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KEY STEPS IN MAKING POSITIVE CHANGE HAPPEN

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Many of you are familiar with the survey of the legal marketplace conducted by Smock Law Firm Consultants (SLFC) at the start of each year. This year's results, issued in a monograph at the beginning of February, made note of a very interesting shift in management's attention as we begin 2014.

- For each of the past several years, the issues surrounding *"process improvement and reengineering processes"* received some acknowledgement as a concern – it was tied for 17th along with *"project management techniques and training"* for 2013. And it was tied with *"alternative fee approaches"* for 16th place as a management issue for 2014.

- But, when you turn to the issues that firm managements see as a longer term trend, process improvement and reengineering jumped all the way up management radar screens to a tie for the number two issue with *"improving skill sets in attorneys (and non-attorneys) in project management fee estimation, and related skills."*

We believe that that this dramatic leap frogging of the list of management concerns by these two issues is indicative of a new recognition by management.

- We wrote about a common lament of law firm managers in our monograph last year entitled *"We've Got to Run This Place Like a Business."*

- Well, we now see that some managements have begun to recognize that achieving that objective of effective business management takes more than willing it to be; it takes more than talking about it; and it takes more than convincing the firm and training everyone on the concepts of project management.

- What it takes is the ability to make change happen in an environment where there is a deep rooted and often passionate resistance to change.

We believe that process improvement and change management are deeply interrelated. In order to keep this on a relatively simple and straightforward basis (and to provide some evidence that the *"change management process"* and the *"project management process"* are quite similar) we have elected to treat the *"change"* to be undertaken in our firm as a *"project."*

The key components of a project - any project that will likely take more than a week to develop, plan, and implement - are a series of well-defined steps. But they do follow the guidelines for the *"scientific method"* that you may recall from grade school. These different components are:

- Define the project
- Establish the project plan and schedule
- Announce the project

- Confirm the present state
- Draft the design
- Pilot test
- Roll-out
- Monitor performance and provide feedback

The balance of this monograph will discuss how these components work within the change process in a law firm.

Define the Project

Some *"projects"* such as a new matter, a potential case or a system upgrade or conversion, are pre-defined. They are scoped out by your adversary, your technology vendor, or your IT staff. But potential projects that cut across the organizational lines of your firm generally need higher level internal sponsorship, especially if the project is aspirational. *"Making the process of creating, producing and delivering legal work product more efficient"* is just such an aspirational project. It is also overly broad in its present form.

Project Scope

In order to focus the project, it is necessary that we define the scope of the project. Can this be firmwide or is it to be focused on a particular practice group? Is the focus on a particular process that cuts across firm departments or perhaps across various practice groups as well as administrative and business departments of the firm? Is the interest in this particular scope because of its high labor content, or high error rate, or because of excessive delays in moving *"items"* through the existing pipeline? Does this apply to all types of work that flows through this pipeline or are there exceptions that will require an *"exception processing"* routine as well?

Beneficiaries

The project should have one or more clear and measurable benefits associated with the undertaking. But even before trying to quantify potential benefits we need to first determine who the target beneficiaries are. Clients may benefit through lower fees to produce the same amount and quality of work, or they may benefit by receiving legal work product faster or in a more client friendly format and form. Perhaps the quality and consistency of the work will be better without any increase in the cost to the client.

Similarly, some projects are deemed to be focused on improving the time sequence of certain internal pipelines such as the time necessary to identify and clear potential conflicts, the new client matter intake process, the time required for site-checking, or for certain types of document assembly. However, regardless of the project's focus, a necessary step is to determine who the beneficiaries of the project will be.

Once the scope and beneficiaries are defined and identified, we should clearly state the expected results from the implementation of this specific project. We must be able to articulate what exactly we are trying to accomplish, and what we expect the impact of this project will be once it is fully implemented.

Impacted Assets

In order to formulate our expectations for the results of the implementation of this project, we have to identify the assets of the organization that will be impacted. Beyond our people, these assets might also include client personnel, our facilities and real estate, intellectual property, equipment and technology.

The information compiled thus far will help us to determine how large of a project team we will need to develop and implement this project. It will also enable us to define the roles and responsibilities of the members of the project team.

In a similar vein, the information compiled thus far helps us determine the role and likely membership of the Project Steering Committee. In the broadest sense, the Steering Committee will be the ultimate decision makers with respect to this project.

The Steering Committee will also provide overall project oversight as to schedules, budgets, milestones, and variance or course correction as the project unfolds.

The members of the Project Team can now be identified and selected. They may require special technical skills or project management skills, and they may be existing assets of the organization or may be from a third party consulting firm. However, some of the members of the Project Team should come from the organizational units (departments, practice groups or disciplines) that will be affected by the results of the project. Having such individuals on the Project Team will enhance the credibility of the project around the organization, increase buy-in from the groups who will be most affected by the project results, and increase the likelihood of a smooth implementation.

As each of these above steps is completed, we can focus on a start date for the project itself and a target end date. There may be a need to set multiple end dates, especially if this overall effort is expected to be a multi-year exercise. By establishing dates for specific project milestones and phase completion targets, we can also increase the likelihood for success. Constituents react better when the intervals between status updates are not too long and interest in the project can be maintained.

Establish the Project Plan and Schedule

All projects require a *"beginning"* and an *"end"* date. We now want to begin the process of setting the detailed schedules and work plans for the project.

- Initially, we need to identify all of the tasks that will need to be completed and their specific sequence. Next we will need to identify specific milestones that will need to be met. We can then define the roles and responsibilities of the project team members and confirm that we have enough resources assigned to the project.

- As specific roles and responsibilities are defined for the project team members, we should also be able to ascertain whether any additional resources will be required for this project, such as technology, equipment, facilities, or temporary help.

- We can then formulate a schedule for the specific project steps – including a schedule for project review meetings with the Steering Committee.

Combining all of the above elements enable us to produce a project budget. Once this is complete, along with the project plan, schedules and resource requirements, we can again meet with the Steering Committee. The purpose of this review meeting is to gain their buy-in and approval for the project.

When the Steering Committee has signed off on the project, we meet with the project team members who have been assigned to this project. For many (or most to all) of them, this assignment will be in lieu of or in addition to their regular job responsibilities. This should have been considered when making the assignments for the project team, as well as when setting the project schedules.

This meeting with all of the team members, will give the project team leaders the opportunity to discuss the complete project, the anticipated schedule, and the roles of the team members and their responsibilities.

Announce the Project

Now that the project has been approved by the Steering Committee, and the project team members have all been briefed, it is time to announce the project to the organization. This communication is important to minimize the feelings of job insecurity and the normal resistance to change that such projects engender - particularly in law firms. Moreover, this communication should be ready to go out before the meeting with the project team and should be circulated as quickly as practical following the project team meeting. After all, we will want to control the communication process and not have it leak out without all of the necessary facts and benefits associated with the project.

Another suggestion is to conduct an information meeting with personnel in key areas that will be affected by the project. Again, this is to encourage buy-in and to address the issues of job insecurity and resistance to change.

We also believe it is a good idea to provide periodic updates to the rest of the organization about the project as key milestones are met. Reporting on the successes of the project will continue to encourage support and buy-in.

Confirm the Present State

We are now at the point where the *"field"* work can begin. The members of the project team need to confirm the present way of doing things within the processes we are planning to change or re-engineer. This step is needed to ensure that the project definition is sound, is based on facts, and will indeed produce the desired results.

Design the Improvements

After we have collected all of the data and completed our analysis of the present state, we can initiate the process of redesign and, if appropriate, new design. In doing so, it will be beneficial to engage the employees from the affected parts of the organization in the redesign. Some of the best ideas for improving efficiency will come from those employees.

It is also a good idea to consider all options and suggestions (i.e. – alternatives) for change that are suggested or conceived at this time no matter how *"out of the box"* they may seem. This process is usually the best source of innovative thinking and actions.

As we sort through the alternatives we need to narrow the field, considering the pros and cons of each idea, including factors such as ease of implementation, training or new staffing, budgets and time to implement. Once the field is narrowed to a preference we need to fully document the proposed changes.

This documentation should also include description of the proposed changes and the estimated costs and duration of implementation. It is generally a good idea to consider and plan a pilot program for the redesigned process rather than a full blown implementation. But there are pros and cons associated with each approach and the choice is usually case specific.

A full meeting with the Steering Committee is now in order for the project team to present their findings, the proposed redesign/new approach, the pilot plan and budget.

Pilot Test

Following the Steering Committee's approval we should implement the pilot program. As this process continues, we do keep sending periodic updates to the Steering Committee on our accomplishments versus the plan and the expected results. We also should communicate the launch of the pilot to the rest of the organization.

As the pilot proceeds we have to be prepared to modify our approach or course correct based upon our analysis of the pilot test results. We need to remind ourselves that the real world often turns out differently than our plans.

The results of the pilot can be compiled and used as the basis for preparing a plan for the full roll-out of the new or redesigned process and can now/should be presented to the Steering Committee.

Roll-Out

Following the approval by the Steering Committee for the full roll-out of the new/redesigned process, we are ready to communicate the coming change to the rest of the organization. This communication should be pre-drafted and teed-up for distribution so it can be circulated as soon as the Steering Committee approval is received.

We are now ready to launch the roll-out. However, the *"project"* will continue for an additional period of time as we monitor the performance of the new/redesigned process against our expectations.

After an appropriate period of time (it could be as short as three months or as long as a year or more) we should provide the Steering Committee with a project wrap-up report (i.e. – results, takeaways, etc.).

Summary

We have shown that the relationship between change management and project management lies in the process needed to make change happen. As we discussed the components of a project in this monograph, we have made a number of suggestions designed to enhance the opportunities for a successful project launch and implementation. And we have pointed out possible missteps, that you can make that will almost assure project failure.

ABOUT SMOCK LAW FIRM CONSULTANTS

Smock Law Firm Consultants is a focused strategic management consulting firm serving the legal marketplace (our primary industry concentration), other professional service firms, and commercial entities. We help private law firms address and resolve those key issues that have a major impact on a firm's near term success and its long term direction and focus. We have seven key areas of practice – (1) **strategic planning** at the firm and practice levels; (2) **strategic plan implementation and execution**, in essence, helping clients do what they said they would do; (3) **mergers and combinations assistance**, helping identify, structure and implement combinations; (4) **practice team/group management**, helping the practice team concept achieve its potential; (5) **law firm economics**, helping our clients improve profitability and deal with longer term financial issues; (6) **operational excellence**, improving both the effectiveness and efficiency of firm operations; and (7) **strategic management issue resolution**, assisting in resolving issues of vexing management concern.

We believe there are three factors clearly set us apart.

- The primary success factor for any consulting firm are the results achieved by our clients – in both the near and longer term. Our client references can speak directly to those results.

- Our *"first string"* and, actually, our **only** string (Smock, Giuliani, Fiebert, and Walker) is, simply, **the most experienced group on senior consultants serving the legal profession**. The four partners bring a collective relevant experience of greater than 165 years and **each** has greater than 40 years of varying but relevant experience in law and professional firm management.

- We tailor our approach to every consulting assignment to the unique needs and requirements of the client. We are known for our **originality and creativity** in doing that and for our scrupulous avoidance of *"law firm management dogma."*

Again, thank you for either participating in our survey or considering its results – or both.

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