MCC Interview: Angela H. Zimmern / McGuireWoods LLP

One LPM Size Does Not Fit All

A nuanced approach that begins and ends with the client’s goals is the surest path to success

Every firm these days seems to be talking the legal project management talk. McGuireWoods, however, walks the walk – and does so in a manner that clients embrace. The firm eschews a one-size-fits-all approach for a more nuanced, attorney-driven LPM program that is winning fans inside the firm and out. Below, Angela H. Zimmern, one of the architects of the effort, discusses how to win over transactional lawyers and ever-skeptical litigators alike. Her remarks have been edited for length and style.

MCC: Tell us about the McGuireWoods legal project management (LPM) program. What tools and processes does the firm have in place?

Zimmern: To meet greater demand for more predictable, efficient and cost-effective legal services, McGuireWoods in February 2014 introduced an LPM program, ClientSync™, and a proprietary budgeting and alternative fee arrangement (AFA) tracking tool, Compass™. While many firms have LPM programs, our model uniquely employs an attorney-driven approach. Rather than hiring consultants or delegating LPM to an administrative role, the program is led by two experienced attorneys (Carter Arey and myself). This level of lawyer involvement in an LPM program is rare, but it has been critical to the program’s success. Because Carter and I have first-hand knowledge of what it means to manage and track client matters and AFAQs, we understand lawyers’ and clients’ LPM needs and are well-positioned to address their challenges.

Our ClientSync program takes an organic, practice-specific approach to LPM, instead of a one-size-fits-all mindset. We collaborate with clients to better scope, budget and manage matters to ensure transparency and avoid unnecessary surprises. In the process, we expand our knowledge of our clients’ businesses and fortify our long-term relationships.

A team of McGuireWoods lawyers and technical staff developed and implemented Compass, a secure dashboard that provides a single location for managing matters and tracking task and budget data. The application pulls data from our time-entry system to ensure accuracy and real-time updating. Our lawyers use Compass to manage single- and multiple-matter fee arrangements, develop more thorough case planning and budgeting, enhance matter tracking, meet immediate targets, and identify budget creep before it becomes an issue. Compass also tracks timekeeper information to maintain budgets or fee targets. This real-time information makes it easy for lawyers to stay up to date on how their matters are progressing and quickly adjust their strategies when circumstances change.

MCC: What steps can firms or companies take to ensure efficiency without compromising quality of service?

Zimmern: In the current legal services market, clients often expect their attorneys to provide the same level of service as they always have, but at a lower cost. Becoming more efficient is the best way to meet – and exceed – those client expectations. Becoming more efficient is actually a win-win because the attorneys are focusing on the clients’ objectives. A classic example of this is the client request for a litigator to research a primary legal issue in a litigation matter. Is it more efficient for an attorney to research the matter and summarize it in a legal memo, which then must be rewritten as a legal brief, or to simply research and deliver the findings in a legal brief format? Skipping the superfluous legal memo saves the attorney time (and the client money), but ultimately delivers the desired legal service – a document that can be utilized in the litigation rather than sit on a shelf.

Quality of service is not compromised and no one writes (or pays for) a long memo that never gets read.

MCC: How do LPM strategies and practices differ when approaching litigation vs. transactional work?

Zimmern: The overall approach to LPM is the same regardless of whether you are dealing with a litigation or transactional practice. LPM involves combining people, process improvement and technology to deliver high levels of service to clients in an efficient and cost-effective manner. However, how this translates into action does depend on the type of practice. Litigators and transactional attorneys often approach their practices differently. To ensure that LPM tools are successful, these differences in approach need to be taken into account. An LPM team should consult various practice areas to help them identify their most significant pain points in a representation and tailor a solution to best address such pain points.

Corporate attorneys are familiar with how a deal unfolds and what it takes to move a deal from start to finish. They are accustomed to relying on checklists and tracking transaction-specific conditions precedent. While there are a number of variables from deal to deal, the main process is relatively consistent.

For example, for corporate lawyers, establishing highly detailed checklists that follow a transaction (such as an M&A deal) from soup to nuts can provide a clear roadmap that ensures consistency and reduces the risk of omitting steps in the process. In addition, outlining sequences of transactions that are repeatedly encountered (e.g., due diligence or entity formation) and establishing a set procedure and/or form documents to use in these instances can result in heightened efficiency, reduced response times and more consistent work product. We work closely with a variety of our corporate practices to identify these sequences and develop useful tools to streamline them.

Litigators, on the other hand, are sometimes inclined to resist LPM due to the variability of their practices. While the life cycle of a case can be somewhat predictable, no two cases are alike in subject matter, complexity of facts, judicial preferences and relationships with clients and opposing counsel. For this reason, litigators sometimes resist certain process-oriented LPM strategies because they believe that most aspects of their practices cannot be boiled down to repeatable processes. Rather than challenge these perceptions, we help our attorneys see that some of the more routine aspects of litigation (like procedural motions) can be streamlined through LPM, which allows more time for the attorney to focus on developing the intellectual and creative arguments that litigation requires.

Simply put, LPM allows all of our attorneys to spend more time on what our clients actually value and are paying us, as the experts, to do.

Another LPM strategy we have brought to the firm is the use of universal task codes for all of our matters. While many clients for years have demanded that litigators use task codes, this has not been the case for transactional work. Therefore, there is some culture shock and change management that must be addressed to fold task code use as an LPM tool into transactional practices. With our transactional attorneys, we emphasize that implementing task codes brings additional detail to assist with planning an engagement at inception, as well as discipline in monitoring a matter as it progresses. On the litigation side we focus on using task codes as a matter management tool to ensure that our timekeepers are not only working on the correct tasks, but spending the appropriate amount of time on the tasks.
Improving In-House Efficiency
The increasing role of legal department operations professionals

By Mark Haddad / Thomson Reuters

It’s no secret that corporate legal departments are struggling to do more with less. In the aftermath of the 2008 global economic crisis, corporate counsel faced cost pressures and brought more work in-house. Today, legal departments continue to adjust to cost constraints while dealing with how to manage internal and external resources to achieve greater efficiency and productivity.

Some in-house leaders are adapting by hiring legal department operations (LDO) professionals to act as their change agents, according to the Thomson Reuters 2016 Legal Department In-Sourcing and Efficiency Report: The Keys to a More Effective Legal Department. The report, the second annual survey of 429 attorneys and operational professionals working in corporate legal departments, examined their ongoing efforts to improve efficiency and productivity across their in-house teams.

A backlash against operational and administrative work

The report revealed a rise in employing LDO professionals as a backlash against the time-consuming administrative work facing legal departments. Many departments reported being besieged by the operational activities that come with being part of a corporation and have made changes to keep up with these ever-increasing demands.

Survey respondents indicated that LDO professionals are fostering change through staffing strategies, by managing outside counsel and employing legal managed-services providers, as well as by identifying and deploying new technologies across the legal department. Bringing in LDO professionals to concentrate on business operations allows corporate counsel to focus on higher-value legal work. With more time dedicated to the practice of law for these corporate counsel, less work has to go to outside counsel.

Another upside of transitioning work to LDO professionals is that it enables corporate counsel to be more proactive and strategic in how they advise the business. Employing LDO professionals in order to allow attorneys to work more strategically may eventually become an industry standard that sees widespread adoption among legal departments.

The advantages of working more strategically

According to the Thomson Reuters report, more than 40 percent of legal departments indicated that the top benefit of being more efficient is being able to focus on more strategic work, while another 25 percent reported that it’s being able to focus on the legal aspects of their jobs. With operational responsibilities like internal financial planning and project management consuming legal departments, corporate counsel are eager to concentrate on the practice of law.

This comes as general counsel are increasingly called upon for strategic and business advice, not just legal advice, according to a recent survey from legal placement firm BarkerGilmore. The evolving role of the general counsel means that the function will extend beyond providing legal guidance to advising the board and the CEO. As the general counsel’s role continues to expand, legal departments will face more pressure to realize efficiencies, which will require a keen focus on driving greater productivity.

Be smart about using outside counsel

Department leaders are also improving efficiencies by keeping work in-house—particularly with certain tasks related to contracts, intellectual property, mergers and acquisitions, and litigation. Virtually all respondents agreed that some work is better suited for the in-house team. From a practical standpoint, given corporate counsel’s understanding of the business, it may be more cost-effective to keep certain matters within the department.

There are ways to be smart about using outside counsel as in-house teams consider how to best divide responsibilities related to contracting, intellectual property, M&A and litigation matters. For example, the report found that corporate counsel are spending more time handling contract, litigation and regulatory matters, as well as advising internal business clients. Looking a little deeper, the focus is on contracts, where being nimble and knowing the business is particularly meaningful.

People, process and technology initiatives

In addition to shifting work in-house, department leaders are introducing efficiencies across people, processes and technology. For example, the impact of business growth on already-stretched legal departments means that one of the areas hit hardest is staffing. Staffing challenges were identified by nearly 25 percent of respondents as a problem. Overall, just under a third of legal departments created new positions, both to bring work in-house and handle growth.

Beyond people and process initiatives, technology is a crucial component of department efforts to improve productivity. Survey respondents’ top two technology priorities included migrating to electronic document storage and implementing knowledge management technologies, which shows they are keen to realize benefits such as spending less time to search for buried organizational knowledge, forms and templates—and consequently to be better positioned to leverage quality, existing work product.

In-house teams’ ongoing struggle to do more with less, while demonstrating their value to the business, means they are continually looking to better manage their internal resources, as well as outside counsel, to improve productivity and efficiency. Shifting work in-house, hiring LDO professionals and implementing new technologies are among the ways corporate counsel are adapting to cost pressures and seeing a greater return on total legal spend. Most promising is that several of these changes allow general counsel to work more strategically; fewer operational activities for attorneys means more time to focus on legal work.

MCC: What best practices can corporate counsel implement to develop or improve their own in-house LPM programs?

Zimmern: A key way to improve any LPM program (at a firm or in-house) is to identify goals that you want to achieve or problems that you want to solve, big or small. It can be a challenge and seem overwhelming to bring LPM programs in-house, but often small steps, like bringing everyone together in the same room to discuss basic things like “What is the one aspect of my job that can be improved by putting pen to paper on a good process?” or “What is something that I do every day/week/month that I know takes too long and could be simplified?” or “What is something that I do every day/week/month that I know takes too long and could be simplified if I would just take the time to make small adjustments?” can yield the biggest and most impactful results.

Teams also should discuss how to better leverage existing technology and resources to make work environments more streamlined, efficient and productive. Having internal meetings to discuss these issues with someone designated to follow up with team members on what small steps they have taken to implement these improvements can go a long way. No one knows your business, your culture and your pain points better than you, and often bringing some initiative and structure toward solving those issues can be more effective than seeking outside assistance. That being said, you can always check with your outside counsel to see if they have ideas to help you bring LPM into your legal departments.

The best outcome of all would be that you and your outside counsel collaborate on dual LPM strategies, which enable them to provide better and more cost-effective legal services while enabling you to meet your internal needs. I have learned that LPM is not a one-size-fits-all approach, and there is no uniform strategy that works for everyone. Rather, LPM requires nuanced internal insight into the unique challenges a legal team is facing and a commitment to meeting those challenges.

Mark Haddad is the Vice President of Thomson Reuters’ corporate segment. He can be reached at mark.haddad@tr.com.