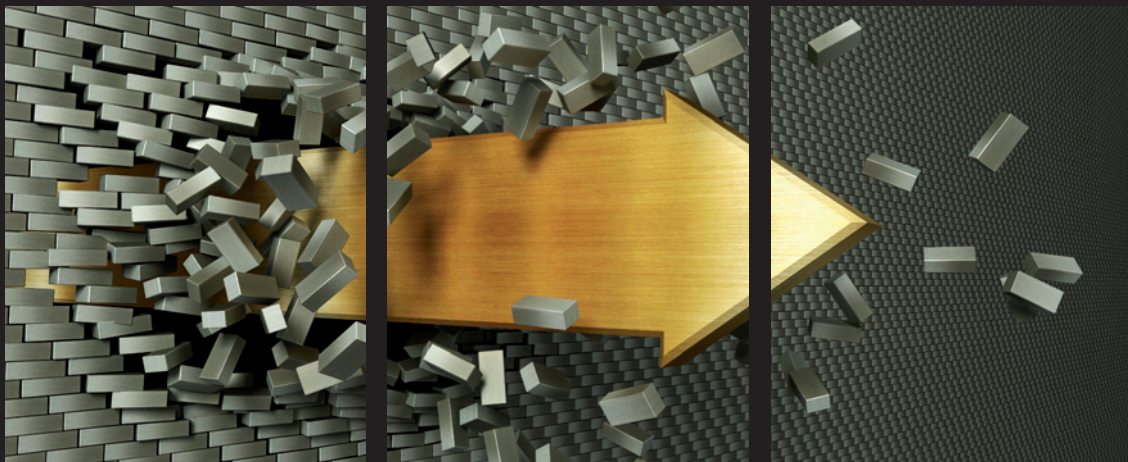


Implementing an Effective Change Management Strategy

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Case study 6: Seyfarth Shaw – Pioneering a Lean approach to legal services

FOR US law firm Seyfarth Shaw, a combination of top-driven approach and cultural alignment led to a successful change initiative that has won acclaim in legal and broader business circles.

In an environment of increasing client-demands, the firm had for some time been investigating ways of continually delivering the highest value while driving client costs down. It chose to use Lean Six Sigma,¹ a combination of the business management strategy Six Sigma and other processes for eliminating waste and improving performance. The initiative, known as *SeyfarthLean*, broke new ground for law firms.

“Our clients were interested in looking at alternative fees and we wanted to make sure we were responsive,” explains Seyfarth Shaw partner Lisa Damon, who helped drive the change process with the firm’s chief strategic innovations officer, Carla Goldstein and a team of others from across the firm, in all departments and practice areas.

“Our executive committee and managing partner Steve Poor asked us to look for a process methodology or some way to structure our thinking for the way we provide legal services. We realised we needed to step back and analyse the way we worked and look for any efficiencies; and then translate them into our fee structure.”

The Seyfarth team talked to a number of clients and all the discussions pointed to Lean Six Sigma as the best approach. That in itself was a learning curve as Damon,

Goldstein and others in the firm began gathering as much information as they could about the Six Sigma philosophy. At the suggestion of Tom Sager and others at DuPont – which managed one of the first applications of Six Sigma in a legal environment – Seyfarth Shaw decided to draw on the assistance of consulting firm Six Sigma Academy.

A key element in the success of the change was that delivering value to clients was already central to the organisation’s culture.

“It was actually a natural progression for our firm,” says Damon. “We have embedded in its DNA this real drive for efficiency and client service. So we started the process with that sort of a culture, which made it an easier transition. We started with a leg-up, because our attorneys pride themselves on the efficient way they serve their clients.”

Even with that prevailing culture, it was considered very radical in a law firm environment to use efficiency processes and apply them to legal work. The firm took a realistic view of the size of the challenge, recognising it was going to be difficult because the new approach involved changing the way people thought and behaved. Organisation-wide commitment was critical, as was strong leadership.

“Our advice was that this needed to be driven from the top of the organisation, and that it needed to be ‘all in’,” Damon recalls. “It was clear that we would not be successful if we implemented Lean Six

Sigma in a small part of the firm or only with certain partners. It was such a radical approach, it needed to be top-down driven and all-encompassing.”

The executive committee and managing partner led the way in the first stage of the implementation, which involved training ‘green belts’, those responsible under the Six Sigma structure for executing the processes. That first round of training took in key partners, staff who managed large sections of Seyfarth Shaw’s business and key non-legal staff. The top-down approach began to bear fruit as any initial scepticism was offset by demonstrable results.

“Any kind of change has resistance – it’s hard for people,” Damon says. “What we found was that our firm leaders, when they got into it, came to understand how dramatic the results would be. They began to then lead projects all over the firm as part of the green belt training and seeing results.”

“As part of the training we did two projects,” Goldstein recalls. “One was in the classroom, the other was outside the class structure.”

“We tried to tackle key strategic and tactical issues within the firm, and that was how we began to make change. We got leaders involved in shaping the program and running the projects, and they began to see results.”

After the first phase of training, the change team stopped and looked critically at what was working and what needed improvement. At that point, the programme was modified before the training moved to its next stage. External advice from Six Sigma Academy was instrumental in driving those changes. Additionally, a Seyfarth partner, David Weiner, was trained and certified as a black belt while working on a client project. His knowledge and influence have added to the success.

“We did training on a variety of levels,” says Damon “Green belt training is the most intensive, it’s a four to six month course. Then we do an executive green belt, which is half a day, and last year we developed training for every single person in the firm. Seven hundred people were trained at the end of the year. We have more to do, but wanted to make sure we had touched every person. Then we do training by department on using the tools and principles in their area. There are different kinds of training at different levels.”

The sequence of events that has worked for Seyfarth Shaw is:

- Get the leaders involved;
- Focus on projects that get results;
- Assess the programme at an early stage;
- Make necessary adjustments; and
- Continue the roll-out.

Goldstein says an important success factor was choosing the right projects for the first round. “We chose ones that were visible to more people in the firm, so that more people could actually see how the changes impacted on their work life,” she explains. “For example, one of the first was our internal conflicts process, which was very important for the partnership. We were able to dramatically change the way conflicts were managed, handling them much more efficiently. The partners felt something tangible about what we were doing.”

As well as the training, the roll-out team began to get certain teams of attorneys together and had them analyse a type of transaction within their particular area. “What that did is also brought it to life for them,” Goldstein says. “So in conjunction with the training and for those who hadn’t worked on a project yet, this allowed them to really understand the benefits and the steps.”

As the firm has moved forward with *SeyfarthLean*, the most important element has been the client reaction. “We’ve been greatly helped by our clients coming to us, talking to our lawyers and then seeing the results we’ve been able to achieve for them by thinking and working in this way,” Damon says. “While efficiency has always been part of our DNA, what we’ve been able to do is give people tools to enable them to work in this way.”

SeyfarthLean has now been applied across every practice area of the firm, involving more than 100 projects delivered by 75 certified green belts and achieving client costs savings of 15 to 50 per cent.²

That strike rate has not led to any sense of complacency. Damon says it is a true continuous improvement process. “The steering committee meets every week. We’re working on what’s next, how can we do things better, how can we challenge ourselves. As our clients change, the business world changes,” she says.

The client focus that first gave rise to the change has now permeated the organisation. “It’s about listening to the client, finding out what the client truly needs, then trying to design legal services to meet those needs. That has become a hallmark of what we do.”

Key features of *SeyfarthLean*, including process mapping, a suite of communication, collaboration and knowledge management tools and a ‘matter management’ tracking system³ have been embraced across the business. Use of the tools has encouraged people to utilise data more effectively and think about working in a different way. A genuine interest in seeing how things could be done more efficiently has driven changes in behaviour.

Damon and Goldstein cite numerous examples of this new approach in action.

One group within the firm called to see how they could have a better partnership with their client, using process mapping, past data and other ways to find efficiencies. “People are reaching out, they understand the benefits of the methodology and they are hungry to learn more to get to the next level,” Damon says.

There is also a recognition that each attorney will be at a different stage in their own personal change journey. Some are implementing the new processes naturally as they simply formalise what they had already been doing. For others, *SeyfarthLean* has offered new approaches and tools that they would not have previously considered. Some are realising the benefits of new communication approaches as they have discussions with their clients and clarify their expectations.

“You feel it all over the firm,” says Damon. “I had someone say to me this morning, ‘I was on a call with a client and I thought *this isn’t the Lean way to go about this*. You’ve got to get this to be a living, breathing thing for the attorneys. Once they see it, then they believe it and then they start to do it.”

Goldstein echoes those sentiments. “A group of partners a couple of weeks ago were talking about working with a client on a difficult problem. I looked down and they were drawing a root cause analysis tool they had used with the client in trying to better understand the issues. You see it all over the firm, where people are on the journey, you see it everywhere in various ways.”

The cultural focus on efficiency has helped make the change stick, and Damon says the “significant and unwavering top-down support has moved us forward. There’s no question that it’s all in. People are in different places along the spectrum, but we are committed.” The response from

clients has been so positive it has almost been overwhelming and the change has generated significant new business. Some clients have come to the firm only because of the *SeyfarthLean* approach.

Damon says the firm is now focused on taking it to a new stage, all the while continually assessing what is working and what could be done better. New tools are being developed, including a suite of tools that is client facing to allow an even more efficient delivery of service. "The next generation will allow even more transparency than we have now and enable clients to collaborate with us on cases," she says.

"The Lean way has come into the vernacular," Goldstein concludes. "What's happened, we've taken a firm with efficiency in the DNA and we've been able to create a process and program around that cultural predisposition. We've given people a way to take it to the next level, for example, we've done a lot of work on client collaboration, analysing data, developing process maps. It's a continuum but it's all focused on learning together and cooperating and collaborating."

Interview with Seyfarth Shaw partner Lisa Damon and Carla Goldstein, the firm's chief strategic innovations officer. Seyfarth Shaw was established in Chicago in 1945 and now employs 1,500 people, including 750 attorneys, in offices around the globe.

References

1. Lean Six Sigma – Is 'an integrated and balanced combination of the speed and variation reduction power of both Lean and Six Sigma to achieve business management process full optimisation.'
Lean – Focuses on eliminating non-value added waste in a process with the goal

of reducing process cycle times, improving on-time delivery performance and reducing cost.

Six Sigma – Uses statistical techniques to understand, measure and reduce process variation with the primary goal of achieving improvements in service quality and cost.

Source: www.sixsigma.institute.com/leansigma/index_leansigma.shtml

2. 'SeyfarthLean: A Commitment to Deliver Quality and Measurable Results', www.seyfarth.com.
3. 'Learn more about SeyfarthLean', www.seyfarth.com.