

- Financial tools and process for producing budget vs. actual reports.
- Task codes for litigation, intellectual property litigation and employment litigation. Task codes for transactional matters are in process.

Results

Results are apparent in the year since the Fredrikson & Byron Board of Directors approved the Fred*Advantage* initiative. Firm management has actively encouraged the use of Fred*Advantage* tools and processes, and more lawyers are using LPM and LPI in their work. The IP Litigation Group readily embraced LPM and is using LPM to manage all patent litigation matters. The M&A and patent groups are working more efficiently and providing greater value by using LPI. Additional lawyers, paralegals and staff are being trained in other practice areas.

We are delighted with the results we have achieved since launching the Fred*Advantage* program. Client-attorney communications in matter planning and budgeting have been greatly enhanced. Matter management is going much more smoothly and predictably. And, most important, client feedback has been positive.

Honigman Miller Schwartz and Cohn LLP

Overview

In 2011, Honigman adopted a new strategic plan to achieve leadership in adapting to changes in the legal marketplace. As part of that plan, we committed to focusing on delivering clearly defined value to our clients on a consistent basis. We believe “value” means the combination of:

- **Outstanding Quality** – work that is well crafted, and reflects knowledge, experience and creativity.
- **Efficient Resource Allocation** – the right personnel at every cost level matched to the work.
- **Service and Communication** – the attention and information clients want, provided in a timely manner.

- **A Commitment to Help** – an understanding of the client’s industry, business and needs, and a passion for helping achieve the client’s business goals.
- **Price and Proportionality** – an understanding of the client’s business objectives, with the fees and costs proportionate to their goals and fair and consistent with their needs.
- **Predictability** – a product that is consistent with what was agreed to, with changes due to changed circumstances communicated in a timely and thoughtful manner, and
- **Something Added** – delivering something above and beyond what is ordinarily expected, be it an unexpected solution or savings, making connections, or providing new perspectives.

Legal Project Management (LPM) was identified as a critical component in successfully implementing our plan to consistently provide outstanding value to our clients. In addition, although we have had extensive alternative fee arrangements (AFAs) in many practice areas for years, we saw a need to expand our capabilities in that area firm-wide, also requiring effective use of LPM.

While many of our lawyers intuitively used informal LPM methodology, we felt that was insufficient and that a formal, firm-wide embrace of LPM was necessary. Our strategic plan recognized that it is not possible to provide top-end value to clients without first understanding how to internally improve processes to drive efficiency, consistency, and quality. We also believe clients need easily understandable options, both with respect to the terms of the proposed engagement and the strategy to achieve their goals. LPM is at the core of achieving both these goals.

As part of the plan, the firm also created the positions of Chief Value Partner and Associate Chief Value Partner to locate responsibility for overseeing and sustaining our value oriented efforts.

Training and Implementation

In 2011, we took our first steps toward implementation. We began a roll-out of comprehensive phase/task based billing on a department by department basis to facilitate efficient and effective budgeting and monitoring

against budgets firm-wide. We also selected software for both budgeting and project management purposes, and trained a group of personnel on using the budgeting software, so that they could assist attorneys with that aspect of LPM. We also developed a methodology and a form for doing fee estimates based on LPM principles that was implemented as a firm policy.

Our more visible LPM training and implementation began in 2012 with two 90-minute internal training sessions, conducted by our Chief Value Partner and Associate Chief Value Partner, on the fundamentals of LPM, including much of the theory behind LPM, and how it fit into our strategic plan. Each training session also featured a segment from a partner on a successful use of LPM at the firm. Those training sessions were open to all lawyers as well as a significant portion of our non-lawyer support staff, and were extremely well attended. Providing these in-house training sessions allowed us to lay the groundwork for our LPM efforts on an efficient and cost-effective basis. It also helped to increase the LPM expertise of some of our key people in connection with this effort.

The next step was involving certain “LPM champions” throughout the firm who we had identified earlier in the process. We asked them to help lead our effort by receiving more extensive LPM training to assist with department and practice group implementation. Those “champions” attended full-day training courses with a leading consultant and were tasked with beginning to implement LPM into their day-to-day practices.

Our plan was to make this the beginning, not the end, of training and implementation. One of the themes we had heard from others in the industry who had undertaken similar efforts was that they tended to fizzle out not too long after they began. We have continued to conduct monthly “Sustained Effort” meetings, which include attorneys and staff from across the firm’s practice areas and at each of our offices. In these sessions we have (1) provided ongoing training on various LPM aspects, such as determining staffing needs and modeling budgets, as well as related topics, such as choosing the right AFA for different engagements; (2) discussed other “value” components that are closely tied to LPM, such as what “efficiency” really means; (3) shared best practices in implementing LPM in different practice areas, for varied clients, and at differing project size levels; and (4) shared successes and failures in LPM implementation. We have

had engaging discussions about what improvements we can make, what resources the firm can provide, and what new or different approaches we can take to help ensure that our efforts are broadly successful. These Sustained Effort meetings have been a key component to keeping LPM in the forefront of everyone's mind and demonstrating how LPM can actually work in real life legal practice at our firm.

We have also successfully encouraged individual lawyers to become involved with other groups outside the firm that focus on LPM so they can bring that knowledge back to us. We also provide access to LPM related webinars and encourage participation in them.

In addition, our two Value Partners work one on one (and sometimes two on one) with our lawyers to review LPM plans, budgeting efforts, potential AFAs and the like, to help them work through the myriad situations that they face. This becomes a key learning experience both for the lawyers and the Value Partners.

Our departments have also integrated LPM into their plans. For example, the litigation department mandates the use of LPM and budgeting in all significant new matters, and we held a special additional training session in LPM for the real estate department, focusing on department specific examples of how LPM can be implemented. The implementation efforts at the department level will be gradually expanded to each practice group in the firm.

Lessons Learned and Early Successes

We believe that a key aspect of making LPM work is making our training effort as broadly based as possible. While our partners are the ones most often engaging with clients on issues such as scoping, staffing and budgeting, our associates, paralegals and non-lawyer staff, including various members of our finance, accounting and business development departments, as well as many of our administrative assistants and other support personnel, are essential to LPM success. Improved communication and coordination among our lawyers and staff, at all levels, make a difference. When each member of the team understands not only how LPM is employed but why, there is a deeper and more thorough understanding of what we are doing for our clients, what attorneys or staff are responsible for each piece of the project,

how the timing of everyone's work interrelates, and how this all affects the budget. This is the key to harnessing the greatest benefits from our LPM efforts for both our clients and the firm: more accurate and predictable fee estimates, better efficiency and work product innovation, greater realization and profitability, and improved communication and collaboration.

We have now had the opportunity to fully implement LPM principles on a number of projects across a broad range of practice areas, both transactional and litigation, and for projects of varying length and size, and to track those matters from start to finish. It is clear that our efforts have resulted in a higher sensitivity to, and focus on, many of the principles of LPM and have helped to improve our communication both with our clients and among our attorneys on many of these issues that were often overlooked. However, LPM is a discipline, and it requires a disciplined approach and a sustained effort, so our journey has only begun.

Conclusion

Our efforts have gone a long way in what seems like a short time, and have started to show results across a wide variety of practices and clients. Our lawyers are actively implementing LPM into their practices and seeking out opportunities to educate clients on how our LPM and value-initiative efforts can benefit them.

Providing outstanding value to our clients on a consistent basis, and being able to communicate that value and how it is achieved, is a critical aspect of our strategic plan that cannot be realized without the implementation of LPM. And implementing LPM on a consistent basis throughout a law firm is something that requires discipline, buy-in and understanding from lawyers and staff alike, as well as a sustained effort to innovate and improve. We as a law firm are committed to this effort.

King & Wood Mallesons

Commencing the Legal Project Management Journey

In October 2010, global law firm King & Wood Mallesons (formerly Mallesons Stephen Jaques) wanted to explore using project management to