

## KM Triumphs at the Lex & Larry LPM Showdown

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(Part 2 of 5, LPM in Transactional Practices)

In our last post, we introduced you to “Lex,” head of a large firm’s transactional practice group and a powerful spokesman for the benefits of applying legal project management (LPM) principles to transactional legal work.

Lex learned -- and now practices religiously -- what most lawyers haven’t: how powerfully systematic *post project review* of every transaction and project leverages command and control of future projects. Post project review may be the final step in LPM, but arguably it is the most important. In their rush to commence the next case or deal, most lawyers blow right by this stage, never bothering to focus on lessons learned or the importance of making individual experience available to colleagues in the firm for their future use. Lex has schooled himself to avoid this impulse.

For starters, post project review poses some basic crucial client relations questions: 1) Is the client satisfied? 2) What did we do well? And 3) What can we improve next time?

However, beyond analyzing performance quality and evaluating present application of substantive legal skills, post project review generates an understanding of all the *contextual considerations* that may impact similar engagements in the future. To use the currently fashionable term, this is Knowledge Management – “KM” as it now often is called -- a crucial tool for firms to gather, integrate, prioritize store and disseminate their collective experience.

The post project review stage of LPM is the fountainhead for “KM capture.” Skip it, and you dumb yourselves down.

Long before the term Knowledge Management entered common currency, Lex had made himself a one-man KM department. “I have compiled decades of detailed deal data,” he says. “The deals. The players. The negotiations. The tactics, timeframes, train-wrecks, and triumphs. It has been a pain to keep this database current. But, oh, God, the benefits! The advantages!”

Lex tells a powerful war story: In the presence of the deal principals, Lex and his counterpart from another prestigious firm – let’s call him Larry -- were discussing certain pivotal aspects of the underlying deal. When Lex suggested one approach to a substantive issue, Larry scoffed, “No way. Our firm would *never* agree to that approach.”

Lex, who didn’t want to humiliate Larry in front of his client, said, “Larry, I really don’t think you want to go there.” This only made Larry dig in deeper: “That’s unacceptable to us. We *never, ever* do it that way.”

At this point, Lex pointed out that in deals with just Lex’s firm, over the last several years Larry’s partners in his firm’s Hong Kong, London and Los Angeles had repeatedly adopted that very approach – with excellent results. It was no surprise that Lex prevailed in this negotiation, and hardly a surprise that when Larry’s current client selected counsel for its next major transaction, Lex and his firm got the nod.

Lex is thrilled that his firm is now investing heavily in KM capabilities.

“For years, I kept the data on all our department’s deals. It wasn’t just for my use. I shared it with my partners, with our associates, *anyone* who wanted to know what we did and how we did it. My one-man KM efforts flattened a lot of peoples’ learning curves dramatically and reduced redundant effort exponentially. It wasn’t about teaching substantive legal skills; it was about *the application of knowledge to contextual factors*. As our firm has gotten larger and more geographically-dispersed, we have learned that we need ways to learn from the collective experience of our lawyers. It also has to make all that cumulative knowledge accessible. I’m relieved I won’t have to keep our deal data myself anymore, but I’m sure glad I did before.”

There you have it: post project review is not just about evaluating current performance; it’s about *KM Capture*, about providing the perspective to take things to the next level the next time around.

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