margin
 - process design for key Real Estate, Banking and Corporate matter types
 - managing client relationships and reporting on portfolios of matters
 - designing cross jurisdiction / office / practice area approaches
 - strategic planning
- In addition, respondents recognised a need for LPM qualifications and a defined career path. As the benefits of LPM are recognised, and buy-in grows, a more structured career path is needed to ensure the ongoing supply of professional staff of proven calibre.
- Currently, firms are experimenting with fit, skills and knowledge, tapping the external market for each new role as they grow.
- There is, however, a shortage of suitably experienced and qualified candidates.
- To respond to this, firms are increasingly training their own LPMs and upskilling their lawyers (including at the LPC/SQE level).
- Several firms are developing apprenticeship schemes and one global firm is introducing a modernised training contract with a focus on project management, which will turn trainees into 'commercially and tech savvy business advisers'.
- In the absence of a legal sector qualification, several leading firms are collaborating with a major shared client to develop a fit-for-purpose tailored LPM programme.

“LPM qualifications in the market are far removed from our needs”

“We need a gold standard qualification to manage the business of law”

Benefits are hard to measure

“ LPM enables us to deliver legal services effectively, deliver what clients want, use the right resources and be cost effective ”

- Whilst this quote reflects the majority view, respondents consistently struggle with measuring and quantifying the benefits of LPM – to the firm and to clients. Too often they rely on anecdotal evidence or cite LPM improvements by comparing LPM-led jobs with similar matters where no LPM input is present.
- In the absence of truly dedicated LPM systems and technology to monitor performance, the lack of hard data presents challenges in gaining buy-in (lawyers being evidence led) and securing investment to expand firms' LPM capabilities.
- However, where LPM functions demonstrably add value and create competitive advantage, the investment case writes itself. One global firm has already invested heavily and deployed 70 LPMs across its global practice areas.
- A number of firms report grappling with a balanced scorecard approach, measuring key financial and qualitative metrics and benchmarks such as:
 - utilisation
 - realisation
 - recovery
 - margin
 - write-offs
 - revenue per lawyer
 - return on capital
 - profit per partner
 - % of matters delivered on time/budget
 - repeat business
 - number of clients asking for LPMs
 - client satisfaction – internal and external

Case Study: Crowdsourcing Efficiency (the suggestion box lives on)

One firm has adopted a radical approach to enhancing how it delivers matters to clients.

The LPM team maintain an inventory of ideas to improve efficiency, with suggestions submitted by LPMs, lawyers and business services colleagues. Improvements may relate to a specific day-to-day problem or may identify solutions/approaches that worked well for other firms or clients.

The possible costs and benefits - quantitative and qualitative - are assessed and evaluated quarterly by senior management. Ideas are then prioritised for further investigation and potential implementation.

For a focused number of ideas, proofs of concept are developed and trialled with clients for a fixed amount of time, with outcomes monitored, challenges identified, and data collected.

Outcomes are then evaluated with approved concepts fed into a firm-wide implementation pipeline.

Gaining credibility can be a challenge

- Lawyers are naturally suspicious of anyone outside of their profession advising them how to conduct their business.
- Some respondents indicate that LPMs with formal project management qualifications such as Prince 2 gain credibility with lawyers. This peer-to-peer meeting of qualified professionals gives LPMs greater traction particularly at the start of the LPM acceptance journey.
- However, the relevance of methodologies like Prince 2 to legal work is a major concern to LPM leaders. Although such qualifications can break down barriers, they are felt to add little real value, because they focus on project management governance rather than deep practical skills.
- Whilst professional qualifications provide some weight, respondents see greater benefits from LPMs talking to lawyers in their own language, demonstrating knowledge of legal terms, processes and concepts to foster relationships.
- In the absence of an existing cadre of project managers with legal experience to recruit from, project managers with a professional or financial services background are considered a good fit.
- However, LPMs come from broad spectrum of backgrounds including HR, IT and Business Transformation (see the Appendix - the LPM Wish List - for commonly sought attributes and skills).
- Several firms have introduced third party training to help overcome resistance amongst lawyers to LPM and develop greater awareness of its uses and benefits.

“LPMs need to speak lawyereze”

Case Study: Winning Hearts and Minds

A leading UK firm wished to develop deeper project management skills amongst its lawyers to manage matters more effectively and efficiently, and improve costing, pricing and matter recoveries.

The leadership team also recognised the role that LPM played in winning more work and wanted to create an approach that consistently reinforced this message.

Working with key stakeholders the firm devised an approach to 'win hearts and minds' so that the desired LPM behaviours became standard across the firm.

To address 'training fatigue' they worked with OMC Partners to design a programme that provided lawyers with 10 hours of LPM training over a month. The short modular sessions explored the core elements of best practice LPM and provided a platform for further, more specific individual development.

Training was delivered through a mix of 'chalk and talk', knowledge sharing and practical exercises. The result?

- **cross-practice group implementation** of best practice LPM approaches
- immediate **improvement of internal communications**
- **improvement in recoveries of 15% within 6 months** through reduced write-offs, implementation of process control and resource mix optimisation.

LPMs don't lead matters, they follow

- In most other professions, for example IT and finance, project managers take a lead role on the projects they work on; running meetings, dealing directly with clients and stakeholders, marshalling resources etc. They are ultimately responsible for the successful delivery of the project – on time and to budget. In short, they are the driving force behind the project.
- This is not yet the case in the legal sector. It is rare, if ever, that LPMs take matters from initial contact with the client through to post-completion (and everything in between). Generally, LPMs are not placed front and centre. Instead, lead lawyers manage matters day-to-day.
- We understand the reasons: the early stage of development of LPM, lack of confidence from lawyers, a nervousness about loss of control, 'my clients don't want this' etc. But that means firms are not getting the full benefit from their LPMs. Some LPMs are fulfilling little more than an admin function.
- By contrast, firms giving LPMs a prominent client facing role see more repeat instructions, with clients asking to work with named project managers just as they do for lawyers.
- In firms where LPMs have the authority to manage transactions, partners step back from operational matter delivery. Their primary focus is on running their business lines, building client relationships, developing new work, and cross selling services (exactly as happens at the Big 4).

Where do firms go from here?

Change does not come easily to the legal sector. What steps can you take to 'move the dial' and meet - then exceed - client expectations?

Step 1: Benchmark activities against comparable peer-group firms (e.g. by size, advisory area focus, type), other leading firms, and other sectors.

Step 2: Engage with other firms, even 'competitors' ... you're all in this together and clients will thank you for it!

Step 3: Define and document your firm's preferred approach to LPM and identify where to focus effort.

Step 4: Identify your firm's LPM resourcing requirements and any systems/tech opportunities.

Step 5: Build your business case for investment. This will be an ongoing, iterative process.

Step 6: SPEAK TO CLIENTS to inform and support your business case – what are their LPM requirements?

Step 7: Train all of your staff with basic LPM awareness, skills and know-how.

Step 8: Develop a balanced scorecard to measure benefits – then report those benefits loudly and widely.

Step 9: Communicate, communicate, communicate LPM success stories (and always feed back into your business case for investment).

Step 10: Find, appoint, promote LPM champions and raise visibility of your LPM team and, over time, work to put them front and centre when delivering matters.

Step 11: Develop and share ways of working and best practices internally and externally.

AND Step 12: No great surprise to all you project managers reading this... from Step 1 to Step 11 build a project plan, then execute it with energy and enthusiasm.

Conclusion

“Doing nothing is not an option”

Clients are not getting any less demanding. Their needs are becoming more complex and their legal spend budgets are continually under scrutiny (and even more so in the post-pandemic world).

Lawyers' lives are not getting any less stressful, with pressure to deliver consistently excellent service and grow market share and profitability in an increasingly competitive environment.

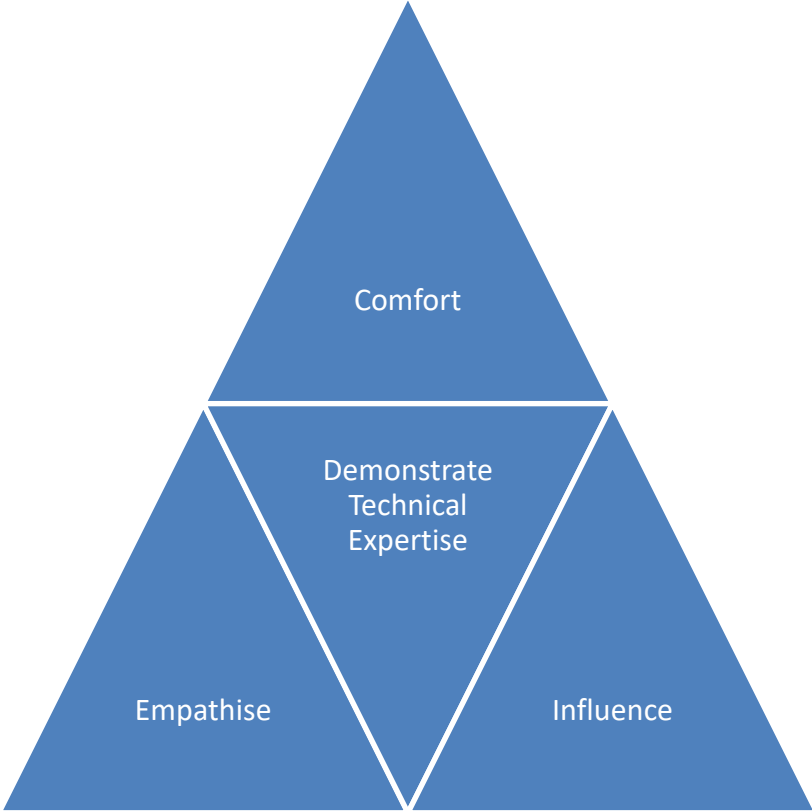
Legal project management, deployed effectively, has the potential to help you address these competing tensions and develop your response to minimise the impact of COVID-19.

Whether you are just starting to build your firm's capability, or you have already got management support and investment, we think that the direction of travel is clear.

If you are interested in a discussion about what's right for your firm and your clients, please contact [Matt Peacock](#) at OMC Partners. We would be delighted to talk to you.

Appendix: What firms look for in Legal Project Managers

According to participants the most effective LPMs possess an optimal blend of the following qualities around a core of deep subject matter expertise.



<p>Comfort (instil confidence in colleagues)</p>	<ul style="list-style-type: none"> • experience of working in a law firm (but not necessarily as a lawyer) • Financial Services or Professional Services background • Prince 2 or similar qualification • credible in the eyes of fee earners • a reliable member of the team
<p>Empathise (understand colleagues)</p>	<ul style="list-style-type: none"> • demonstrate emotional intelligence • understand the pressures on lawyers • tuned in to the way law firms work • able to speak 'lawyereze' • able to build relationships • able to connect
<p>Influence (build bridges and get things done)</p>	<ul style="list-style-type: none"> • 'can do' attitude • trusted partners • entrepreneurial spirit • good facilitator • track record of getting results
<p>Demonstrate Technical Expertise (bring deep subject matter expertise)</p>	<ul style="list-style-type: none"> • IT/Excel literate • financially aware/business minded • familiar with project management principles • problem solvers with process skills

About the authors



Matt Peacock is the Managing Partner of OMC Partners, a management consultancy founded in 2006 and working with top UK and international law firms and major GC. Matt's work centres on improving legal operations and includes alternative sourcing, technology, and legal process redesign. Prior to OMC, Matt completed an MBA after 9 years with a Top 15 law firm practising as a regulatory litigator.



John Acey has over 10 years' experience delivering improved capability in the legal sector. He is a qualified project manager and lean six sigma black belt. He is passionate about improving efficiency, reducing costs and improving capability

Research methodology

Kinch Robinson commissioned OMC Partners to examine the challenges and opportunities around legal project management. OMC undertook 1:1 interviews with a number of legal project management professionals. Special thanks to all respondents including amongst others:

- Addleshaw Goddard
- Ashurst
- Baker McKenzie
- Clifford Chance
- CMS
- DLA Piper
- DWF
- Field Fisher
- Lewis Silkin
- Pinsent Masons
- RPC
- Shepherd and Wedderburn

About Us

KinchRobinson
Training for lawyers 

Kinch Robinson are providers of skills training to the legal profession, with 20 years' experience in the sector.

Our courses are designed and delivered by lawyers, barristers and accountants. We are passionate about getting law firm staff to engage with skills training that helps them to contribute more effectively. Whether through project management, clearer communication, better client care or improved commercial awareness, our focus is always on great outcomes for clients and improved results for the firm.

The business has developed through word of mouth recommendations, underpinned by our high quality of service and delivery. At its heart are the strong and long-lasting relationships that we have with our clients.

OMC Partners
Creating value for leading lawyers

OMC Partners is a legal-sector focused management consultancy, founded in 2006 and working, since inception, for major GC, the top UK and international law firms, new entrants such as ABSs and LPOs and private equity investors. We are fiercely independent and bring deep technical expertise as we focus solely on the legal sector.

Our work centres on developing legal strategies and improving operational efficiency - using a full range of approaches from alternative sourcing, technology, adoption of legal and other best practices, through to detailed process re-engineering of both back-office and legal tasks to drive out bottom line benefits.

