



Lessons Learned from TerraLex's Journey to Become the World's Most Collaborative Network

By Terri Pepper, TerraLex CEO



Introduction

As an elite global network of more than 140 independent law firms, TerraLex's value to its members and the in-house client community lies in the ability to understand and elevate collaboration to the highest levels. In the interest of this goal and its commitment to collaboration, TerraLex recently worked with Dr. Heidi Gardner and her team at Gardner & Co. on a Global Collaboration Research Initiative. The findings of this study, coupled with TerraLex's 33-year history of cross-border teamwork, have uncovered important lessons that are daily being incorporated into the ways that TerraLex member law firms work with their clients and each other. This white paper shares some of those essential lessons learned.

Philosophy and Approach

Whenever people come together in pursuit of a common goal – such as a successful outcome on a legal or business matter – there are unseen psychological forces impacting the team, which in turn can contribute to a good outcome at best or derail a matter at worst. More likely, a lack of understanding and appreciation of these psychological forces can cause conflict, higher costs, inefficiencies, and a matter resolution that is not the best it could be. Greater emphasis is most often placed on the details of the matter and not enough attention is paid to the things that impact collaboration, which leads to better outcomes.

For illustration, some of these unseen psychological forces include:

Trust	Do I believe my teammates will do the work as well as I will myself? Will they have the same drive and commitment that I do?
Psychological safety	Can I speak my mind in this group without fear of being attacked or ridiculed? Will my team members support me and have my back?
Personality preferences and style differences	Some of the personality and style preferences that impact collaboration are summarized in the Smarter Collaboration Profile tool developed by Gardner & Co. These include a wary vs. trusting approach to others; complex (theoretical) vs. concrete (practical) thinking; risk spotting vs. risk seeking; close communicator or reserved communicator; hands-on or hands-off approach; preference to be refiner or initiator catalyst; and individual work preference vs. group work preference.
Motivation	Am I fully engaged in this matter or is it merely an obligation or assignment? What's it in for me?

TerraLex's Foundations of Collaboration and Teamwork

TerraLex's work with Gardner & Co. taught us what affects collaboration and teamwork. This understanding allows us to develop tools, systems, protocols, and approaches that leverage the positive impacts, minimize the negative ones, and help produce desired outcomes. In Dr. Heidi Gardner's books, SMART Collaboration and SMARTER Collaboration (co-written by Ivan Matviak), we learned that these outcomes include:

- Revenues and profits
- Faster innovation and better adoption
- Customer/Employee loyalty and retention
- Higher efficiency
- Transparency and risk reduction

There are many manifestations of collaboration in the TerraLex network. One of the more common scenarios is when an in-house lawyer asks a member to put together a cross-border team to assist with a matter that covers multiple jurisdictions. In turning to a network of independent law firms for these solutions, the in-house lawyer expects seamless collaboration, which we achieve by being dedicated to the foundations of collaboration, as depicted in the following graphic and explored in more detail below.

TerraLex Universe of Collaboration Foundations



Communication

It's easy to say that good communication is important for collaboration, but that doesn't really define it enough to be useful. That's why, at the outset of a matter, a discussion about communication preferences is essential and should include all constituents, both on the client and law firm sides. We've learned that everyone should agree on communication protocols that suit each other's needs. Merely relying on email and assuming emails will always make it through spam filters and be read on a timely basis is increasingly challenging, especially with cross-border matters that are affected by multiple time zones. Some solutions we've seen that enable effective communication include:

- Client team portals and sites – When lawyers are working together on cross-border matters for a common client, we encourage them to develop a client team portal. In this online space, we ask the key client contact person to record a video to share information that would ordinarily be shared with any lawyer starting to work on a matter, such as company background, key personnel, communication preferences, industry information, etc. Within the portal, we also suggest housing information that any lawyer on a matter may need as a reference, such as handbooks, organizational charts, directories, etc. This is appreciated by clients who don't have to reply to multiple information requests. Examples of other things included in a portal are templates, documents, and billing guidelines.
- WhatsApp groups – Increasingly, TerraLex members use WhatsApp groups for more informal communications, such as announcements, requests, and scheduling. This platform works well across multiple jurisdictions and is sometimes more easily accessible by mobile phone for traveling or remote working professionals.
- Daily, weekly, or monthly Zoom/Teams briefings – Rather than leave things to chance, our members meet online as needed. When it's a large-scale or ongoing project, these meetings help ensure that things are progressing as expected. They also allow members and their clients to discuss challenges before they become problems.
- An understanding of the differences between the close communicators and the reserved communicators on your team. As these designations might imply, close communicators are comfortable sharing their personal life with colleagues and getting to know colleagues on a personal level. On the other end of the spectrum, reserved communicators are more likely to avoid personal conversations at work and tend not to spend time with colleagues outside of work. Because they set a clear line between their personal and professional lives, business communications may be more matter of fact. Neither style is better or worse than the other and since it's a spectrum, people won't necessarily fall neatly into either category. Having people with each style preference is good for a team and understanding how each approaches communications will be a team strength.

Project Management

Project management can remove uncertainty in matters to ensure better outcomes. Particularly for significant matters, it's best to have a designated project manager on the team, whose role is to develop, implement, and monitor the project plan. For members within TerraLex, not only do they draw on expertise in their own firms, but the organization has a sophisticated team of managers whose role it is to ensure quality, service, and value for members and their clients. Traditional Legal Project Management has basic elements that have proven their effectiveness many times over and include:

- **Defining and Engaging** – Our teams work to develop a mutual understanding between the client and the outside lawyers about what the project entails, what is in scope or out of scope (and a plan for handling it when things get out of scope), who the key stakeholders are, and the importance of each stakeholder.
- **Planning and Budgeting** – With our cross-border teams, we leave it up to the client as to the billing protocol they prefer. For some companies, this may mean receiving one bill from their primary law firm that includes the charges from the other TerraLex members on the team. Other clients prefer to receive separate invoices from each law firm represented on the team. On the front end of a cross-border matter, the goal is to develop an effective project plan that defines exactly what will be done and by whom, making work assignments easier and clearer. It is also easier to create a realistic budget knowing exactly what will be done, by whom, and the amount of communication needed with each stakeholder.
- **Executing and Working** – Once members and their clients have planned their work, it's time to work their plan, to quote Napoleon Hill, author of *Think and Grow Rich*. This gives everyone on the team (in-house and outside counsel) a clear plan to follow. When something unanticipated arises, the conversation about what direction to take with “out of scope” activities is less difficult. Close monitoring of budgets, timelines, deadlines, and deliverables is essential during this stage. We know that uncertainty can hinder effective collaboration and work to reduce uncertainty wherever possible.
- **Evaluating and Learning** – Truly collaborative steps that are often missed by work teams are those that create closure and provide an opportunity to memorialize key lessons learned and work products that can be used in the future. This includes after action feedback from all constituents, evaluating work product for any that can be reused to reduce future costs, and discussions to extract key lessons learned.

Perspective Taking

Being a multicultural network, perspective-taking is extraordinarily important and is baked into the culture of the network. Not only is this helpful when TerraLex members work together, but the perspective-taking skills are transferable to work with the global client community. Sensitivity to nuances and differences of various cultures, business types, and personalities is essential for high-level collaboration. For example, thinking about the personality and style differences described above, understanding and respecting that others may have a different perspective than your own can make for easier collaboration. Here's a scenario to illustrate the point.

June, an outside counsel representing XYZ Company, is working on an employment matter with her client. On the surface it appears to be a routine type of legal matter. But the client believes it to be a much more significant matter because of the potential for bad press and copycat cases. If June didn't have the ability to see things from her client's point of view, considering all the business risks, she could easily misstep and give her client bad advice.

Managing Conflict and Outliers

It is inevitable that conflict and differences of opinion will arise whenever people are working together. Having a good foundation for understanding and managing these differences is an outcome of effective collaboration. As noted above, one of the personality style differences identified by Gardner & Co. is that of a spectrum from a wary to a trusting perspective. Someone inclined towards the wary end of the spectrum may not trust others easily – at least initially, without evidence of their trustworthiness – and may have a less optimistic outlook generally. On the other end, a trusting person is more optimistic and trusts people right away. Whichever orientation one possesses will impact how someone believes others perceive them, too, which could cause misunderstandings. For example, if you distrust newcomers to a group, you may believe they equally distrust you.

Another important aspect of managing conflict comes from group dynamics research, which proves that healthy conflict is necessary to build unbreakable, long-lasting trust. In his work on groups, psychologist Bruce Tuckman identified the group dynamics model of “Forming, Storming, Norming, and Performing” as a series of stages that teams go through to become high-performing (and thus collaborative). The storming phase is where a group is faced with conflict. If they can work through this conflict satisfactorily, the group members learn that they can still have differences, but they trust the others on the team to respect these differences and mutually work towards resolution. Without this stage, groups are much less likely to become high-performing collaborators.

Feedback Loops

Without feedback, we all only have our own opinions, knowledge, and perspectives to rely on. That is the antithesis of collaboration. We must understand, embrace, and respect all points of view to inform our decisions and actions, and feedback (both formal and informal) is essential for this to occur. We look for feedback in many forms, such as client input, member-to-member input, and input from the TerraLex team, to name a few avenues in our sphere. Hearing many perspectives and opinions allows our members to intercede quickly when issues arise, learn lessons that will be useful in future matters, understand the market and economic issues facing their clients, and learn about evolving service delivery preferences.

Exceptional Service

As with many collaboration foundations described in this paper, it all boils down to trust. It is very difficult to have real collaboration without an underpinning of trust. This applies especially to exceptional service. For effective collaboration, there needs to be an agreement across all constituents about what exceptional service looks like, which means that input and feedback from the client are required. Then, members of a group or work team must deliver on the inherent service promise. In our world, for example, if a member refers their very important client to another member, and that other member does not provide exceptional service, it's not just the receiving member who will suffer, but the member who made the referral will also suffer when their client doesn't trust their opinions or recommendations in the future. It's like a house of cards that can be easily knocked over with just a few occasions of poor service. That said and despite best efforts, there may be times when exceptional service fails. In those cases, it's also important for people working together to understand the importance of service recovery. This is where communication comes in. Understanding what caused the service breakdown and stepping up to make things right in the best way possible can enhance results and loyalty, and rebuild fractured trust, leading to even higher levels of collaboration.



Overcoming Barriers to Effective Collaboration

There are many common barriers to effective collaboration between in-house counsel and their outside lawyers, as well as between TerraLex members working together across multiple jurisdictions. Our work with Gardner & Co. helped us to identify these barriers, which in turn allowed us to think about how to apply the collaboration foundations described above (communication, managing conflict, project management, feedback loops, perspective-taking, and exceptional service) to overcome the barriers. These foundations are not a panacea, but they do provide an effective roadmap to overcome the following obstacles if it is understood that solutions need to be tailored to the specific situation and client - one size fits one, not one size fits all. Within the TerraLex network, having built in ombudsmen in the form of our Regional Directors helps us to quickly identify barriers and methods for overcoming them. The most common barriers that we see include:

- Time pressure and work systems that foster inefficiency
- Incentives, both “hard” (e.g. financial incentives) and “soft” (e.g. praise, promotion) that reward or punish unintentional behaviors. For example, compensation that rewards solo activities and business development could cause poor collaboration.
- Inability to appreciate the perspective of others
- Not understanding or appreciating each other’s strengths and weaknesses for effective role-assignment
- Lack of trust
- The perils of working across the globe remotely
- Cultural differences (not only including culture and business practices, but also differences in bar rules, laws, and industry norms).

Six Lessons Learned

As we look back on the past year of working with Gardner & Co. and now the follow-on work that we are engaged in to ensure we are recognized as the world’s most collaborative network, we have learned many important lessons, including these six.

Uncertainty is an enemy of collaboration

Wherever and whenever possible, reduce uncertainty to facilitate people working better together.

Adaptability and flexibility

Remaining open to possibilities and being able to weather unforeseen challenges is important for collaboration and can also infuse a working team with new energy as they collaborate to solve challenges. We saw this during the COVID pandemic when our members banded together tighter than ever to find innovative ways to support their clients and each other. Some of these successes are described in a collection of stories found on our website at www.terralex.org (scroll down on the home page).

Working together to make things easier

TerraLex members across the globe routinely answer repetitive questions for their clients and each other. Recognizing this, members have banded together to create free and easily accessible Cross Border Guides. These guides allow clients and others to create a bespoke document of information for as many jurisdictions as they'd like. Our members recognized that this basic information is important to clients, yet clients don't want to pay for information that is readily on hand. The Cross-Border Guide collection, a truly collaborative effort of TerraLex members, provides a convenient resource for the client community. The guides can be found at <https://www.terralex.org/insights-cross-border-guides> and include the following titles:

- Cross-Border Guide to ESG and Sustainable Finance
- TerraLex Cross-Border Guide to Crypto Assets
- TerraLex Guide to Data Protection
- TerraLex Guide to Anticorruption Legislation
- Cannabis Guide
- Doyle's Practical Guide to Business Law in Asia
- Cross-Border Guide to Top Construction Contract Modifications
- Cross-Border Guide to Mining Rights
- Cross-Border Trademark Guide
- Cross-Border Labor & Employment Guidance
- Cross-Border Merger & Acquisition Guide
- Pre-Merger Notification Guide
- Cross-Border Copyright Guide
- Global Crisis Management Regulatory Guide
- Guide to Tracing Assets Around the World
- Cross-Border Guide to Business Investment in Africa
- TerraLex Cross Border Patent Guide (In Development)
- TerraLex Cross-Border Real Estate Guide (In Development)

**No one is all right and
no one is all wrong**

This speaks again to perspective taking. If you think you are always right, then you may likely be impacting your ability to be part of a collaborative team.

**Responsiveness often
wins**

This is a lesson we've learned many times over. TerraLex members frequently win work over large global firms because they are more nimble and far more responsive – it's a hallmark of the network but wouldn't be possible without collaborative mindsets and behaviors.

**Engage broad
constituency**

Collaboration, by definition, involves more than one person. There are many benefits to working with others, but this can only be effective by focusing equally on how you work together and not just the matter at hand.

As TerraLex continues to learn and grow and deepens its commitment to collaboration. We invite the client community to come on the journey with us. Contact any of the following senior team members for more information.

Terri Pepper, CEO

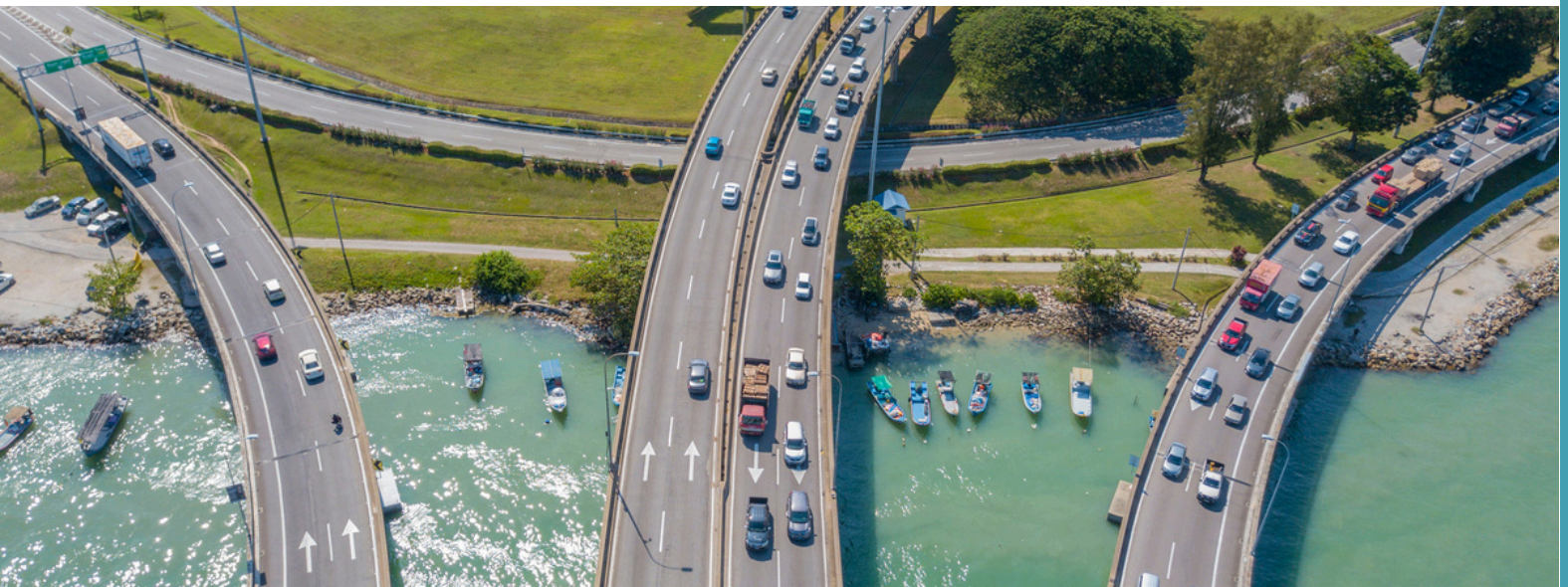
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