Project Management – Applying New Disciplines to Legal Matters

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Applying Legal Project Management Case Study & Exercises
Engaging/Initiating Phase – Stakeholder Analysis

- First, identify all stakeholders.
  - A stakeholder is anyone who is affected by or who can affect the project.
  - Stakeholders can have a positive or negative effect on a project.
- Then, analyze the stakeholders in terms of power/influence vs. interest in the project/matter.
Engaging Phase – Stakeholder Analysis

• Identify all of the people, groups, their interests, expectations, involvement, and their effect on the project and the project impact on them

• Stakeholders can have a positive or negative influence

Examples

• General counsel
• CEO
• Shareholders of company
• Internal clients – business unit executives
• Board of Directors
• Opposing counsel
• Judge
• Acquisition target

Exercise: Stakeholder Analysis

• Read the case study.

• When directed, identify possible stakeholders following the instructions and using the index card.

• Goal: Identify stakeholders within your firm, the client organization and other external stakeholders.
Engaging Phase: Steps in Stakeholder Analysis

- Step 1: Identify the people and groups
- Step 2: Identify the interest of each
- Step 3: Determine the power/influence of each on the project (+ or -)
- Step 4: Create Power / Interest Grid

Power / Interest Grid

<table>
<thead>
<tr>
<th>Low</th>
<th>Medium to High Importance</th>
<th>Extremely Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>ELEVATED (must be satisfied)</td>
<td>HIGH (watch / manage closely / communicate regularly)</td>
</tr>
<tr>
<td>High</td>
<td>LOW (monitor / least effort required)</td>
<td>GUARDED (consider / keep informed)</td>
</tr>
<tr>
<td>High</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Group Exercise: In-Scope / Out of Scope

• Referencing the Creative Confections case study and assuming the role of Loreto Schwartz, define the scope of the acquisition project as follows:
  – Identify both the in-scope work associated with the acquisition of McAllister Bakeries and the potential areas of scope that are not core to handling the matter and which would not be carried out by the in-house team (out of scope).
  – For the in-scope work indicate which items would be handled by the in-house legal team vs. scope that could be handled by outside counsel.

Benefits of Effective Scoping

• Helps set expectations with all stakeholders at the start of a matter/project – anticipating obstacles, contingencies, etc.
• Creates more realistic expectations and understanding among all stakeholders
• Helps to prevent scope creep, particularly with outside counsel
• Helps define the responsibilities within the organization and between in-house and outside counsel
Benefits of Effective Scoping (cont.)

• Enhances communication within the project team
• Helps integrate new members to the project team
• Can help with staffing because of more advance planning to anticipate needs on project
• Can use the scope document to create checklists for current and future matters.
PROJECT SCOPE

- Identify and describe the work that is needed to produce the product of the project in sufficient detail to ensure that:
  - The project sponsor/key stakeholders agree with the Project Scope as written.
  - The project team understands what it must do.
  - All of the project work that could be known at this point is identified.
  - The project leader knows whether the goals can be met given the project constraints (time, budget, resources, quality).
  - Defined in terms of the work that needs to be done (the "what")
  - Outlines the parameters or limitations of the project
  - Makes clear to those involved what product(s) or service(s) will be delivered (deliverables)
  - Requires collaboration among the project sponsor, key stakeholders, and the project leader

The scope describes the boundaries of the project.

Project Scope: Inputs and Outputs

You have to know this........ to create this in clear terms.....so that you can determine these.
Key Information for Drafting the Scope:

- Who are the key stakeholders and what are their requirements?
- What are the goals of the project?
  - Described clearly
- What is the importance of this project?
  - Business issue
  - Context
- What are the project deliverables?
  - Described clearly
- What high level activities will be required to meet the goals and deliverables?
- Will the project be managed in phases? What are the phases?
- What is excluded from the scope?
- Constraints
  - Timing?
  - Budget?
  - Resources?

This is an iterative process...

Project Risk Categories

- **Client**
  - Turnover in key personnel
  - Governance / politics
  - Financial issues
  - Lack of information

- **External**
  - Government laws or rules
  - Market / economic changes
  - Judicial / agency changes
  - Opposing counsel
  - Personnel turnover / availability
  - Financial or staff resources
  - Turf issues

- **Firm / Practice**
  - Lack of information
  - Prioritization

- **Project Mgmt**
  - Lack of skills (legal or mgt)
  - Poor estimation
  - Poor communication
Assessing Project Risk – Probability / Impact Grid (“PIG”)

- Called a Probability and Impact Matrix in the PMBOK® Guide
- Grid can be 3x3, 4x4, nxn depending upon degrees of scale
- Need to define the scales of probability and the scales of impact first (in the Risk Management Plan)
- Simplest ones use Low, Medium, High as the scales

Assessing Risk

![Assessing Risk Diagram](image)

Managing Projects for Efficiency and Profitability Across the Enterprise

Value of Stakeholder Identification / Analysis

- Helps understand the different influencers inside and outside the company
- Helps manage expectations – of each stakeholder / group
  - Who are we trying to please? What does that require?
- Prioritizes the issues in a matter and can identify potential obstacles to achieving client’s objectives
- Helps identify the right people in the department or outside who are needed for the project
- Facilitates building a Communications Plan and managing it
- Minimizes / lessens project risk issues with more thorough analysis of stakeholders upfront
- Helps prevent dissatisfied clients through enhanced communication
- Can reduce costs of legal matters

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