

# LPM Momentum: The Dechert Experience

By Pamela Woldow, Esq.



In 2009, Dechert established itself as a committed first-adopter in the burgeoning Legal Project Management (LPM) trend by offering LPM training to every partner in its U.S. and European offices, certainly a major undertaking. I was retained to design and facilitate LPM training that included scores of workshops for hundreds of partners over a 9-month period. Dechert's full-immersion initiative sparked a strong wave of me-tooism among

other major firms, and its evident business development benefits incited envy in many competitors. Clearly Dechert had fashioned a powerful lever for attracting clients eager for greater predictability, efficiency and cost-effectiveness in the delivery of legal services.

This bold beginning also triggered predictable questions from interested observers, competitors and skeptics: *Where will Dechert's LPM efforts go from here? Will LPM take hold among the firm's lawyers? Will this be a flash in the pan? How are clients responding?*

Conversations with Ben Barnett, head of Dechert's Products Liability practice, and Colleen Nihill, Firm Wide Director of Legal Project Management, make it clear that the firm's LPM efforts are gaining traction, both with clients and within the firm. "Our clients are giving our LPM initiative a warm reception, and many have been surprised and pleased at the extent of our commitment to LPM" Ben said. "This is not just because we showed that we understood their needs, but because – unlike some firms – we have continued to build an effective infrastructure to implement and deliver LPM."

There has been increasing acceptance of LPM at Dechert, Ben says, and that is largely client driven. "More and more clients are telling our lawyers that they expect more than just outstanding legal services; they want well-managed legal spend, careful oversight of their matters, and regular progress reports that are clear, current and user-friendly." Dechert also recognizes that increasing use of fixed-fee or other alternative fee arrangements (AFAs) will create a greater impetus to implement LPM effectively.

Colleen says the firm is keenly aware that LPM cannot just be a matter of introducing LPM principles or teaching LPM terminology. "We realize that our clients expect us to deliver on the promises of LPM. Our approach to

implementation asks ‘how do we use LPM to deliver even greater value and to further our client relationships?’” Ben adds that this means producing tangible, objectively-measurable outcomes: “We are showing that we can deliver realistic budgets, track where we are against budget and provide reports that are meaningful to clients.”

## **Building Up and Building Out**

Since 2009, Dechert has continued to develop a sophisticated internal project management department, headed by Colleen, a former practicing lawyer, that is housed within the firm’s Finance Department. “Because LPM requires lots of financial information and analysis, it was most logical to house it there, and we have assigned a dedicated analyst, Monica Chan, to head matter reporting and pricing functions. We are building out our infrastructure to permit greater access to LPM-related information by our lawyers and practice groups.”

To achieve the firm's LPM goal, Dechert's Knowledge Management department also has created task codes across the practice groups that reflect the type of work Dechert lawyers actually perform. The coding process started with the ABA codes, but these have now been adapted to fit the work done and the type of information needed for budget forecasting. Lawyers working on these matters now enter their time using the task codes.

“We thought we might get some resistance on this,” Colleen says, “but some of our clients have required codes for quite awhile, so breaking matters into phases and tasks was not new.” Dechert created a flexible system which reduces the burden on its timekeepers so that they are only using a single set of codes. Behind the scenes, time can then be matched to client codes and allocated to particular clients. Colleen says, “we found that resistance diminished when lawyers learned they can get contemporaneous time and billing reporting that helps them manage matters and provide current information to clients.”

## **LPM Adoption**

Interestingly, while LPM has seen significant adoption among some practice groups, such as antitrust, products liability and certain transactional areas, generally Dechert is finding the LPM implementation is progressing more on a lawyer-by-lawyer basis than practice group by practice group. So far, Ben says, few lawyers are trying to implement LPM mid-stream on current matters; instead, they are turning to LPM methods and tools as they take on new engagements.

“The good news is that we’re seeing strong lawyer buy-in at all levels,” says Colleen. “Since our LPM rollout our culture has shifted from understanding LPM principles to active use by an increasing number of our lawyers. Individual lawyers want to use the tools that will enhance matter management. Partners

want the methods that will let them communicate better with clients. Associates, to my surprise, are coming to me and asking how to create Gantt charts.”

## **Lessons Learned**

In many regards, Dechert’s experience with the pace and scope of LPM implementation mirrors what we’ve been telling any firm undertaking an LPM initiative:

- LPM requires powerful champions and a highly-visible commitment from firm leadership, both short-term and for the long run.
- LPM should be defined in terms of the firm’s culture and strategy, and designed with its clients and their priorities firmly in mind.
- LPM implementation should be keyed to lawyers’ right-now needs – it must deliver immediate practical utility, or else it will not be adopted.
- LPM training should go short on theory and long on hands-on practice; to accept LPM, lawyers need to see it in action.
- Training must run in parallel with all other aspects of building tools and infrastructure. One-and-done training, or LPM without adequate technical and staff support, are keys to failure.
- One size does not fit all: LPM can and should be scaled to the group, team or project in which it will be used (for example, a short-cycle M&A transaction may require few task codes; a long-cycle litigation matter will need more planning, more granular information and more monitoring).

Dechert’s experience demonstrates that LPM implementation is itself a case study in LPM: it is a process that must be diligently scoped, planned, budgeted, monitored and continuously improved as it grows and matures.

No matter how ambitious a firm’s vision for long-term institutionalization, implementation should be approached incrementally. “You should not try to build a perfect system off the bat,” says Ben. “You can’t do everything and anticipate everything at the outset. Don’t bite off more than the firm – and its lawyers – can chew. Build something that works now, recognizing that you will probably be changing and redesigning almost everything as your LPM function matures.”

Asked, in light of its experience, if Dechert should have done anything differently, Ben responds instantly: “Yes. We should have started sooner.”

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