

LAW FIRM
APPROACHES TO PROCESS IMPROVEMENT
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Many questions we are asked are about the different approaches law firms are taking with regard to employing process improvement for competitive advantage. Each firm really is unique and there is no one right way to do this work. However, over the last several years, we have seen law firms initially approach process improvement in the following three, primary ways: strategic/organizational development, education and skill development, and demonstration projects.

Strategic Decision/Organizational Structuring (Firm or Practice Group level)

It is currently a small number of firms that have made a strategic decision to bring PI into their organization because of a strong belief that there will be competitive advantages to building deep process improvement disciplines and skills into the organization. This strategic approach involves strategy and goal setting, discussions and decisions about roles and responsibilities related to both Process Improvement and Project Management), developing an approach to skills development that includes training, mentorship, and project experience, determining a project selection and prioritization method that works for the particular firm, and establishing a Process Improvement Steering Committee. The objectives of this kind of systematic approach are eventually to transform culture and the way the entire firm carries out its work, and to build lasting competitive advantage through processes that deliver the maximum value in high-quality legal services to clients at the lowest cost.

Education/Skill Development

Many firms begin by selecting lawyers and business professionals to participate in Leadership Overviews as well as introductory White and/or Yellow Belt Certification Courses. The objective of this approach is to begin generating interest in and developing knowledge about Lean and Six Sigma as they specifically relate to the legal profession. Team Leader Training is delivered to firms that are interested in developing people to lead projects and focuses on facilitation, project management, change agency, and project communication skills.

Typically, this foundational knowledge allows firms to identify opportunities for process improvement and begin to apply process improvement concepts. It can be easier to do this when a common language and understanding is established. Team members who successfully complete a project may be awarded a Green Belt Certification.

Demonstration Projects

Finally, another approach that law firms are taking is to try a project to see what PI is all about and how it might work best in their organization. Conventionally, a project is selected and the standard DMAIC process (Define, Measure, Analyze, Improve, Control) is carried out, after which the firm evaluates both the success of the project and the ability of Process Improvement to deliver benefits to the firm.

A treatment that we have found particularly useful in the law firm environment is the Kaizen methodology. This approach, while still adhering to the rigorous and disciplined DMAIC methodology that is employed by PI practitioners, allows a tightly scoped project to be delivered in a compressed time period.

The Kaizen involves a one day kickoff meeting, for which the team prepares in advance so that the Define phase may be complete in one day. This is followed by about a month of data gathering and then a three day workshop, during which the team completes Measure, Analyze, and some of the Improve phases. Because law firms usually prefer to start and finish things quickly once they have made a decision to move forward, we are finding that the Kaizen is appealing to our clients.

The Details Involved in Each Approach

Approach 1 – Strategic Approach to Process Improvement. There are firms/practice groups that have made a strategic decision to utilize process improvement methodologies and tools to gain real competitive advantages by embarking on a systematic change program. The objectives of such a program are to 1) comprehensively redesign the processes of a business, to make them as capable and efficient as possible and transform the performance of the business and 2) build the capacity and infrastructure for ongoing change. Some of the elements to support a systematic change program may be naturally present in the firm. To create the others, the program must include activities to build them.

The eight key elements to support a strategic approach to PI are:

1. Process perspective – performance targets and measurements for processes
2. Clear need and goals for change – documented and communicated “compelling case”, cascaded goals
3. Assessment process to create change plan – value stream mapping or baselining, resulting in documented change plan
4. Change skills and tools – leadership training, change agent training, and awareness training for the general employee population, mentoring to supplement skills
5. Improvement culture – identification of role models, support for change agents/teams
6. Knowledge-building – symposia to share learning, knowledge management system
7. Benefits capture – measurement systems to monitor and track benefits delivery
8. Change infrastructure – site steering committees, extensive communication, goals linked to employee objectives

Approach 2 - Build Interest and Skills. We are convinced that firms will benefit enormously from building deep skills in improving processes, and that the firms that do this soonest will accrue significant advantages. However, developing the levels of skill and experience required to carry out process improvement projects efficiently and effectively is not a trivial matter and requires a significant investment of time and resources.

Ideally, we prefer to combine classroom training with real-world experience on projects that will benefit the firm. Our preferred approach to beginning this skills development is to select a portfolio of high-impact projects, with careful selection of teams and team leaders who will carry out the projects and begin to develop the skills that will allow them to carry out subsequent projects.

In this type of program, all team members participate in a Yellow Belt Certification Course, which has been tailored to address the particular projects that the attendees plan to undertake. Additionally, we often add a team leader training session so that the team leads will start to develop facilitation and project management skills. Subsequently, the teams carry out (or revise) their selected projects, aided by an experienced Lean Sigma facilitator as they work their way through the DMAIC methodology to deliver results. The internal resources in this type of program are encouraged to carry out as many of the team leadership and facilitation tasks as they possibly can, so that the facilitator can provide feedback that accelerates their skills development.

Comparison of Legal Lean Sigma® Certifications & Skill Levels

White Belt	Yellow Belt	Green Belt	Black Belt
Understand processes, process mapping and measurement	Knowledgeable about processes, process mapping and measurement	Experienced in process mapping and measurement	Skilled in process mapping and measurement and can teach others
Familiar with basic language and concepts of key PI methodologies	Knowledgeable in basic language and concepts of key PI methodologies	Experienced in using one or more key PI methodologies	Skilled using one or more key PI methodologies and can teach others
Familiar with DMAIC phases in executing process improvement projects	Familiar with DMAIC phases, steps and tools for each phase	Experienced in using DMAIC to execute a project, have used most common tools for each phase	Have used DMAIC to execute several projects, skilled with the most common tools
Know that there are many useful process improvement tools	Know the most common process improvement tools and how they are used	Have used the most common process improvement tools and know which others are available	Skilled with a range of process improvement tools and can teach others
Understand key components of systematic process improvement	Knowledgeable about key components of systematic process improvement	Experienced in delivering the key components of systematic process improvement	Able to create the key components of systematic process improvement in a novice organization

Approach 3 – Demonstration Projects. Initially some of our clients are unsure as to whether process improvement is advantageous enough to provide a good return on investment, unwilling to make the significant training investment at the outset, or simply just want to begin right away. These clients often prefer to start with minimal training followed by a demonstration project to assess the methodologies, the results, and the fit of Lean Sigma with the firm's culture.

If a firm elects to proceed in this manner, without the support of the classroom training to provide context and frameworks and begin developing skills internally, we are always obligated to suggest that the projects will rely in largest measure on expert facilitation from experienced external consultants to lead the projects and deliver the results. In this case, our expectations should be limited to providing a robust demonstration of the power of the Lean Sigma methodology, with results that provide a good return on the investment. After successful project completion, the firm may choose to discuss a more in-depth approach that will not only provide project results, but will also transfer skills and knowledge so that the firm starts down the path toward self-sufficiency in Process Improvement skills.

Conclusion

Regardless of the approach used, the tools of PI and PM, along with the tried and true DMAIC methodology, work very well in a law firm environment. We believe that DMAIC is effective because it is logical, and rigorous, requiring us to exercise the kind of discipline that allows for the effective use of safeguards. One of these safeguards is the all-important gate review with a Steering Committee, which follows the conclusion of each phase. This ensures that we are communicating as we progress with our projects and that we are employing good change management techniques.

Today's law firms are faced with new challenges and opportunities to maximize efficiencies. They must develop and employ strategies and tactics based on the client perspective and reconnect legal costs to the value received.

As soon as we start to describe and measure a process, we will begin to see things that could be improved, either in the client's eyes or the firm's/department's eyes or both. In fact, most of our processes fall so far short of their potential. Usually, improving them will benefit BOTH the client and the law firm.

Because each law firm (and each firm's clients) is unique, there is no one, right way to employ PI and PM in a law firm. While some firms and service providers have made their work visible, others have are engaged in efforts well under the radar. Nonetheless, we can attest to the fact that evidence exists to suggest that all three approaches produce successes and certainly position firms that employ PI and PM to great competitive advantage.

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About the Co-Founders of the Legal Lean Sigma® Institute

Laura Colcord is a Legal Lean Sigma



Master Black Belt. She is an internationally-known Process Improvement expert who has pioneered the use of Lean and Six Sigma in many non-traditional applications,

including financial services, higher education, health care, support functions, and new product development.

Laura began her process improvement career at Exxon Chemical, continued at Booz-Allen and Dove Consulting before becoming an independent consultant. She has worked in more than 20 different countries for over 30 years and brings a unique depth of expertise to her work as a result.

Laura's consulting practice encompasses the Process Improvement spectrum, including developing internal PI resources, assessing improvement potential for an organization, leading process improvement projects, and helping leaders design systematic PI programs for their organizations.

Laura has a B.S. in Chemical Engineering and a MBA from NYU's Stern School of Business. She was a Fulbright Scholar in Germany.

Laura is the Co-Founder and Chief Operating Officer of the Legal Lean Sigma Institute.

Catherine Alman MacDonagh, JD is a



Legal Lean Sigma Black Belt and a certified Six Sigma Green Belt. She is passionate about teaching those in the legal profession about process improvement and the benefits it delivers.

Catherine is a former corporate counsel who brings the client perspective to all of her work. She is known for her successes as a law firm executive and for implementing innovative strategies as well as business development training and coaching programs for professional services firms for more than 20 years.

She is a Co-Founder of the Legal Sales and Service Organization (LSSO) and the Co-Developer and Chief Enthusiasm Officer of the Legal Mock tail™, an experiential networking training program for lawyers.

Catherine is the co-author of two books: *The Woman Lawyer's Rainmaking Game* with Silvia Coulter and *The Law Firm Associate's Guide to Personal Marketing and Selling Skills* with Beth Cuzzone. She is a trained facilitator and frequent speaker and enjoys teaching a graduate professional services marketing class at Emerson College.

Catherine is the Co-Founder and Chief Executive Officer of the Legal Lean Sigma Institute.

Legal Lean Sigma® courses and programs have been delivered to professionals from more than 100 law firms, legal departments and organizations associated with the legal profession. Laura Colcord and Catherine Alman MacDonagh of the Legal Lean Sigma Institute are faculty members of ACC's Value Challenge Master Class, George Washington University's Masters of Law Firm Management program, and presenters at firm retreats, the Association of Legal Administrators Large Law Firm Retreat, the Legal Marketing Association Annual Conference, and LSSO's RainDance Conference.