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# Design for Law Firm Innovation

## A Case Study of the Innovation in Motion Awards in Baker McKenzie

*Diseño para la innovación en las firmas de abogados*  
*Un estudio de caso de los premios Innovation in Motion en Baker McKenzie*

**Abstract.** Design and innovation methods have spread around the legal system as promising tools to reimagine how services are delivered, communications are done, and structured business models. This article explores how design thinking methods can be brought into a traditional law firm, like Baker McKenzie, through a mixture of design training, innovation sprints, and idea competitions. The case study shows how ideal design thinking methods must be adjusted for implementation in a law firm. Billable hour requirements, organizational hierarchy, and professional obligations can undermine design work. A first design round can snowball into more sprints, sabbaticals, and investment to grow lawyers' capacity and the innovation's development.

**Keywords:** Legal Design, Law Firm Innovation, Design Thinking

**Resumen.** Los métodos de diseño e innovación se han extendido por el sistema jurídico como herramientas prometedoras para reimaginar cómo se prestan los servicios, se realizan las comunicaciones y se estructuran los modelos de negocio. Este artículo explora cómo los métodos de pensamiento de diseño pueden introducirse en un bufete de abogados tradicional, como Baker McKenzie, mediante una mezcla de formación en diseño, sprints de innovación y concursos de ideas. El estudio de caso muestra cómo los métodos de pensamiento de diseño deben ajustarse para su aplicación adecuada en una firma de abogados. Los requisitos de horas facturables, la jerarquía organizativa y las obligaciones profesionales pueden socavar el trabajo de diseño. Una primera ronda de diseño puede convertirse en una bola de nieve con más sprints, años sabáticos e inversiones para aumentar la capacidad de los abogados y el desarrollo de la innovación.

**Palabras clave:** Diseño legal, Innovación en firmas de abogados, Pensamiento de diseño.

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### 1. The Law Firm Innovation Mandate: but how?

Law firms increasingly are charged with the mandate to 'innovate' (Lippe, 2013; Brescia et al., 2015; Pistone & Horn, 2016; Grey, 2018; Zenit, 2018). There is increasing concern over changing markets, new competitors, higher expectations from clients, and the industry's general wave of technology and data potential (Rickman & Anderson, 2011; Katz, 2013). Moreover, the general wisdom is that law firms are not built to be innovative in the ways that these forces demand. Common reasons cited for law firms' resistance to innovation: because of the partnership structure of law firms (American Bar Association, 2011), business models built around the billable hour (Canadian Bar Association. Legal Futures Initiative, 2013, p. 74), the lack of research & development tradition, solely lawyers in ownership and leadership positions (Cooperstein, 2018), and a profession that attracts and reinforces risk-averse personalities. Many of these reasons are rooted in rules that govern the legal practice (Campbell, 2012). These include those that prohibit non-lawyer ownership of legal services organizations, the sharing of fees, and the prohibition on the provision of legal services by any person or tool other than licensed attorneys in a state.

That said, more law firms are experimenting with how to be more innovative. A growing number of firms have established committees, initiatives, award entries, and event series that center on their innovation work (Li, 2014). As the firm and Bar leaders consider what innovation may look like in their specific context, many of them began by doing research -- searching for models, best practices, theories, and guidance on making the concept of innovation actionable and fit

Design has become an increasingly central part of this discussion of innovation. This paper begins to examine how design can be brought into law firm innovation efforts. It illustrates this through a case study of a design cycle run by Baker McKenzie to drive innovation. It is part of a shortlist of innovation techniques, methods, and priorities that law firms consider, along with legal technology, process management, agile development, data analytics, and blockchain (Lippe, 2013; "Legal design WTF?" 2018; Szabo, 2010).

#### What is design again?

In the broadest sense, design is the art of transforming today's status quo into a preferable state -- one that is more usable, useful, and engaging for the people involved. (See section 2 for a more detailed definition.) It is a mixture of a process, a set of mindsets, and guiding principles to guide those looking to improve a system.

Design thinking is a process through which challenges are explored with human-centered, multi-stakeholder ethnographic research to understand people's experiences and needs (Owen, 2007). Then the defined problem is tackled with a comprehensive brainstorm that narrows down to a promising breakthrough new design, which is then gradually refined into a working pilot through testing, co-creation, and iteration sessions (Brown, 2008). Over the past two decades, design has grown as an innovation methodology, departing from those strictly trained as designers (graphic, industrial, interaction, or otherwise) and is adapted to guide innovation work in financial services, health care, government services, customer retail, and insurance.

Furthermore, design has also appeared in the growing domain of legal innovation, woven into the leading conferences, classes, and events of lawyers forming strategies around their future (Hagan, 2016; Haapio, 2014; Mitchell, 2013). Lawyers and scholars are identifying design as a way to create new business models, organizations and staffing, and services (Fraser & Roberge, 2016). Design is growing from an afterthought to 'technology as legal innovation.' However, it has been recognized as a central part of a legal services organization's innovation strategy or an individual lawyer's practice change (Kubicki, 2015; Kubicki, 2016).

This paper presents the rise of design as an innovation strategy in law firms. It includes a case study of one such design-driven innovation program in the global law firm Baker McKenzie. The case study approach can contribute to academic and practical legal innovation by grounding abstract discussions about strategies into particular activities and outcomes.

Baker McKenzie (2018) is a global law firm with over 4,700 lawyers, 13,000 employees, and 78 offices in 46 countries. Baker has begun applying design approaches to innovation work in their firm. In 2017, the firm launched a half-year design process inside the firms, framed as the Innovation in Motion Awards competition. It was an experiment to see whether and how a design process could foster innovation in the firm.

This report aims to be useful for firm leaders interested in strategies and models for building better services, business models, and organizational structures that work better for clients and staff. It can also be helpful to other legal organizations -- startups, legal aid groups, courts, self-help centers, bar associations, and otherwise -- who are considering how they could 'innovate'. The case study can provide a detailed implementation of how to implement a general design method in particular, with the human and practical contexts that often seem like a barrier to innovation. As many have noted, it is easy for efforts to be "innovative" to end up as hype, theater, or fads, without making the impact that they set out to make (Friedmann, 2018). The Innovation in Motion case study can provide specifics and lessons that can serve as a demonstration project to inspire more experimentation, pilots, and conversation from talk to action.

The first section presents design as a strategy within the broader legal innovation movement. It goes into detail about what design, in the idealized abstract, could do for legal services innovation. The following section presents the Baker McKenzie case study, profiling its Innovation in Motion Awards initiative to understand how design can be an innovation catalyst in a law firm. The final section pulls out key themes, lessons, and next steps for design-driven innovation work based on the Baker case study. Suppose the Innovation in Motion Awards was an early-stage experiment in design in the law firm. In that case, this section presents some lessons for others who want to begin a similar design experiment or go from initial exploration to a more substantial commitment.

## **2. Design-driven Approach for Law Firm Innovation**

While many innovation models have emerged in law firms aiming to prepare for the future, a design approach can be valuable as a complement to

these structures or even as its unique model. Individual lawyers or skunk work teams could use the design approach to plan their innovation work. Alternatively, it could be the firm-wide strategy of how to drive innovation.

Many law firms have announced design as a central part of their innovation strategy. The Finnish firm Dottir opened a legal design subsidiary, Dot (2019), which combines service design with legal services to serve clients better. Chicago-based firm Seyfarth Shaw has woven design thinking into its process and pricing innovation work (Kubicki, 2015). Australian firm King Wood Mallesons has a design-centered group inside their firm that runs innovation work with attorneys and clients to find new solutions (King & Wood Mallesons, 2019). Hogan Lovells has used a design process to change its evaluation of attorneys (Schwab, 2018). Akerman has a design-driven co-venture to develop new ideas with lawyers and clients co-designing solutions ("Social impact," 2021). Faegre Drinker (2019) has opened its Design Lab to train its lawyers in design, run workshops with its clients, and make design thinking a prime part of its strategic work.

A design approach to innovation has interdisciplinary groups of stakeholders working together through a structured process. This process starts with needs-finding, defining target users, and needs statements. Followed by brainstorming a broad set of solutions for testing early prototypes of promising ideas and cycling through low-fidelity iterations of ideas until stakeholders vet a concept as desirable, feasible, and viable (Brown, 2008; Hagan, 2016; HBR IdeaCast, 2009). It differs from other innovation models in that it can:

- **More participation by a wider group:** Have a core group running the effort but still involve the more comprehensive firm through workshops, testing, interviews, consultations, and pilots.
- **A honed process to follow:** Give a clear structure and process through which new ideas can go from concept to pilot to a whole initiative that guarantees more vetting of the idea's value and feasibility.
- **Mandate to be human-centered:** Ensure that precious innovation resources are spent on initiatives that focus on solving concrete needs of people instead of merely investing in new technologies because they are seen as innovative.
- **Openness to inspiration from unexpected sources:** Draw more from outside, analogous sources of inspiration to increase creativity and ambition of ideas.

A design approach would stretch through an entire cycle of innovation (Terrey, 2012; UNPD, 2016). From bringing a broad, interdisciplinary group together through to needs-finding and exploratory creative work, piloting, evaluating, and scaling successful projects. In this vision, design thinking does not fall into 'innovation theater,' of coming up with ideas and having pockets of creative work, but without forwarding movement towards meaningful change. It can be helpful to imagine the design work happening in 6 phases.

1. **Phase 1: Initial Development.** A small group of leaders can begin to lay the ground for using a design approach to improving the firm. Integrating a multi-stakeholder community into innovation work is essential to the

development of the process. The leadership group issues invitations, holds meetings, and some initial preparation for those inside the firm (and outside) interested in improving at a light or ambitious level. It involves introducing design mindsets and the coming process to see who is interested in participating in the firm. Also, at this stage, the leaders begin to secure space to run a design cycle. This cycle can include securing enough autonomy, funding, and support to allow the cycle to proceed.

2. **Phase 2: Defining the Agenda.** Through initial meetings, workshops, and events, the leaders and their broader participatory network can start focusing the innovation work on central needs. This participation involves trying on various needs, personas, and opportunities, through experiential, grounded, and analogous research. This phase should result in a shortlist of 'design briefs' that center innovation efforts on solving people's problems that are meaningful and impactful.
3. **Phase 3: Exploring Solutions.** The groups develop suites of prototypes to test against each other, intending to find the most desirable, feasible, and viable concepts through early and rough mock-ups before investing in them. The group, either as a whole or on different tracks, then moves to brainstorm possible new concepts, along with the range of small to fundamental.
4. **Phase 4: Test and Refine.** The concepts that emerged during the exploratory phase are then taken through several loops of prototyping, testing them with target stakeholders, and using the feedback to either refine the concepts or abandon them. The testing rounds should build a broader community to invest in their creation and engagement. It should also ensure the things being built are truly solving people's problems and creating new value.
5. **Phase 5: Field Tests and Pilots.** Once the prototypes have been vetted through tests, surveys, and lab usability test runs, they are put into the first rounds of implementation to evaluate them more fully. The team organizes controlled pilots, which gather outcome and experience data about how these new solutions perform (at least in the short term). These pilots can uncover more things to be improved or show early results about whether this solution should proceed (if it does perform up to the standards it aimed for).
6. **Phase 6: Possible Scale and Replication.** Suppose the pilot run brings in empirical data that the solution did work as an 'innovation' -- bringing new value with a practical, technically possible, affordable deployment. In that case, the firm can invest in widening the solution through further pilot runs in other settings or scaling out more features and offerings. Still, there should be a commitment to empirical evaluation, with attention paid to the long-term performance of the solution, people's experiences, and the ultimate value it brings to the firm and its clients.

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This ideal design process for innovation can be lengthy and expensive. Many firms implement it in much reduced ways -- by going through Phase 2 and 3 in particular, with design workshops and hackathons in which their members scope out design briefs, do user needs-finding, and brainstorm many solutions. Some efforts do get to testing and pilot if there is enough autonomy and funding for the team to proceed to that level.

### 3. Design-driven Law Firm Innovation, the Case Study

Baker McKenzie (2018) is one of the first law firms to adopt a design thinking approach to driving innovation in their company. Their design initiative, the Innovation in Motion Awards (IMA), which ran between Summer and Winter 2017, offers a concrete case study of how a design approach can be used for innovation efforts in a firm. It shows how design work in its initial phases -- developing a network and process, scoping out needs, and exploring new ideas -- can be conducted inside a law firm. The details of the protocols, the outcomes, and the reflections of the participants can inform future innovation efforts and those researching how to understand innovation in law firms -- how it can be analyzed and assessed.

#### 3a. The innovation backstory to the IMA

Baker and McKenzie's innovation work began with an initial tour of leaders worldwide to talk to people working on improving the legal system and on firm innovation efforts. The Global Chair of the firm highlighted that innovation would be one of three key drivers of the firm's strategic plan (Lawyer Monthly, 2017). This strategic plan crystallized in early 2017. In February, the firm announced its strategy to prepare them for the future. The firm formed an official Innovation Committee, with ten members from different practice areas and offices, that led the firm and reported back to Baker's executive body (Hill, 2017). The Innovation Committee's initial framework laid out a handful of priorities, including investment in advanced technology and data management to prepare for coming changes in the market. For instance, the development of machine learning tools to automate and improve legal tasks; and design thinking to transform the client services and business models the firm offers (Reuters Legal, 2020).

Design's centrality to the firm's innovation strategy was concrete with two main initiatives: the Collab and the IMA. In June 2017, Baker established Whitespace Legal Collab as an innovation lab that aims to drive the development of new ventures inside the firm. The Collab is an open innovation space in which partners from client organizations, universities, technology companies, government agencies, and other interdisciplinary organizations can come together to experiment with the future of legal services (Lawyer Monthly, 2017).

#### 3b. The IMA in Practical Detail

Soon after opening the Collab, the firm launched a design competition among its lawyers and staff to improve how law can be practiced. The competition was called the Innovation in Motion Awards (the IMA). It ran in between July and November 2017, with ten teams competing to be judged the best project. They set the 5-month competition in motion as follows. The firm announced that there would be an innovation competition around the work of the TMT group, with different clients that included high-profile technology and financial services companies. They invited lawyers and staff to organize teams around the challenges that the clients and the Baker team had initially framed. Teams ranged from 4 members to almost 20. The organizers encouraged diversity in geography (to have members from different offices and countries), professional background (to have clients, attorneys, staff, and other discipline experts included), and demographics. The teams defined their client-driven challenge and then worked over the IMA's five months to

propose a solution, get feedback, and propose solutions for review. The IMA managers encouraged them to have regular meetings, reach out to their clients, and meet intermediate check-ins to ensure they were prepared for the final submissions.

In addition to the competition, the IMA had professional development training integrated into it. The organizers provided training materials, weekly coaching emails, and progress check-ins to the teams to help solidify the methodology they were using. The large majority of participants had no training in design before joining the IMA. The organizers did not mandate that the teams follow a strict design process but instead encouraged a light approach, in which participants were encouraged to embrace particular mindsets. Among the mindsets were multidisciplinary collaboration, co-creation (working alongside clients and others to solve problems), empathetic listening and research into clients' problems, and quick creation and iteration of ideas for improvement.

At the end of the IMA process, nine teams (one of the teams had dropped out from the competition due to other commitments) submitted their final proposal in the form of a write-up and possible video (along with their project goals, client needs, and design brief). Each of the team's proposal submissions was sent to two cycles of judges, including external innovation and design experts, and then to leaders in the firm -- including the Managing Partner of the firm's North America Region, the Chief Strategy Officer, and partners from various offices and practice groups. The judges scored them on various metrics:

- **Critical Thinking:** whether the team clearly defined problems; gathered relevant information well; kept open minds and thought flexibly; and communicated effectively.
- **Creativity:** whether the team's solution and other work product demonstrated originality; used media and design to convey their ideas effectively; and showed the robust application of design thinking methods including listening to stakeholders, synthesizing the information, and prototyping;
- **Innovation:** whether the solution meets a vital need, offers a vision of better ways of doing things, shows promise if it were to be incubated and further developed, and could deliver value to both business and legal functions;
- **Multidisciplinary collaboration:** whether the team involved a diverse set of disciplines, had diverse gender and geography represented, recognized the value of multidisciplinary collaboration, and had work product that reflected strong collaboration.

After the first round of judges scored all of the nine teams, their evaluations were passed to the Baker team of judges to decide what award categories should be given, nominate teams for each category, and select the winners. The IMA was not so much about winners to soft-launch innovation efforts in the firm and saw what the right kind of next step would be.

### 3c. Motivations Behind the IMA

The firm's innovation committee structured the Innovation in Motion Awards



to be a first example of how design could drive innovation. The overarching goal was to bring employees, clients, and other experts together to identify new services, products, and business models to improve how the group serves its clients.

### **Making Innovation about Process versus Solutions**

The IMA initiative was a way to gradually change the mindsets of a broad group of lawyers, staff, and clients about how they can work together, work in more creative and agile ways, and spot new value opportunities. They were also a competition meant that they allowed the firm's leadership to recognize those who invested in doing innovation work and building new skill sets that aligned with the 'New Lawyer' model the Collab was interested in fostering.

The idea of the IMA competition was to move lawyers away from innovation as focused on finding "the ideal solution," but instead to learn "process" and ways of working. With this focus, ideally, the IMA would embed innovation into every day of the firm. Lawyers and staff would get used to talking to clients in more profound and collaborative ways. They would stretch their ideas of what 'legal service delivery' actually entailed.

### **Getting to Practical Problem Solving**

The IMA was framed around real challenges and client involvement to make abstract talk about innovation more concrete. Each team had a real challenge and a critical client partner working with them to ensure that abstract discussions became practical, problem-solving ones. The teams also had substantial time to work on this -- five months, compared to a typical design workshop or hackathon that lasts just several days. The IMA was developed with a structure to ensure that teams got beyond initial brainstorming -- like those typically emerge from one-day design sprints or hackathons -- to craft more substantial ideas.

The other practical element was to give the teams a clear timeline to do innovation work. This time constraint and work product expectation ensured that busy team members could not just do 'innovation theater' (talking about what they might do and speculating about possible ideas). They had to do the design work themselves, which gave them an authentic experience of doing interdisciplinary innovation work. The team members would tailor the communications and work product to the challenge they were trying to solve, rather than a typical 'lawyerly' work product of a memo or an email.

### **Safely Exploring New Models**

The IMA process was deliberately structured so that the teams could take risks. The competition frame, which was about experimenting with client services and speculating about possible futures, meant that attorneys and clients could safely propose new offerings or models. They were not making hard commitments but rather could brainstorm many different ideas, talk about feasible and desirable, and see what might be possible. This approach meant that much of the teamwork involved navigating ambiguity -- the most critical challenges, which solutions would be the most valuable, and how best to implement them. Though challenging, this also meant that the teams



could stretch what they thought was possible. There would be no significant consequences if the team's concepts or final proposals failed to be adopted.

### **Building Global, Interdisciplinary Teams**

The IMA was also a chance to have teams across offices, firm hierarchy, legal and others disciplines. This dynamic would encourage participants to practice working creatively and collaboratively with colleagues across the world. Diversity was a priority, encouraging people to test-run whom they might collaborate with and managing a more distributed, interdisciplinary team. The composition of the teams was deliberately diverse. Partners, associates, paralegals, knowledge management staff, and other employees included in the groups. The firm also invited outsiders or experts who could help in the specific challenge. This multiplicity of perspectives would help the teams think more broadly and even understand each other's ways of solving problems.

### **3d. IMA Participation**

Ten teams entered into the IMA competition in Summer 2017, and 9 of these teams completed the process. There were 107 participants in total, with team sizes ranging from 4 to 19 people. The majority of the participants, 80 in total, were Baker McKenzie employees. Around 20 of these were associates or senior associates; 15 were partners; the remaining included strategic officers, project managers, knowledge management leads, interns and trainees, client development managers, business analytics managers, and paralegals. Most of the remaining 27 participants were from client organizations, and there were a handful of others -- including creatives from universities and labs.

Two teams were concentrated in single geography -- like a team with all members in Italy and Switzerland, or all members in Australia. Most teams, though, were of diverse geographic and gender membership. A sample team had members from India, UK, Finland, Poland, and Canada; with four partners, one trainee student, one business analytics manager, one client development manager, and three people from the client organization -- a VP, a director of legal operations, and general counsel.

### **Different Team Roles Emerge**

Participants were able to define their teams, and there was no prescribed hierarchy or structure to them (other than those that might have been inherited from the law firm's or the client corporation's structure). Teams organically figured out how they would work together. Most teams were able to gel into a process and workflow independently, though a handful could not come together cohesively and suffered from a lack of clear direction.

Reflecting on the process, many participants found that the junior lawyers took vital leadership roles. Associates and law firm staff took care of most of the organizational work to keep the project running. They often had more capability than partners to get detailed work done, do design training, and complete work products. In addition, there was particular enthusiasm from young lawyers who were interested in building more experience and developing other skill sets. Partners too played a role in managing the client's involvement with the project, looping them further into the work regularly, and ensuring a solid relationship.

### Motives for Participating

People participated in the IMA for different reasons. Some of them were willing to create new and innovative projects because they wanted to do things differently. Others joined because someone from a higher position recommended them to work on this project. After all, they had a valuable skill (project management or communication) that the team was missing. Some participants reported that they joined not out of any particular motivation but instead interested in what it might entail. A few reported apprehension because they were not familiar with design as a way of working and preferred more training and support as they worked through their project.

Leaders of the IMA found that the teams that performed the best were intrinsically motivated to work with dedication and reflection. They were not as oriented toward praise and support from the outside. The issue was with participants who were more extrinsically motivated -- and, at the root level, the incentive structure at a law firm built around extrinsic motivations like the billable hour. How do firms incentivize participation in these extra-billable hour activities? If it is tough to do these things, and people are extrinsically motivated -- it will be hard to get innovation work. Some participants, who were more extrinsically motivated, did not fully and consistently work on their IMA project. They tended to do the minimum within their group, not respond or participate as much, and underperform on the innovation work. Often this was exacerbated by other scheduling and commitment issues, which meant some teams could not gel effectively.

Even those who were more intrinsically motivated, and had a very positive experience, had some issues. While they were working on their innovation project, they struggled to meet their billable hour targets. This situation was extra work for them, and it could be stressful as another source of pressure. Though they had many payoffs in terms of skills development, recognition, team building, and an innovation project in their portfolio, this was all in addition to their regular work in the firm.

### Getting 'Into It' -- and Structures of Encouragement

Several teams progressively became more committed and excited about the process. Much of this energy was built up around creating the work product -- the videos, the write-ups, and the other things they made to capture their findings and ideas. In some teams, members fully invested in the projects, making it their priority and stretching their communication abilities, creativity, and efforts to develop their ideas and pitch.

From the innovation leadership point of view, this was a positive byproduct of the innovation effort: it induced satisfaction in the job. It could show promise as a way to retain talented people in a firm. The team members felt that they were developing new skills, exercising creativity and autonomy to define new solutions.

As the IMA planning had hoped, many of the teams gradually embraced design methodology. They recognized the value of interdisciplinary work, prioritizing collaboration and working alongside the client to create solutions, and having

new interactions with clients and other experts, which involved more needs-finding and creativity. Some members made skills development their priority. In addition to working toward their final submission on 'solving the problem,' they also worked beyond their day job to do design work and develop their skills in this method.

That said, the leadership of the IMA was essential to create the structure and behavioral cues to allow the participants to flourish in this new way of working. The two project managers and interns were essential to drive the teams forward with their deliverables, training, and design work.

#### **Client Participation as a Make-or-Break Factor**

Some teams had eager participants, a strong plan, and a desire to innovate, but their work was hindered by the lack of their particular client's commitment to the process. Even if the client company had agreed to participate initially, they were not always fully able to give feedback, participate in co-creation sessions, or join in the teamwork. One of the ten teams had to drop out of the IMA due to a lack of client commitment.

Upon reflection, it shows the importance of the clients' leadership understanding what a design innovation process will be like and the time and participation commitments required to payoff. It also requires a relationship partner to be engaged in the initiative to support the work, communicate to the client and the internal team, and keep things on track. A third factor is if the initial design challenge has been scoped at the right level. For some teams, the clients had presented challenges that were so specific that they were asking for a separate output -- which does not leave room for the design team to do necessary needs-finding and exploratory work that is at the heart of a design approach. If these three factors -- client understanding, participation, and open design brief -- are not present, then teams struggle to feel that they can do excellent, impactful work. Especially since this was the first innovation project for most teams, when problems arose (like clients not responding), the teams did not know how to navigate it.

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Not all types of client challenges should be addressed through a design process. As one of the IMA leaders reflected, in future client-firm design initiatives, there needs to be a screening of the context that the challenge is centered around. This reflection should be addressed explicitly with the client: are they interested in a creative, collaborative process to understand a given challenge and imagine new solutions? If they are not convinced that this is the proper process to use, they are unlikely to invest their time into it, ultimately undermining the quality of the firm's innovation work.

#### **3e. IMA Outcomes**

The framing of the IMA as a 'competition' may have suggested that the outcome would be a winning idea for an innovation that the firm could trumpet as a new offering or strategy. The motives of the firm's innovation leaders were more directed at building networks, shifting the firm's culture, and developing leadership among the firm's community. It was a test-run of whether and how to use design methods as a structure for innovation.

The outcome evaluation was done not through a quantitative counting of successful projects or money brought in but rather through the qualitative understanding of the participants' development, the client-firm relationships, and the widening interest in innovation. It also looked at the production of critical insights and ideas, if not complete solutions. The IMA leadership team did not expect fully formed innovation projects but rather the spotting of innovation opportunities that could translate into a larger, later initiative that could lead to disruptive innovation in the firm.

#### Slow Burn Versus Innovation Revolution

From the outside, the launch of a 5-month innovation competition might have signaled that the firm was preparing for a dramatic shift in how it operated. There was the potential that by inviting firm participants to work together with clients and outside innovation experts, they could have used the five months of the process to arrive at a 'lightning bulb' moment of discovering an innovation for the firm. That did not happen. The IMA was not a catalyst of many innovation projects, nor did it spark substantial changes in how the firm is structured or how services are offered.

The firm did see more individual-level change and mindset shifts that could seed more long-term trends towards innovative practice. Those who directly participated in the IMA teams became more aware of service design and client experience.

#### Lessons for the Collab and Future Innovation Work

The projects and reflection of the IMA led to many lessons that can directly influence firm policy and guide future innovation work in the Collab or elsewhere in Baker.

- **Client Relations.** Understanding the client's needs and working together to co-design ideas and solutions has proved to be a powerful tool to engage with the client and improve the lawyer-client relationship. More work can be done, in shorter sprints or more woven into existing legal service engagements, to have listening sessions, co-creation meetings, or other modular parts of the design process that were part of the client relationship successes of IMA.
- **Better Modeling the Market.** The law firm must understand their client's needs to target a specific segment due to limited resources. The firm should also understand their competition to generate a sustainable competitive advantage and their own company to capitalize on their strengths and mitigate the errors. After identifying these three key elements, the firm can formulate a strong market strategy and focus on the tactics (price, promotions, services, among others) consistent with that strategy.
- **Senior Decision Making along with Distributed Innovation.** The top lawyers are part of the drivers of change with the firm's management, creative junior staff, and outsiders. The IMA was an opportunity for more junior or diverse people to take leadership around innovation. This opportunity can be a theme of future Collab or other innovation projects -- linking in senior leaders, who can determine the firm's structures and resource allocations, with people from other groups and roles (often not in formal leadership positions) who excel at innovation work.

- **Business Models as a Design Prototype.** The projects and insights of the IMA projects reinforce that the current business models of the firm are not sustainable. As the client partners and the teams' research pointed to again, the "golden years" where the legal industry could raise their rates are gone. Law firms need to innovate to succeed. The ideas from the IMA could all be seeds to develop new business models. The Collab or other groups inside Baker might take the project proposals as prompts to hold business model design sprints. The firm works through how innovation ideas (including these nine from IMA ) could be staffed, priced, marketed, and scaled.
- **Further Culture-Building.** Does more work need to bring innovation beyond the first crop of volunteer participants to the broader Baker culture? Can we support colleagues who can design and implement what the future firm will look like?

### Spreading of Innovation Mindsets, Experiences, and Culture

The IMA successfully attracted a diversity of participants, including most who were outside of typical 'innovation' channels. The substantial outcome here was exposing many more groups and people at different levels of hierarchy to innovation work and design methods. People from groups like talent and knowledge management and younger associates and trainees were able to be part of strategic, creative work in shaping the firm's future. This situation created a new network of innovation agents in the firm. The IMA was a culture-building activity, to bring people across generations, disciplines, and roles.

### Opening New Relationship Levels with Clients

The 5-month initiative had the firm staff working on clients' problems at more fundamental levels, adjusting the kinds of problem-solving and work products to meet the client's profound business needs. The IMA had strong outcomes in developing relationships with clients who participated in the process. It demonstrated the firm's commitment to have client-centered services and showed that the firm was willing to experiment with its traditional practices to meet its client's demands for 'innovation'. In addition, the IMA offered skills development for the client team itself to develop their capacity for innovation.

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### Continuing Projects through Larger Hub

Some projects proceeded past the IMA, converting from initial design proposals to full-fledged innovation projects. This conversion was done by connecting to the Collab and a new German legal innovation hub, "Reinvent Law", of which Baker McKenzie was a founding sponsor. Those teams that had participants from Germany became part of the hub's launch. The Canada-based participants similarly were connected to the Collab as it was establishing itself in Toronto. This outcome points to the need for more institutions within the firm that can provide sustainability to the young projects that emerge out of an exploratory design process. Projects that emerge from workshops, design sprints, or multi-month competitions like IMA do not necessarily have a sustainability plan because of the lack of staffing or incentives to continue testing, piloting, and scaling them.

### Requests for Continued Development Opportunities

One outcome for success and indicator of future work is the demand among participants for a more precise track to continue design-driven innovation

work. Many of the most involved participants, who invested in learning and practicing the methods, want to do more of this service design style and collaboration with clients. As the Collab had planned, these participants are attracted to the vision of the New Lawyer, with a diverse skillset and ability to form and facilitate interdisciplinary teams. They are requesting more opportunities and resources to work in this way.

### **3f. Future Iterations for a Firm Design Initiative**

The firm and Collab leaders ran the IMA as a test run of what a design initiative could look like to spread innovation efforts. The leaders and participants gleaned several insights that can guide future efforts, whether in another round of the IMA or another structure of design work.

In general, there is real value in the IMA model of training lawyers in design, arranging them to work with clients and other experts over an extended stretch, and constraining them with deadlines and design briefs. However, for the model of the IMA to have a more direct impact on central innovation objectives, of generating new service offerings, tech implementations, pricing, and staffing arrangements, or business models, there will have to be more refinement and resources given it.

#### **Need for More Substantial, Ongoing Training**

Participants and leaders felt that there was a need for more design training for the teams to impact their projects. Up-front training would have oriented the teams in clear expectations, mindsets, and principles to guide their teamwork. It might also have explicitly called out known issues that would arise -- like tensions between day-to-day lawyering work and this extracurricular design activity. Moreover, lawyers' typical mindsets that focus on risk and feasibility might clash with designers' more generative and exploratory mindsets.

#### **Need for More Time for Process**

The overall time for a design cycle in the law firm might also be extended. If the process is run as an 'extracurricular' on top of day-to-day work, managing the scheduling and finding time to do the design work is pretty hard. There is a need to keep the schedule tight enough that the project does not spread out so much that groups dissipate or lose momentum. If the schedule was stretched, there could be more opportunities for the team to meet and work. Nevertheless, several teams encountered substantial scheduling problems, with many members unable to participate because of work commitments that they could not control.

#### **Incentive Mechanisms**

Even for the intrinsically motivated, but especially for the extrinsically motivated, there needs to be recognition and payment of lawyers' innovation work. Otherwise, there is a feeling that one might be jeopardizing their career path by dedicating their attention and work to innovation efforts. People should be rewarded for being creative. They may be excited, but it is not sustainable for an extended period. A new legal career path could be the task of fostering innovation for the law firm.

## **4. Conclusions & Forward Work**

The IMA and Collab examples can serve as models for other law and

professional service firms on how innovation methods may be applied to make culture change more user-centered. They can be open to breakthrough ideas and work on future disruptions while continuing with the current standard services.

The IMA process was unique from other law firm innovation efforts in that it took a more participatory, firm-wide approach. This approach shows an internal open innovation process, using the design process as a training mechanism and as a process structure to involve a broader group in defining what innovation could be and bringing projects to life. This process is compared to most other models with small cohorts, single leaders, or other high-level designated 'innovators' spearheading the work. This participatory design model can help associates, staff members, and others not in leadership roles to understand more concretely what innovation work is like and possibly establish leadership and development pathways.

This model also offers a possible alternative to firms' concentrated innovation efforts. It blends a culture-wide shift at the early stages of the efforts (setting up partnerships, defining the agenda, and brainstorming ideas) with a core group responsible for implementing/piloting/scaling (the second half of design phases). To sustain the initial momentum of a design sprint, a firm could offer:

- **Fellowships or sabbaticals** for people who successfully participated in the process to focus on innovation work. People who performed well during the initial IMA could be given time and deadlines to do the innovation work in a more concentrated way, in which their billable hours or other requirements are relaxed temporarily.
- Another type of competition that is more like an X prize centers on specific targets with client partners. It can draw from other models in use, hybridizing it to the Collab/IMA process. Some possible targets:
  - Using data to automate better or predict the ideal strategies;
  - Get the process of delivering services and creating work products more defined;
  - Have new pricing or staffing arrangements that meet specific money or performance targets;
  - Create and pilot new business models with the client to evaluate them in trial runs;
  - Creating new tech products that support client needs;
  - Helping clients establish their innovation efforts
- **Linking project teams with dedicated implementation teams** that bring best practices for app and web development, user-centered design, and business model experiment to their initial projects. It can take the low-fidelity prototypes and then detail them, test them, and make them into live pilots for evaluation.

The case study demonstrates several soft benefits of running a design-driven, multi-month innovation cycle. Further research is necessary to determine if these soft benefits impact the firm, its clients, and the market. One concern about design-driven innovation is that it tends to lead to incremental improvements rather than radical ones (Norman & Verganti, 2014). There are ways to drive more radical work within the design-driven innovation approach that law firms could purposefully explore in order to bolster more ambitious and impactful innovation work. This approach includes combining the design process with education and investments in new enabling



technologies like machine learning and data analytics, which can equip design team members with literacy in these new types of problem-solving to scope more futuristic projects (Norman & Verganti, 2014).

Another track can be investing more in observing and co-designing with client teams directly in their physical spaces and business environments so that the innovation teams can better spot hacks, 'user' innovations, and new points of value. This dynamic means shifting from casual, after-hours innovation work to more dedicated and co-located client-firm innovation work (Von Hippel, 2001). As more law firms invest in innovation efforts, particularly in design-driven methods, future research can explore what models are best able to capitalize on early-stage efforts like the IMA initiative to get to sustained, impactful change.

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