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The Rise of the Legal Industry's Project Management Office

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Editor's Note: *The authors of this post all hail from Goodwin Procter and hold the respective titles of Chief Operating Officer, Managing Director of the Project Management Office and Managing Director of Pricing & Project Management.*

By Michael Caplan, Maureen Naughton and Christopher Ende, Goodwin Procter

When it comes to tackling large scale technology projects, corporations have long relied on their project management offices. In fact, this function has become so ubiquitous in the corporate world that it is commonly known by its acronym – PMO. Until recently, not many law firms and corporate legal departments had established formal PMOs functioning outside of their IT Departments. But this is rapidly changing.

Several factors are driving the rise of PMOs across the legal industry. For one, investment into new technology solutions, with dedicated project management staff, has been increasing over the past several years. As the success of this model grows within an organization, early adopters realize

that this methodology can be adapted to drive successful results outside of purely technology driven projects. The structure, tools and facilitated communication offered by the PMO becomes a welcome, consistent resource for an organization pursuing a variety of projects and initiatives in a timely and cost efficient manner.

Concurrently, law firms and in-house legal departments have been looking for new, more efficient and structured ways to manage risk and optimize their data. With a standard methodology for managing projects, prioritizing objectives and creating best practices, it is easy to see why PMOs are quickly becoming the legal industry's go-to management solution.

Setting-up a PMO involves much more than just hiring project managers. Goodwin Procter established its formal PMO in 2014, and since then, we have successfully used this function to bring even more efficiency to our projects and cost management, and to ensure ongoing and consistent alignment to evolving client needs.

How did we do it?

We started by implementing a set of formal processes for all projects. Attorneys and staff welcomed this change as it introduced consistency across reporting, resourcing, timing and budgeting. We then created a set of minimum "must haves" for a project to get funded. These included a clear business case, a formal project manager, a defined budget, and a well-thought-out plan with key dates.

Through the PMO, we aligned all projects to the firm's budget and strategic priorities. This not only led to cost savings but also to cost avoidance. Our PMO has given us the ability to be flexible, balance changing needs throughout the year, and no longer spend time on initiatives that get started but are never finished.

Based on our experience, there are two critical components to an efficient PMO:

- **Standardization**, which creates a single set of processes and templates, including the development of forms and training, and the implementation of a central online repository for managing and reporting on projects across the organization. By standardizing these items, we created a set of metrics around our people, projects and costs, and aligned them to a defined project management lifecycle.
- **Change management**, which creates alignment across the organization on the importance of the PMO. Explaining the purpose of the PMO to key members of the firm, especially those in leadership roles, is essential to strong initial adoption and future success. Likewise, setting expectations around monitoring and reporting on projects is important for developing a collaborative culture between the PMO and other members of the organization. Without proper socialization and change management, a firm runs the risk of its PMO being viewed as an oversight body and generator of "red tape."

PMO processes and challenges are similar for law firms and corporate legal departments. These similarities provide a unique opportunity for partnership between firms and their clients on addressing the need for greater efficiency and consistency in legal operations. This kind of collaboration may involve sharing best practices, working together on implementing legal technology, and creating cross-organizational teams to address specific needs.

In addition to creating operational improvements, taking a collaborative approach in this area can help law firms shift their relationships with their clients from service provider to strategic partner. At Goodwin, we have been working closely with corporate legal departments on a number of project management initiatives. Sharing our PMO methodology and insights has been helpful to our clients and also beneficial for us, as we have developed a deeper understanding of our clients' businesses, goals and pressure points. We have been working with clients on applying the same methodologies to our legal work. This has not only resulted in more cost-effective legal services but also has helped us build richer relationships.

The challenges facing the legal industry are not disappearing anytime soon and will continue to drive law firms and corporate legal departments towards more formal PMO approaches. Amidst these challenges, however, lies an opportunity for more collaboration between law firms and corporate legal departments to help drive true innovation and change within our rapidly evolving industry