Project Management for Legal Professionals

The Predictive/Waterfall Method

By:

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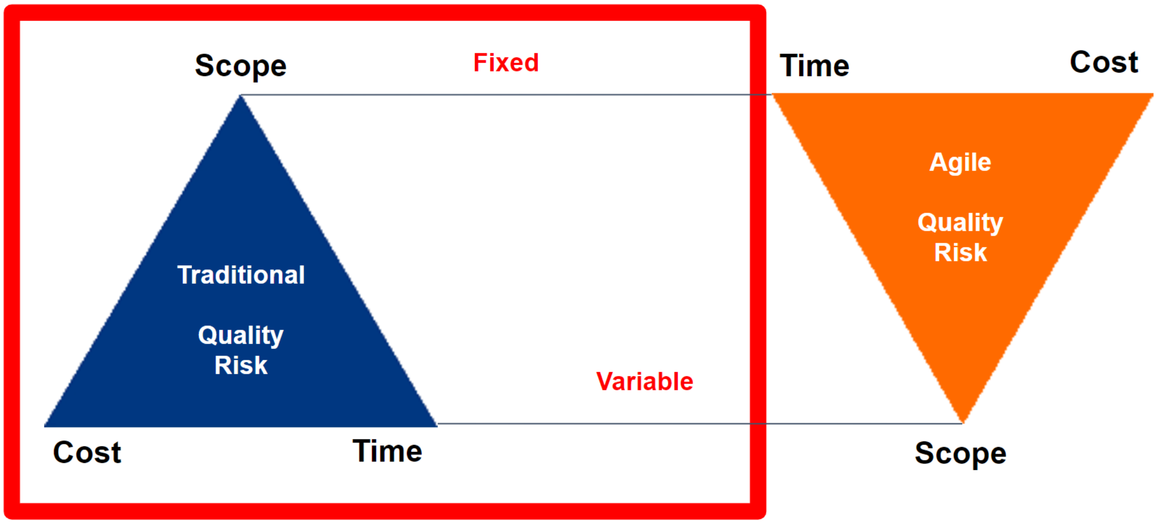
A. Introduction to Legal Project Management

Legal project management (LPM) is capable of mitigating many of the issues law firms and legal departments face today. LPM promises to make an organization proactive rather than reactive. It seeks to improve communication by promoting collaboration rather than working in silos. It reduces miscommunication by requiring communication plans to keep stakeholders in the loop. It helps to identify project risks early on so that potential problems can be mitigated quickly before becoming large problems. LPM also facilitates process improvement so you can do more in less time while remaining profitable.

B. Defining Project Management

The American Bar Association (ABA) defines LPM as “[a] proactive, disciplined approach to managing legal work that involves defining, planning, budgeting, executing, and evaluating a legal matter; the application of specific knowledge, skills, tools, and techniques to achieve project objectives (the client’s); and the use of effective communication to set and meet objectives and expectations.” The term “client” may refer to an individual client, general counsel, a high-level executive, business unit, etc.

Much has been written about project management over the years, but until the advent of Legal Project Management, there was no standard way to manage legal cases. Today LPM helps attorneys control project factors such as the constraints of **time** (how long it takes to get something done), **cost** (the firm’s investment necessary to perform the work as well as the client’s budget), and **scope** (what you’ve been - and not been - retained to do) as seen in the illustration of the iron triangle below. In the next session, we talk about why the Agile triangle is inverted and the differences in the way Agile supports handling the triple constraint.



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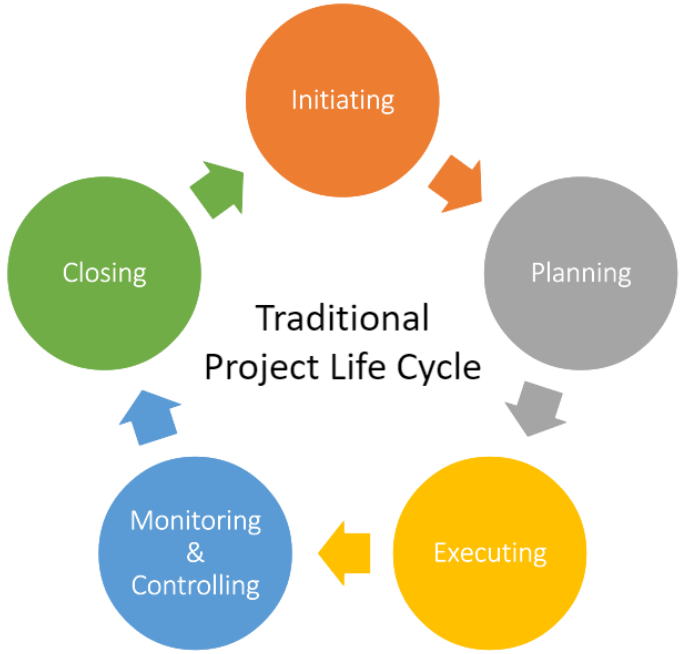
The constraints of time, cost, and scope affect the quality (center) of legal services. For example, if the scope of a project changes, the time and cost will be affected. If the scope is increased, it will result in an increase in the cost and time as well. Similarly, if the cost is increased or decreased, it will affect the scope and time of project completion. The same is the case with time constraints.

LPM is the bridge between legal process improvement and legal practice management. Process improvement eliminates waste ("going lean") and improves efficiencies in a particular process, such as completing discovery or preparing transaction documents. Practice management focuses on managing a legal organization's overall financial and administrative functions. Project management, however, drills down to the individual project level and joins multiple processes with corresponding cases, transactions, and compliance matters. These matters then pass through the project management life cycle, as seen below and covered later in more detail.



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Over the last decade, LPM has gained popularity. Many savvy business clients routinely ask about LPM capabilities in their call for proposals. Additionally, clients are increasingly asking for alternative fee arrangements (e.g., flat fee, capped fee), which typically shifts some of the risk of legal expenses to the firm. Under most alternative fee arrangements, if a firm takes 200 hours to complete a 100-hour project, that becomes the firm's problem rather than the client's.

While using LPM principles does not automatically mean a spike in business, it can be a powerful marketing tool and aid in client satisfaction and retention. It helps legal professionals manage their matters more efficiently and effectively through planning, cost control, resource allocation, and risk management. LPM brings the same principles and best practices used by other business models into the field of legal services, with some modifications to complement legal work.

C. Alternative Fee Arrangements (AFAs) Drive Legal Project Management

One of the most critical aspects of law practice administration is the tracking of billable hours. In the US, most law firms still bill their clients on an hourly basis. More hours mean more revenue. As a result, there has been little incentive to create processes that facilitate efficiency and shorten the time to complete tasks. The billable hour has remained the predominant billing method since 1975.

This began to change between 2007-2009. During the Great Recession, corporations began searching for ways to reduce their outside legal expenses by requesting AFAs from outside counsel. An AFA is a method of charging legal fees based on the client's value rather than the number of hours billed. AFAs (also called value-based billing) are a more predictable and budget-friendly billing practice than the billable hour. Tracking billable hours is still necessary to measure cost. However, the billable hour would not necessarily be used to measure the value a client is receiving from their attorney's representation.

While competition among law firms influenced the adoption of AFAs, concerns remain that their use comes with additional risk for the firm. Given the uncertainties of law practice, how do firms use AFAs to increase profit and decrease risk? Project management exists to answer this question.

D. Introduction of AFAs

AFAs are generally defined as any fee arrangement other than the billable hour. Currently, AFAs account for 10-25% of firm billings, but that continues to increase. There are numerous types of AFAs including contingency fees, partial contingency fees, flat fees, capped fees, holdback/success fees, blended rates, fee collars, volume discounts, hybrid (combination) fees, and value-adjusted hourly billing.

There are varying levels of risk assigned to both the firm and client depending on the type of AFA used. Pricing is one component, but the overall approach should account for risk management (an important component of project management) and complexity. The goal is to focus on providing the client with efficient cost-benefit resolutions and, to the extent possible, cost predictability.

If a firm decides not to use AFAs in their legal matters, there are still many benefits to be gleaned from using LPM. Clients with hourly fee arrangements still demand accurate estimates, communication, efficiency, and effectiveness.

E. Pioneers of Legal Project Management

Many attorneys have not focused on process improvement because there have been no real consequences for taking their time to complete legal projects. Corporations have recognized this and continue to urge the legal profession to understand project management and how companies report legal fees and legal matters. Below are some examples of law firms and corporate legal departments that have paved the way for use of project management in the legal services industry.

1. Dechert LLP - HQ in Charlotte, North Carolina

Barton Winokur, then Chair of Dechert, LLP committed the firm to project management in 2008. Winokur encouraged his organization to accept that fact by providing sophisticated internal tools and metrics. While Dechert is not the first firm to commit a large amount of resources to LPM, Dechert was one of the first firms to use it.

2. Orrick, Herrington & Sutcliffe LLP - HQ in San Francisco, California

In the late 2000s, when Levi Strauss was using the services of several hundred law firms, the company's legal department experienced a significant budget cut due to the recession. Levi's general counsel searched for ways to reduce legal spending. Orrick sent a request to their legal providers to assist in this endeavor. Orrick offered to take on all of Levi's legal work for an all-inclusive flat fee. Levi simply had to provide detailed information about its legal needs, legal services, and historical spending patterns. Levi accepted Orrick's proposal and Orrick became the only legal service provider except for one other firm that handled intellectual property matters. To ensure that this flat fee arrangement would be beneficial to both Orrick and Levi, Orrick used LPM to streamline processes and increase efficiency.

3. Association of Corporate Counsel (ACC)

In 2007 the Association of Corporate Counsel (ACC) began an initiative, which encouraged private law firms to use AFAs. The ACC Value Challenge is their endeavor to reconnect the value and cost of legal services. It pushes for the adoption of LPM practices that allow attorneys and their clients to achieve desired objectives. The ACC Value Challenge assists in teaching LPM best practices and providing tools that enhance the value of the services they receive so that law firms can reduce their costs while remaining profitable. ACC's members advocate for value, cost control, and predictability. The ACC posits that an attorney who claims to be an expert on a certain topic should be able to budget based upon that expertise.

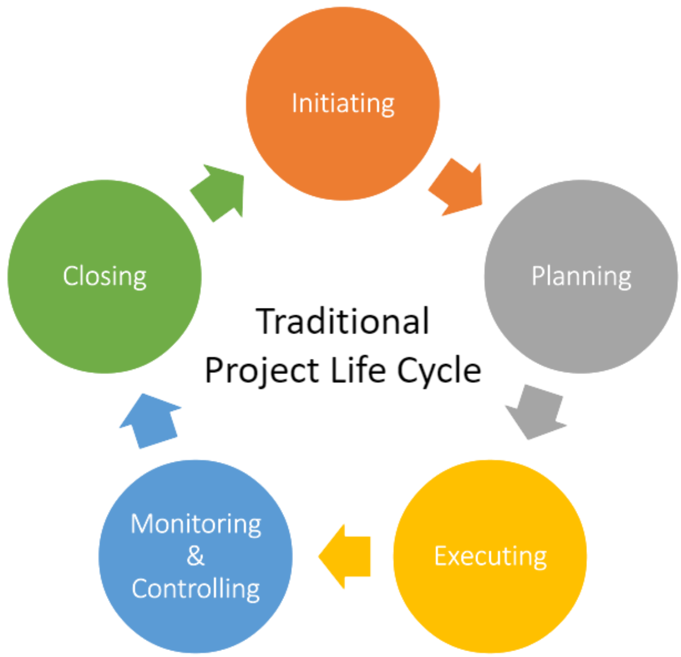
F. Skepticism

One benefit of LPM knowledge areas and processes is that it allows for legal practitioners to better estimate the time and cost of their cases. Yet, it is still common for litigators to argue that cases have too many variables to be accurately predicted or scoped. Scoping is the act of determining and documenting a list of specific project goals, deliverables, tasks, and deadlines to calculate an estimated cost. Many litigation attorneys also believe they are unique in having opposition committed to frustrating their efforts. Some remain unconvinced that an accurate estimate can be gleaned under those circumstances.

Understandably, project managers in other industries believe this argument – that legal matters cannot be scoped and accurately priced - is nonsense. For example, construction project managers must accurately scope and price extremely complicated projects (e.g. skyscrapers, suspension bridges, residential developments) while accommodating risks and other factors. Construction projects also have opposition (e.g. suppliers, government and regulatory bodies), which can result in delay and increased expenses. Construction project managers price their projects by breaking them down to basic component phases, and by soliciting process input from the key performers in each phase regarding risks that may affect scope, timing, and cost.

Project management principles used in other industries can be used to scope legal projects that require strategic decision-making (e.g. settling at mediation vs. going to trial). For seasoned attorneys, there should be very few situations that are entirely unprecedented because few legal events have never occurred before.

G. Legal Project Management Life Cycle



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The LPM Life Cycle is the process of planning, organizing, coordinating, and controlling projects effectively and efficiently throughout phases to achieve pre-defined objectives at the right time, cost, and quality. According to the Project Management Institute (PMI), there are five phases of legal project management. These five process groups (or phases) are:

1. Initiating
2. Planning
3. Executing
4. Monitoring & Controlling
5. Closing

However, the number of phases may be adapted to as few as four and as many as six depending on the framework used. For example, the International Institute of Legal Project Management (IILPM) uses four phases (define, plan, deliver, and close). In their framework, the execution phase and the monitoring and measuring progress phase are combined.

There are also 10 knowledge areas. Those knowledge areas include:

1. Integration Management
2. Scope Management
3. Schedule Management
4. Cost Management
5. Quality Management
6. Resource Management
7. Communication Management
8. Risk Management
9. Procurement Management
10. Stakeholder Management

These five knowledge areas and 10 process groups come together to form a matrix that includes a total of 49 processes that are completed as you go through the project management life cycle.

	Initiating	Planning	Executing	Monitoring and Controlling	Closing
Integration Management	Develop Project Charter	Develop Project Management Plan	Direct and Manage Project Work Manage Project Knowledge	Monitor and Control Project Work Perform Integrated Change Control	Close Phase or Project
Scope Management		Plan Scope Management Collect Requirements Define Scope Create WBS		Validate Scope Control Scope	
Schedule Management		Plan Schedule Management Define Activities Sequence Activities Estimate Activity Durations Develop Schedule		Control Schedule	
Cost Management		Plan Cost Management Estimate Costs Determine Budget		Control Cost	
Quality Management		Plan Quality Management	Manage Quality	Control Quality	
Resource Management		Plan Resource Management Estimate Activity Resources	Acquire Resources Develop Team Manage Team	Control Resource	
Communication Management		Plan Communication Management	Manage Communications	Monitor Communications	
Risk Management		Plan Risk Management Identify Risks Perform Qualitative Risk Analysis Perform Quantitative Risk Analysis Plan Risk Response	Implement Risk Response	Monitor Risks	
Procurement Management		Plan Procurement Management	Conduct Procurements	Control Procurements	
Stakeholder Management	Identify Stakeholders	Plan Stakeholder Engagement	Manage Stakeholder Engagement	Monitor Stakeholder Engagement	

Below we lay out an overview of each phase followed by the specific processes for each phase.

1. Initiating Process - Overview

In the first phase of project management, legal teams gather information from the client to understand the client's business (if applicable), concerns, and expectations. The initial meeting with the client should include a discussion of the high-level scope, constraints, assumptions, high-level project phases, and intended outcomes. This would also be the recommended time to identify stakeholders (anyone who can affect the case or who the case can affect) and billing arrangements.

PHASE 1: INITIATING PROCESSES	
Process	Description
Develop Project Charter	The develop project charter process is a document that is prepared in the initiation phase to formally authorize the existence of the project. In this process, the document is prepared and given to the authoritative project manager to use the resources required for the project. The project charter is a key element that describes the whole project in brief. The project charter generally includes the objective of the project, stakeholders, requirements, high-level assumptions and constraints, etc.
Identify Stakeholders	The process of identifying stakeholders is done in the initiation phase of the project. Based on performance, experience and skills, the key stakeholders are identified to manage the assigned part of the project.

2. Planning Process - Overview[1]

a. One-Hour Consultation vs. Comprehensive Planning

In a typical law firm setting, attorneys have a brief consultation with their clients and discuss their client's legal needs before drafting a retainer agreement and/or engagement letter. LPM advocates for more time with clients at the beginning of the legal project than is typical during a standard consultation. These more comprehensive meetings give the client and law firm the opportunity to learn the client's expectations and the firm's limitations with regard to representation. These meetings also offer the

[1] Planning Processes map to Rule 1.1 - Competence

opportunity to correct inaccurate assumptions and clarify constraints. An assumption is anything thought to be true although there is no certainty; and a constraint is a limitation on the project (e.g. time, cost, resources). Assumptions and constraints can be anything; they might be related to human resources, budget, time, or any kind of functionality.

During meetings, the client and the legal team discuss several important matters. First, they discuss the client's "wish list" vs. outcomes that must occur in order for the client to view the project as successfully completed. Second, the legal team and client develop and discuss milestones to help the client develop a more realistic outlook of the scope and duration of the legal project. Visual aids such as work breakdown structures and histograms depicting sample timelines may be helpful to the client. Third, the legal team discusses how tasks will be allocated and clarifies the responsibility of each stakeholder on the client side and the firm side. Fourth, the legal team fully discusses legal project costs, budget constraints, and methods of billing. Fifth, the client and the legal team identify risks or surprises that might affect the scope, cost, or time it takes to complete the legal matter. A risk is an uncertain event or condition that, if it occurs, has a negative impact on at least one project objective. Finally, the client and legal team discuss a communication plan for firm-client reporting.

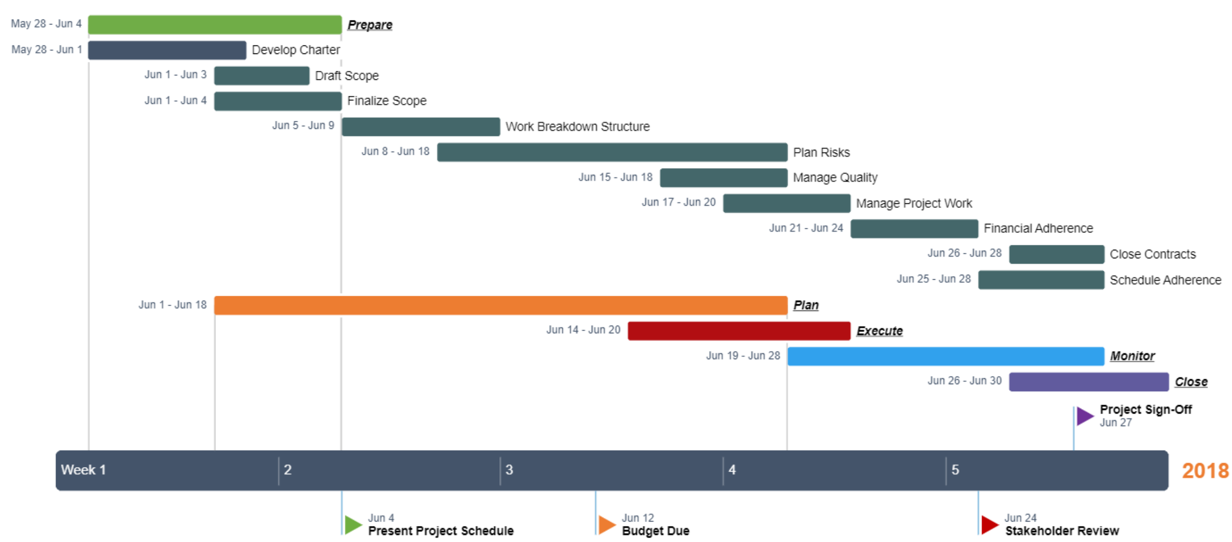
Taking these steps, in the beginning, minimizes surprises that might affect the budget, scope, or duration of the project. Any changes to budget, scope, or duration during the project would likely affect firm profit and matter outcomes.

b. Creating the Project Plan

In the second phase of LPM, the focus is on creating a project plan which defines phases, tasks, and performance standards for the duration of the project. The legal team and client work together to establish timelines and milestones and select the project team on the firm side and client side. In a small firm, the team may always consist of the same individuals. In a large firm, individual team members may be carefully selected from the larger organization based upon skills and abilities that complement the needs of a specific project. This would also be the appropriate time to create a budget for the project and make sure that proper tools are in place to ensure the successful execution of the project in the next phase. To facilitate execution in the later phases of LPM, it is also important to put together a communication plan and revisit and memorialize in writing any unexpected events or risks which might impact the project.

Essentially, the client and legal team create a project plan that defines the what, who, how, and when of the project. The legal project manager develops a comprehensive project plan which includes project phases and tasks, a schedule (including timelines and milestones), a budget for each phase and task, selection of a team and delegation of assignments, a communication plan, and a risk management plan which includes a list of potential unexpected events.

The project plan will include the name of the project, the project managers, the purpose of the project, stakeholders, expert, budget, project completion date, objectives, feasibility assessment, human resources, and project tasks and estimated costs (including tasks, responsible stakeholder, estimated hours, estimated cost, and begin/end dates). A work breakdown structure (WBS) that deconstructs a particular deliverable into specific component tasks should also be included in the form of a flow chart, checklist, or Gantt chart such as this one:



*Created using officetimeline.com

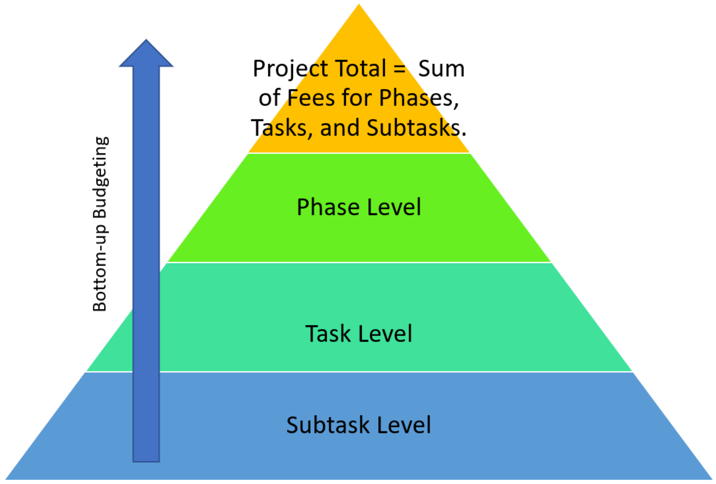
As stated previously, ABA task codes or individualized task codes can be used to break legal services into more specific components. Task codes, along with timekeeping information, should be incorporated into a knowledge management system (discussed in more detail later) in order to inform future project stakeholders how long it previously took to complete that same task. This results in more accurate estimations for future legal projects and impacts future profitability.

i. Budgeting Techniques

Budgeting is a tool to estimate the costs or necessary efforts for legal projects. Budgeting includes the estimation of costs, setting a fixed budget, and managing and controlling the actual costs (compared to the estimated ones). Accurate budgeting is essential in proving to the client that the project was completed successfully.

Analogous Budgeting (e.g., historical pricing). The most common method of budgeting is to look at past performance, timekeeping records, phases, tasks, and costs of prior engagements which are similar to the current project. However, this method can result in a poor outcome if the law firm does not accurately track time using standardized codes. Additionally, the legal team cannot assume that a previous matter will be identical to the current matter in terms of scope, time, or budget. Therefore, it is important to also use other budgeting methods.

Bottom-up Budgeting (e.g., the sum of all tasks). This method begins at the most granular level of the budget. It identifies the resources to be assigned, the amount of time required for the subtask activities, and the fee for the subtask activities. These figures are then consolidated for all subtask activities and rolled up into a total budget for tasks, and then rolled up for a total estimate for phases, and ultimately the entire legal matter. This method of estimation is generally the most reliable but is also the most time-consuming because it requires budget estimators to consider the appropriate resource and appropriate time necessary for the completion of all assignments.



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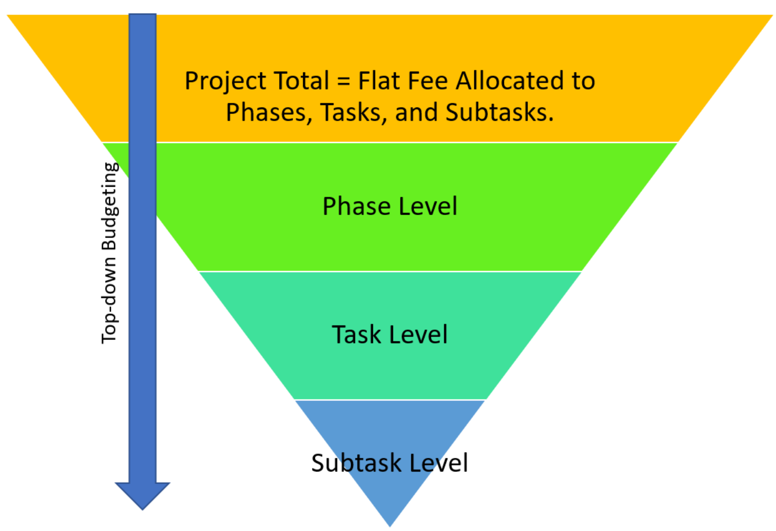
Top-down Budgeting (i.e. flat fee allocated to all phases, tasks, and subtasks). This method identifies a fixed price for the entire engagement and distributes that amount across the phases, tasks, and sub-tasks to be completed and to the resource assignments. The planner starts with an overall budget number and allocates portions of that budget number to phases, tasks, subtasks, and resources. Budget allocations by the resource are then used to estimate the amount of time required or allowed to perform the task. These time estimates are not as reliable as bottom-up estimating but they are much less time-consuming.



ii. Budgeting Pitfalls

Optimism Bias. A similar profit-busting behavior is optimism bias. Many well-intentioned attorneys, who are trying to procure the business of a client, will focus on a best-case scenario when they speak with clients. They fail to emphasize all the unexpected and not particularly budget-friendly events that could take place during the legal matter. It is important to emphasize and document the probability and possibility of unexpected events (or risks) since clients sometimes regard these warnings as unlikely to happen to them.

Lowballing. Additionally, a firm must be forthright regarding its ability to complete deliverables in accordance with the client's expectations. While emphasizing the firm's knowledge and qualifications, attorneys can inadvertently provide time and cost estimates that might please the client, but are unrealistic. Of course, some attorneys will intentionally lowball estimates in order to secure a contract. However, the leverage gained from quoting a lower fee than a competing firm is quickly lost when delays and budget changes become an issue. Even if lowballing is not intentional and is due to optimism bias, it can still alienate the client from doing future business with the firm or result in a fee dispute.

iii. Scoping Checklist

Scoping Checklist. Other project management best practices that would assist during this phase include preparing a scoping checklist which defines exactly what matters will be handled and makes clear what matters are "in scope" and what matters are "out of scope" for purposes of estimating the cost (regardless of whether the firm is using the billable hour or an AFA). In the absence of technology, which might be available to assist with scoping a legal matter, a firm could use a checklist similar to the partial personal injury checklist found below. This particular scoping checklist example uses American Bar Association's Uniform Task-Based Management System (UTBMS) codes to assist in the process. The creation of a scope checklist clearly identifies the scope of representation and protects the firm against scope creep.

UTBMS Codes	Phases and Tasks	Assigned to:	In/Out of Scope	Hourly Rate	# of Hours	Internal Legal Fees	External Legal Fees	Expenses	Risk Fee	Assumptions
L200 Pre-Trial Pleadings and Motions										
FILING COMPLAINT										
L210	__ Elements of each cause of action checked			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Statute of limitations checked			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Summons attached			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Local forms required			$ 400.00		$ -	$ -	$ -	$ -	
L210	____________			$ 400.00		$ -	$ -	$ -	$ -	
L210	____________			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Complaint filed			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Received file-stamped copy from court			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Complaint sent to client			$ 400.00		$ -	$ -	$ -	$ -	
SERVICE OF COMPLAINT										
L210	__ Complaint sent out for service			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Complaint served			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Proof of Service filed with court			$ 400.00		$ -	$ -	$ -	$ -	
ANSWER										
L210	__ Answer filed/received			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Answer served on plaintiff			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Received file-stamped copy of answer from court			$ 400.00		$ -	$ -	$ -	$ -	
L210	__ Answer sent to client			$ 400.00		$ -	$ -	$ -	$ -	
CROSS-COMPLAINT										
L210	__ Elements of each cause of action checked			$ 400.00		$ -	$			
L210	Statute of Limitations Checked			$ 400.00		$ -	$ -	$ -	$ -	

Scope Creep. Scope creep in LPM refers to uncontrolled changes or continuous growth in the scope of legal representation. This occurs when a law firm acquiesces to a client's demand to add additional tasks to the scope of legal representation - many times without additional compensation for the firm. When the scope of a legal project is not clearly defined, documented, and controlled; attorneys can feel obligated to provide these services for no additional cost or risk a dissatisfied client.

Whether the legal project is complex or simple, the scoping process minimizes future misunderstandings, adds value to the project, and increases profit for the firm.

iv. Staffing the Project Team

Staffing the project team is very important when considering the project's budget, the required deliverables, and expected profit. There exists the conflict between using seasoned legal team members who have more experience and higher rates, and using legal team members who are less experienced but also less costly to the client. It is not uncommon for clients to push back against law firms who use seasoned and expensive attorneys and staff to complete tasks that could have been completed by less expensive legal team members. While this may be a profitability enhancer when using the billable hour, this is not the most efficient way to staff projects and will likely lead to dissatisfied clients and poor client retention.

v. Communication Plan

The client's number one complaint against law firms is poor communication. It is essential for legal teams to put together a communication plan. A communication plan should include all necessary stakeholders, deliverable(s), information needed by the stakeholders, method of delivery, recipient of the deliverable(s), frequency of delivery, and the responsible party. Legal teams should make sure that the communication plan is accessible to all stakeholders in accordance with RACI (who is **responsible**, who is **accountable**, who needs to be **consulted** before decisions are made, and who needs to be kept **informed**). Having a communication plan in place like the one below improves team collaboration and minimizes mistakes due to misunderstandings or gaps in communication.

Legal Project Title: Communication Plan Date:

Sample Communication Plan

Frequence/Date	Communication	Communication Vehicle	Target Audience	Content	Author	Communicator	Date Sent
Recurring							
Weekly							
Bi-Weekly							
Monthly							
Quarterly							
Ad Hoc / As Needed							
Special Project Related							
TBD							
TBD							

PHASE 2: PLANNING PROCESSES	
Process	Description
Develop Project	The process of combining all the project plans and sub-plans into

Management Plan	a single integrated plan. It is one of the most crucial processes of project management. Project success is dependent on the project management plan. The authoritative head to plan project management is the project manager. This document is approved and signed by authorized stakeholders.
Plan Scope Management[2]	It is the process of creating the document in which information about how the scope is defined and managed throughout the project process. The scope management plan provides the direction of how to deal with the end-to-end requirements of the project. The scope management plan acts as a guide to the project flow.
Collect Requirements	The process of collecting all the requirements from all the resources or stakeholders to meet the project objective is called Collect Requirement Process. The documentation of all the requirements helps in tracing the matrix of the organizational assets required for the project. The collected requirement is to be managed and fulfilled to meet the objective of the project.
Define Scope	The complete description of the scope of the project is documented in this process. The main objective of the project is to document what is included in the project and what is not included in the project. A clear description of the project is available from this process.
Create WBS	Creating WBS refers to the Work Breakdown Structure in which all the project activities are divided into smaller activities. This helps in assigning tasks or activities to the resources. This framework also helps in understanding the project objectives and the defined scope. The inputs, tools and techniques, and outputs are clearly defined in this process.
Plan Schedule Management[3]	Schedule Management Plan ensures the project activities are completed on time. The document is created with project activities based on WBS and time is allocated to complete the project work activity. It is the process of determining the procedures, policies, planning, executing, managing, and controlling the scheduled activity.
Define Activities	The list of all the project activities to be conducted during the

[2] Scope Management Processes maps to Rule 1.2 - Scope of Representation.

[3] Schedule Management Processes maps to Rule 1.3 - Diligence

	project execution is documented in this process. The exact actions to be taken to achieve the project objective is the main output of this process. In this process, the input, tools and techniques and output is clearly defined.
Sequence Activities	The process of identifying the priorities of the project activities and documenting the same. The sequence of all the project activities are documented in this process. It is one of the most important processes of project management to keep the project flow smooth.
Estimate Activity Durations	Estimating the activity durations refers to document the time allotted to each project activity. This process helps to set the whole project timeline according to the sequence of project activities.
Develop Schedule	The process of combining all the components of schedule management to project timeline is a scheduling process. The document is created by analyzing the sequence of project activities and the estimated duration.
Plan Cost Management[4]	The process of cost management plan includes the policies, procedures and guidelines to plan, manage, and control the project costs. It also includes documenting the costs throughout the project. The cost management plan is done according to the project activities, schedule, resource and requirements
Estimate Costs	This process includes estimating all the monetary resources included in the project activities to achieve the target on scheduled time. The costs are estimated based on the resource requirements. The main objective of this process is to determine the overall cost required to complete the process.
Determine Budget	The process of combining the cost of all the project activities to establish the formal cost baseline of the overall project. This process helps in project cost flow, risk management. Cost baseline helps in monitoring and controlling the cost of individual activities.
Plan Quality Management	Plan Quality Management process is the process of identifying the quality requirements and quality standards relevant to the project output. The document of a set of quality standards is prepared for each project activity. The methodology used, the resource assigned, the cost and the time allocated are the major factors affecting quality.

[4] Cost Management Processes maps to Rule 1.5 - Fees.

Plan Resource Management	Plan Resource Management process is a process of identifying the required resources, equipment for the project activities. Planning resources include preparing the user guide document to identify, acquire, manage and monitor the required resources for project activities.
Estimate Activity Resources	The process of estimating the type and amount of resources required for each project activities. The main objective of estimating resources is to plan the resource requirement for the overall project.
Plan Communications Management[5] [6]	The process of conducting proper communication according to the stakeholder's need and requirement. The process includes a proper approach and plan of communication with organizational assets. The communication can be through any formal and recorded medium.
Plan Risk Management	Planning risk management involves preparing the document on identifying risk, prioritizing and managing according to the risk assessment matrix and how to conduct risk assessments activities within the project.
Identify Risks	The process of identifying, determining and documenting all the possible risks that may affect the project is the Identify Risk process. The main objective of this process is to anticipate the risk before execution. Documentation of all the risks will help in further project activities.
Perform Qualitative Risk Analysis	In order to set the risk priorities, the analysis is done on the probability of the risk, the impact of the risk on the project and other risk parameters affecting the project deliverables. The main objective of performing qualitative analysis is to predict and reduce the uncertainty of the risks.
Perform Quantitative Risk Analysis	Performing quantitative risk analysis is the process of numerically analyzing the effect parameters of identified risks on overall project activities. This process helps in further prioritization of risks, reducing the uncertainty.
Plan Risk Responses	The process of developing action plans against the identified risks to reduce the overall impact on the project. Planning the risk

[5] Communication Management Processes maps to Rule 1.4 - Communication

[6] Communication Management Processes maps to Rule 7.1 Communications Concerning a Lawyer's Services

	responses involves selecting strategies and agreeing on the actions developed.
Plan Procurement Management	The process of documenting the material required, specifying the approach, identifying potential dealers, identifying good service required for the project within the allocated budget and assured quality.
Plan Stakeholder Engagement[7]	The process of determining how to approach different stakeholders for different project activities. The roles and responsibilities of the key stakeholder are planned. The amount of engagement in each part of the project work is assigned to stakeholders.

3. Execution Process - Overview

The third phase of project management focuses on plan execution. In this phase, the legal team assigns decision-making and delegation authority to various team members. Team members then disperse to their designated tasks as set forth in the project plan. In some cases, this may mean evaluating procedures step-by-step, and in others it could mean performing additional risk assessments to identify any undocumented risks that may surface during the life of the project.

Frequent contact, in accordance with the communication plan, is used throughout this phase to ensure timely, objective, and specific feedback. It is also crucial during the execution phase to manage team performance and morale.

PHASE 3: EXECUTING PROCESSES	
Process	Description
Direct and Manage Project Work	In this process, the project work activities are directed and managed while executing. This refers to the term “leading and controlling” the assigned project activities. The key outputs of this process are final deliverables and change requests for the project work.
Manage Project	The main objective of this process is to improve the project

[7] Stakeholder Engagement Processes maps to Rule 1.6 - Confidentiality of Information

Knowledge	process using the existing knowledge and creating new knowledge. The knowledge created is used for further processes and future projects. The continuing knowledge gain and utilizing the existing knowledge is the main objective of the project.
Manage Quality	Manage Quality process is the process of managing all the project activities according to the quality management plan while executing. The main objective of the managing quality process is to integrate all the quality policies in the project activities to maintain the quality plan management.
Acquire Resources	The process of acquiring the resources like team members, types of equipment and other resources required for the project delivery. The main objective of this process is to ensure there is no shortfall of resources required for the project.
Develop Team	The process in which the stakeholder or project manager improves the knowledge, skills and techniques of the team members as per the requirement of the project quality. This improves the competencies and enables the interaction between the team members enhancing the quality of the project.
Manage Team[8]	The process of tracking and recording the performances of the team and managing by giving feedback, resolving issues, managing conflicts and optimizing the project performance according to the project requirement. The main objective of this process is to improve the overall performance of the team and enhance productivity.
Manage Communications	The managing communication process ensures that the message is created, collected, recorded and distributed by authorized stakeholders and understood by the receiving end according to the communications management plan.
Implement Risk Responses	The process of implementing risk responses involves executing all the actions planned against identified risks to reduce the uncertainty of the project.
Conduct Procurements	The process of selecting the seller, obtaining seller responses and finalizing the procurement requirement with the seller through agreements. The main objective of this process is to ensure procurements are done according to the requirement for

[8] Manage Team Processes maps to Rule 5.1 - Responsibilities Of Principals, Managers, and Supervisory Lawyers and Rule 5.3 - Responsibilities Regarding Nonlawyer Assistants.

	deliverables of the project.
Manage Stakeholder Engagement	The process involves interaction with stakeholders and working with stakeholders to meet their expectations, resolving the issues by stakeholder engagement process. This process has a potential impact on the project.

4. Monitoring and Controlling - Overview

Monitoring and controlling project work refers to the continuous tracking, reviewing and reporting the project progress status to achieve the required target of the project work activities. The performances of each assigned resource are monitored and controlled against the project plan and project baselines. A report is typically prepared to document any deviations from the project plan. Any changes to the project must also be documented and approved according to the change management process. All proposed changes must be identified, evaluated to determine how those changes impact the plan, and either approved or rejected by a change control board (which can just be a supervising attorney or executive in charge). The change control process is meant to bring the project back on "plan."

Although most graphical representations of the project management lifecycle show this phase as a stand-alone phase, in reality the execution and monitoring and controlling phases overlap. Therefore, some legal project managers combine these phases together resulting in a four-phase LPM Life Cycle, rather than the five-phase LPM Life Cycle discussed in this series.

In this phase the legal team tracks the progress of project phases and tasks using certain metrics or Key Performance Indicators (KPIs). There are essentially four categories of KPIs. A simple definition of each category follows:

1) Timeliness: Is the project on time? If not, tracking where it is off-target is important to calculate an estimated completion date.
2) Budget: Is the project staying under budget or is the project exceeding costs?
3) Quality: How well has the project progressed? Is the client satisfied?
4) Effectiveness: Is the legal team being a good steward of time and money or could the project be managed more effectively?

KPI's must be S.M.A.R.T. (**s**pecific, **m**easurable, **a**ttainable, **r**ealistic, **t**ime-bound). Specific examples of KPIs may include budget variances, time spent, customer satisfaction, number of change requests, etc.

Additionally, as part of Monitoring and Controlling progress, the legal team should take all measures necessary to avoid scope creep, redundancies, bottlenecks, and other inefficiencies. When unexpected events do occur despite the adherence to the project plan, the legal team should make proper adjustments to ensure the desired outcome and return to the execution phase.

a. Importance of Timely Billing Entries

One of the most difficult tasks in a law firm setting is obtaining time entries from legal personnel. This is essential to estimating legal matters. Additionally, as it relates to profitability, billing is one of the most important parts of the Monitoring and Controlling phase. Research suggests that when time is not entered on a daily basis, it is forgotten, omitted, mis-entered, or inaccurately reconstructed. Failure to enter billable time daily results in a 10% loss of revenue.

b. Change Management, Delays, and Budget Overruns

Most traditional law firms have no experience in change management to address delays or budget overruns. Delays tend to surface at the individual task level. If extra resources, which were allocated to later phases and tasks, are used to expedite the completion of a "late" task, a problem will occur when subsequent tasks still require the originally scheduled amount of time or other resources to reach completion. As a result, a project manager may need to explore options such as reducing the scope, adding human resources, reordering tasks, ignoring dependencies (so that tasks can begin earlier), or reordering phases or tasks to take place simultaneously.

With budget overruns, it can be more difficult to predict when cost variances should prompt action. Budget overruns due to poor project planning or poor monitoring could impose cumulative losses that severely impact the budget and the firm's profit. As a result of budget overruns, a project manager may need to explore options such as reducing the scope, agreeing to a change order, reassigning non-critical tasks to team members with a lower billing rate, or outsourcing.

The use of project management will require that a firm have a change management plan in place to handle the issues related to delays and budget overruns. This will reassure the client that no matter what occurs, the firm has a contingency plan to ensure successful project completion. LPM best practices can help a firm determine what course of action should be taken to correct issues related to delays or budget overruns.

PHASE 4: MONITORING AND CONTROLLING PROCESSES	
Process	Description
Perform Integrated Change Control	The perform integrated change control process includes reviewing all the change requests and managing them effectively from all the working departments. The document is prepared for approval of any change requests. The change requests are approved when there is not much impact on scope, time and cost of the project. The change requests can be project deliverables, project plan or project assets.
Validate Scope	In this process, the final deliverables are validated and accepted by the project manager. It is a formal acceptance of the completed project whether it met the scope or not is validated in this process. Before submitting the final deliverables to the customer, if the project manager validates the scope, then the chances of the customer accepting the projects are also high.
Control Scope	The control scope process ensures whether all the project activities are according to the planned scope. This process monitors the status of the project and manages the changes according to the scope baseline. It ensures there is no slippery in the project scope during project activities.
Control Schedule[9]	The process of monitoring and managing the time taken to complete the project activity during execution. The document is created to update the status of the project. The main objective of this process is to ensure that the project activities are executed within the allotted time to maintain the project management plan.

[9] Control Schedule Process maps to Rule 3.2 - Expediting Litigation.

Control Costs	The process of monitoring and controlling the cost of individual project activities during execution is called a control cost process. The costs are controlled and brought to the cost baseline if exceeded. The document of cost update is maintained throughout the project.
Control Quality	Control Quality process is the process of monitoring and controlling the executed project activities according to quality management. The main objective of this process is to ensure the project output is correct, complete and meets the expectations of the customer and the quality plan. This process also includes the documentation of results obtained during the control quality process.
Control Resources	The Control Resources process aims to fulfill all the resource requirements for the project activities. It ensures all the resources allocated are according to plan. The probability of change requests is high in resource management. Therefore, controlling the resources and monitoring according to the resource plan management is highly essential.
Monitor Communications	Monitoring communications process is a process of monitoring and controlling the communications throughout the project life cycle ensuring that the communication meets the stakeholder’s information requirement.
Monitor Risks	The process involves monitoring the implemented action plans against risk identified. This process involves tracking of risk responses, analyzing new risks and reducing the risk factor throughout the project.
Control Procurements	The control procurement process involves managing all the procurement relationships and monitoring contract performance. This process also involves deciding the changes related to procurement wherever necessary.
Monitor Stakeholder Engagement	Monitoring the stakeholder engagement process ensures effective interaction and engagement between the project stakeholders. Engagement strategies and plans are executed if necessary.

5. Closing - Overview

a. Close Project or Phase process

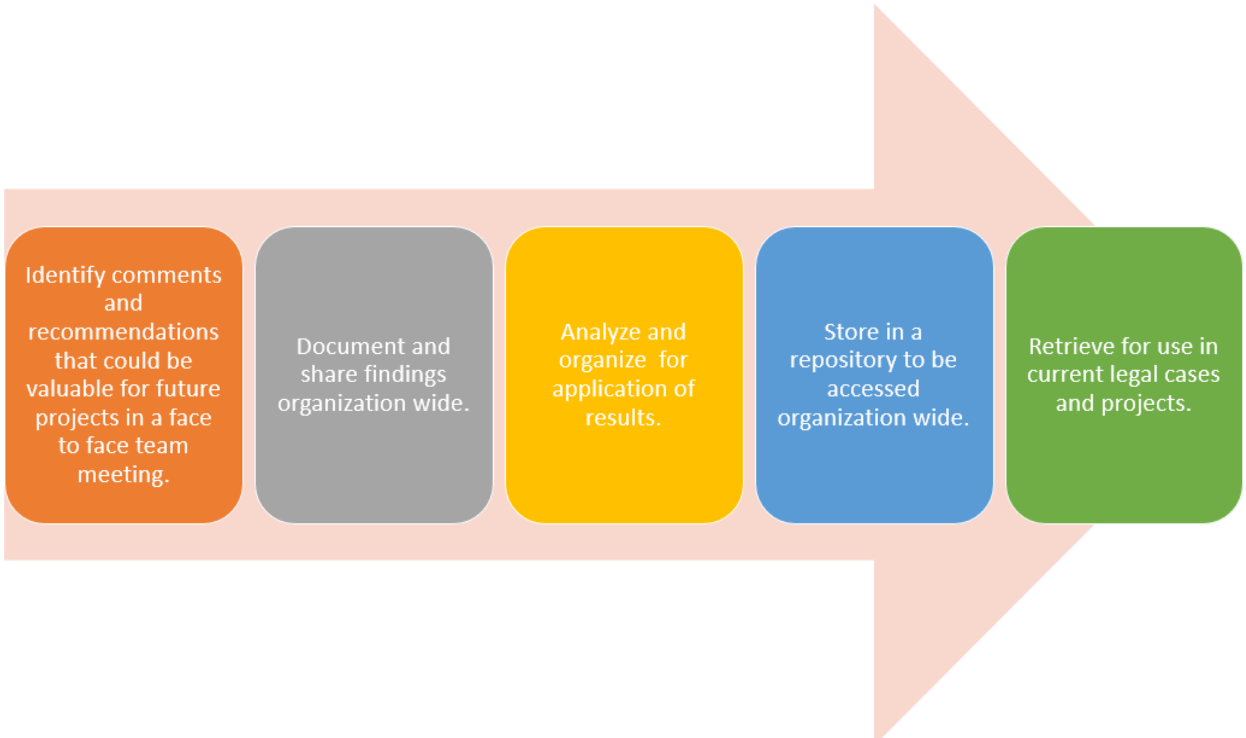
This process refers to closing the project activities by finalizing all the deliverables of project activities and the documents related to closing the project or phase are prepared by the project manager. In this process, the resources are released to work for other projects.

This final phase signifies the end of the project management life cycle. During this phase, legal project managers are expected to tie up any loose ends, and perform any project closure activities. Once the project is closed, the legal project manager should review the project completion with their team. During this review, the benefits and objectives should be measured, the project spend should be compared to the budget, and final deliverables should be assessed. At this time, the team should be able to identify key project achievements and milestones, document any lessons learned for future projects and communicate the success of the project to stakeholders and executives.

b. Post-project Review

Mistakes happen. They happen whether you are brand new to the field or have decades of experience. Instead of fixing the issues that come up and forgetting them as soon as possible, legal professionals should find a way to leverage those mistakes.

What went well? What went wrong? What can we do better next time? Very few law firms ask themselves these questions at the conclusion of their legal matters. Yet, these questions are extremely important in every legal practice. Post-project review facilitates refinement of best practices and contributes to increasing the quality delivery of legal services. Cataloging what lessons learned with each case and sharing the information that is worth knowing promotes consistency and efficiency leading to increased process improvement.



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i. Legal Team Feedback

Post-project review begins with face-to-face brainstorming with the legal team involved in that particular matter. This encourages frank discussion and elaboration on key issues. Meetings should not be time-consuming. Participants should have plenty of notice and be prepared with notes for the discussion.

The meeting should not be like cross-examining a witness. The project manager should facilitate group discussion by encouraging the project team to be frank and honest (without fear of recourse) and start with these simple questions:

1) What went well?
2) What went wrong?
3) What could we have done better?

This approach allows the project team to express their points of view while also letting them prioritize their commentary. Using this method, major concerns usually come forward first and are then followed by topics that are lower in importance but still ripe for discussion. After an issue is articulated, the project manager can tease out helpful feedback from the rest of the legal team by asking some of the following questions (as applicable):

- Is the statement clear to all involved?
- Do we agree with it?
- Is there proof of this?
- Is this an ongoing issue?
- What was or is the consequence of this?
- Should we prioritize a solution to this?
- What is the best way to address this concern?
- What could we have done differently to prevent this?
- What can we do to keep it from happening again?
- Is this an issue of substance or process improvement?

The team should use a template to document the questions and answers addressed during the meeting. The template may vary depending upon whether the group is practice specific, client specific, or matter specific.

The project manager should make clear that the meeting is not a place to place blame or make passive aggressive comments. If a major concern occurs that is the result of a specific team member's performance, those concerns are best addressed individually with that one person prior to this meeting. Lessons-learned meetings are not football pile-ons. To be successful, the project manager must be prepared to shut down character assassinations or bickering.

ii. Client Feedback

Post-project review begins with face-to-face brainstorming with the legal team involved in that particular matter. This encourages frank discussion and elaboration on key issues. Meetings should not be time-consuming. Participants should have plenty of notice and be prepared with notes for the discussion.

Because the heart of LPM is about consistently providing client satisfaction, it is not sufficient to just query the legal team. For process improvement and to nurture the client relationship), it is just as important to acquire feedback from clients. Although some larger firms have a general client survey, which they use as a litmus test for client satisfaction, drilling down to develop a more customized template for particular case types will hone performance of specific legal tasks. That's the real purpose of post-project review.

Further, when clients feel heard, there is a less likely chance that they will contest legal fees or file a bar complaint. This is especially a great way to draw out passive clients who may never work up the nerve to say anything to you about a grievance, but after stewing over it for a while, may file a complaint or fee dispute with the state bar.

c. Knowledge Management

Collecting feedback from the legal team and clients is essentially useless unless the firm commits to storing and sharing the information learned in a knowledge management (KM) system. KM systems refer to any type of information technology system that stores and retrieves knowledge, improves collaboration, locates knowledge sources, mines repositories for hidden knowledge, captures and uses knowledge, or in some other way enhances the KM process.

Regardless of the size of the firm, attorneys and staff are generally in a position where they are performing similar or interdependent work day after day. Storing this information in a shareable database (or even as a template or handwritten memo) to be accessed when working on similar cases can be very helpful in preventing repeated mistakes and helping the team continuously improve.

Although this may seem like a time-consuming endeavor initially, delegating someone to facilitate this process results in the practice becoming more efficient over time as the firm teases out its knowledge management practices and creates a library of searchable content using keywords and phrases.

d. Using Technology

Introducing LPM into a firm or legal department does not require a large information technology (IT) budget. You can begin using LPM principles with simple checklists and templates, spreadsheets, or even sticky notes, and a blank wall. However, if possible, law firms should leverage project management technology designed to help law firms better manage matters and budgets and automate standard processes.

When you choose technology to complement your project management goals, the technology should include:

1) Billing & Invoicing
2) Calendar Management
3) Client Portal
4) Conflict Management
5) Contract/License Management
6) CRM
7) Document Management
8) Email Management
9) Legal Case Management
10) Task Management
11) Time Tracking
12) Trust Accounting

There are a number of project management and practice management software options available for firms of all sizes. Each organization will need to evaluate its particular needs and select a complementary technology to facilitate their goals. Some that you might consider include:

1) Smokeball
2) MyCase
3) Clio
4) CosmoLex
5) MerusCase
6) Lawcus
7) Case Master Pro
8) PracticePanther
9) Filevine
10) ProTempus

Predictive/Waterfall project management is the original prescriptive method for managing projects. It can be very helpful in circumstances where the scope is well-defined and there is some flexibility with regard to budget and schedule. Conversely, you may benefit by taking processes and tools from both methods of project management (Traditional and Agile) and create a hybrid method that is tailored to your law practice.

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