60 Tips For Surviving In These Economic Times

Colorado Bar Association

2009-2010 Presidential Visits

Presented By

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Tip #1 – Cut down on research costs – use Casemaker!

Tip #2 – Capture time contemporaneously. Start small and build. Expect imperfection. Use reminders. Check out a free billable recovery calculator at http://www.element55.com/benefits/calculator/

Tip #3 - Shepardize for free using Casemaker

Tip #4 – Figure out where your time goes

Tip #5 – Minimize interruptions

Tip #6 – Use auto correct feature for time entry

Tip #7 – Check out the CBA's economic survey to see how you compare

Tip #8 – Use Journal feature in Outlook to capture time

Tip #9 – Get free images for marketing and trial. To search for images of people, concepts, events, locales, etc. (to use at trial or in the firm's marketing pieces for example), search Google Images.
http://google.images.com

Tip #10 – Keep your calendar sacred

Tip #11 – Schedule a time each week to plan our your projects

Tip #12 – When deciding what to do next, consider what you "can" do

Tip #13 – Turn off "you have mail" – and pick certain times to check e-mail

Tip #14 – Batch tasks

Tip #15 – "Mind like water" Capture absolutely everything you need (or want) to do.

Tip #16 – Use two monitors. One for documents and the other for timekeeping, practice management software, second document to compare, Internet site, etc.

Tip #17 – Just say "No" "Thank you for thinking of me. I'd love to attend, but unfortunately I can't make it." "That sounds like a great project, and I'm flattered you think I'm the best person to handle it, but I'm too busy to do justice to the project right now."

Tip #18 – Getting paid. Consider offering a discount if they pay within 10 days.

Tip #19 – Free medical, legal and reference dictionaries. Don't buy any more dictionaries for the office; use Refdesk.com instead. It includes links to full-text dictionaries--general, legal and medical; the Farmer's Almanac and much more. http://www.refdesk.com

Tip #20 – Turnover is expensive! Most of us know, in some intuitive way, that staff turnover is inefficient (and costly. But just how much does it cost? One of my favorite sites is Martindale's Calculators On-Line Center at http://www.martindalecenter.com/Calculators.html. There is a link to THE COST OF EMPLOYEE TURNOVER CALCULATOR by W.H. Pinkovitz, J.Moskal & G. Green, Center for Community and Economic Development, University of Wisconsin-Cooperative Extension at http://www.uwex.edu/ces/cced/economies/turn.cfm. Give it a spin, and you'll see in black and white just how high the cost can be!

Tip #21 – Can't decide whether to lease or buy that car or piece of equipment? Check out http://www.bloomberg.com/invest/calculators/leasebuy.html for a great calculator to help you decide if leasing is a better option than buying. Couldn't be easier, and it's free!

Tip #22 – Recognize and reward employees on their birthdays. Birthdays are a perfect time to make your employee(s) feel special. There are a number of things you can do that a low or no cost. Give them their birthdays off, order a cake to celebrate. Send them a card with money inside and/or take them to lunch. If you have several employees, consider a monthly birthday cake.

Tip #23 – Flexibility counts! One way to attract and keep good staff is to be flexible with their schedules. Although we all have a critical level at which we need to be compensated, "money isn't everything." Especially in this day and age, employees are trying even harder to obtain a balance in their life. If you can be flexible, allow your staff to come in later in the mornings or leave earlier. It goes a long way toward showing employees you value them and their contribution by allowing them time off during the day to attend a child's play or soccer game. You may be surprised at the caliber of employees you can attract by offering a flexible schedule!

Tip #24– Develop an office procedures manual. If you're a solo – it's critical. If you're not – it is still critical. One of the toughest things as a lawyer with a small staff is to spend time training new staff. Large firms have personnel managers who do this. As a small firm, you can make everyone's life easier, and save a ton of time, by coming up with a policy and procedures manual. Put pen to paper (or fingers to keyboard!) and document how you would like your phone answered, what you want staff to say when you're out of the office, where the closest Federal Express drop is and what time the last pick up is, etc. There are a number of publications that can help, including the ABA's *Law Office Policy and Procedures Manual, 2004 Fourth Edition*, by Robert C. Wert and Howard I. Hatoff.

Tip #25 – Take advantage of books on law practice management topics. The ABA and the ALA (Association of Legal Administrators) have some excellent books on every conceivable aspect of practice management. The CBA has a large lending library and we can order ABA books for you at a discount.

Tip #26 – Give your (trusted) employees their own business cards – and a title. Employees want to be considered as professionals. You'd be amazed how a simple business card can be a treasured perk for an employee. What should they say? I bet you haven't heard the term "secretary" very often any more. Consider the title "Administrative Assistant" or "Office Manager" or "Office Administrator." I guarantee you'll be surprised at how this small gesture will go over. Be careful before you do this, though. Make sure your employee has been with you for awhile is responsible before you give them business cards associating them with you!

Tip #27 – Money isn't everything, part II. Studies show that workers want to know that they are valued and that they contribute to their place of business. Take advantage of this by giving your employee(s) more responsibility! Give them a project they enjoy, that lets them show their creativity. Let them decide how the final project, or chart, or memo should look. Step back and don't micromanage them. Give them some control and ownership of their work. Someone once said something along of the order of "show them what to do, but not how to do it."

Tip #28 – Think in terms of "next step" to move a project forward

Tip #29 – Learn to use your software. Most of us use only a tiny fraction of the features available with software applications. The CBA has partnered with providers of legal-specific software training classes. There are some incredible features that I guarantee you are missing out on!

Tip #30 – Get free software training at www.microsoft.com.

Tip #31 – Having trouble deciding what software to purchase, or how to troubleshoot a particular problem? Take advantage of list serves to answer questions, such as what software to use, solving a software issue, etc. The ABA has Network2D, Solosez, and LawTech. You can find information on the ABA's website at www.abanet.org. Click on Practice Resources and then Online Discussions. The CBA is in the process of completing a new technology survey with the assistance of ALA. Look for it soon.

Tip #32 – Fire your least desirable client.

Tip #33 – Treat your staff as if they're your most important natural resource – because they are! "Please" and "Thank You" go a long way. Compliment them – it costs nothing, and reaps real benefits. Let your staff attend seminars and other special training. It will make them feel important, and empowered. Ask their opinion on matters such as software and procedures. They are in the trenches, and don't overlook their expertise! Not only will you get some great advice, you will strengthen the employee's bond and loyalty to you and the firm.

Tip #34 – Give your staff more responsibility. Take advantage of their strengths and expertise. Ask them what they think! Let someone who is capable, and interested, become the resident expert on a piece of software. Let them have to develop the policy and procedures manual. Let them speak at brown bag luncheons and share their "tips and tricks" for specific software with you and other staff members. People love to demonstrate their expertise, and staff is certainly no exception!

Tip #35 – Outlook has come a long way since being referred to as "look out!" It is incredibly powerful, and you're missing the boat if you don't take advantage of all it has to offer. What are some of the features I use most?

Searchability - so you don't have to remember someone's name, even! ABA director of marketing, etc. – search on ABA
Take advantage of Notes area
Drag and drop e-mails into Calendar
Drag and drop e-mails into Notes
Take advantage of Categories to organize tasks, etc.

Tip #36 - Document every piece of advice your client chooses not to follow.

Tip #37 – Delegate more using Outlook's Task feature.

Tip #38 – Create a rule in Outlook for @Waiting For e-mails.

1. Create a new folder in Inbox called @Waiting For
2. Click on Tools > Rules and Alerts.
3. Click the New Rule button.
4. At the top of the next box, select "Start from a blank rule".
5. Highlight "Check messages after sending", then click Next.
6. Check off "With specific words in the body". Then click on "where specific words is underlined" and choose a unique keyword for your rule, such as *wff*. Click Add, then OK, then Next.
7. Check off "Move a copy to the specified folder." Then click on the "where specific Folder is underlined" and choose the @Waiting For folder.
8. Click Finish.

This eliminates the step of having to cc: yourself or dig through your Sent file to file e-mails that you are waiting for a response.

Tip #39 – Know how to recognize the difficult client. Often it's obvious in the first meeting, or even on the phone.
"Am I the first lawyer dealing with this particular problem for you?"
"How many lawyers have you consulted or retained about this problem."

"Why did you leave your previous lawyer(s)?"
"Who were your previous lawyers?"
"Can I talk to your previous lawyers?"
"What stage is this problem at?"

Pay attention to your "gut" feeling. Listen for unrealistic expectations regarding time, results or costs.

Tip #40 – Certified mail – made easy. Tired of preparing Certified Mail piece by piece. STOP! Use any of the several Certified Mail Software programs available today. Software will provide direct importing from Windows software program allowing users to copy an address, paste, and prepare Certified Mail mailing cards and all labels with just a click.
www.lasersub.com
www.walzpostal.com

Tip #41 – JD Bliss Attorney Work Life Balance Calculator. How many hours must you work at the office and at home (minus time for commuting, lunch, personal, etc.) to achieve a goal of a certain number of billable hours per year - http://www.envoyglobal.net/jdbliss/test/calculator2.htm

Tip #42 – Attorneys are usually not the one to make calls to follow up on receivables. Make initial call to ensure the bill was received and determine whether there are any issues concerning the bill which might hold up payment. They may say they didn't receive it, so immediately fax or fed ex it to ensure they don't have this as an excuse. Call again to confirm that they got the bill. You may be able to get them to pay a portion of the bill, or agree to write off portions that are problematic. You might empower your employee to agree to a 10% reduction. According to the Commercial Law League, receivables aged one month are 93.2% collectible; at 3 or more months they are only 72.3% collectible; at 1 year or more a bill's collectability drops to just 28.4%; if it ages 2 years or more, you can expect to recover only 12.5% Before the call ends, secure a payment date promise. If they say they don't know when, as "Can you get the check out in another week?" If they say no, ask "Can you get the check out in two weeks?" Keep increasing the time frame until they agree. THEN FOLLOW UP!! When they find out you always follow up, they'll stop making empty promises. Plus you have indicated to them how important it is to you that your firm gets paid.

Tip #43 - Turn it off. If you are not going to use a device for some time (say more than 45 minutes) turn it off. Monitors consume considerable power, yet turning them off or enabling their power saving features is far more economical and environmentally friendly. Photocopiers and printers because they use heat to fuse ink are notorious energy users. Make sure these devices are turned off overnight.

Tip #44 – Ask the Bar for help!!

Tip #45 - Checking accounts. Reduce the time spent in reconciling your checking account. Use Quicken or QuickBooks. Use online banking. Quicken, QuickBooks and Money have links to many banks which allow you to download bank transactions, etc. directly into their software. Many banks send you a photo of your cleared checks. Don't let outstanding checks to sit. Call the party to whom they were issued and inquire why they haven't cleared. Listing and accounting for a long list of uncleared checks is a waste of valuable time. Don't delay! Better yet, stamp on the front of every check "VOID After 90 Days"

Tip # 46 – Check 21 and checking accounts. Check 21 has virtually eliminated the "float". Therefore, law firms issuing checks out of a trust account must redouble their efforts to make sure trust deposits are made before issuing checks from their trust account. In times like these, clients are even more likely to hound you to cut a check after their case is over. Resist!!

Tip #47 - Are you competitive? Take the 'going price' for a common legal service (here we are speaking of legal time - not including disbursements) - say incorporation of a company or a straightforward divorce. Now subtract from that 'going rate' your expected profit margin (say 15% - 20%). What is left should be your target cost of producing that service. Look at the last 5 files that you did in that same area. Add up your billable time plus all your allocated office overheads. Are your costs at or below your target cost? IF NOT - consider how to lower your costs of production of this service. IF YOU CANNOT lower your costs - then consider referring these clients to another lawyer who practices in this area - and send him/her your files in this unprofitable area - at least you will not be losing money on these files and you can expect to receive clients who have legal problems that are profitable for you to handle.

Tip #48 - Look at your office technology. Are you continuing to use high-cost technology rather than purchasing tech that can help you achieve a lower-cost of production? For example, ink-jet printers are very inexpensive to purchase - but the ink costs will kill you. Laser printers are expensive up-front, but their cost-per-page is a fraction of ink-jets and they last forever. Consider your TOC - total cost of ownership of an asset before you purchase it - and ensure that you have balanced out initial capital costs with longer-term production costs. A corollary of this is - don't put your capital into an asset that will only be used infrequently in the office. Look to Kinko's or other service delivery services to see if you can use them for special services rather than purchasing an asset that will become a white elephant.

Tip #49 - Look at your biggest hard costs. Your office is one of your most expensive items in your financial statement. Are you making the most of it? Do you have empty offices? What impression do your client's have when they walk in? Do they gain the impression of a neat, efficient office? Or are they met with clutter and stacks of file boxes? Not only is the use of your space important (perhaps you can bring in another lawyer into that empty space - even if it is just a short-term office rental agreement), but your clients gain an impression of the quality of your service by looking at your office layout and its neatness.

Tip #50 – Renegotiate your lease. Look at the 5 legal services that you do most often that are relatively routine. Look at how you produce those services in your office. Ask your staff how these services can be streamlined and produced in less time and at less cost. Can you incorporate document production to lower the costs of producing the paper? Can you reduce the number of steps used to render the service? Can you draft common reporting letters, invoices and documents? Consider adopting 'standard pricing' where you quote a fixed fee and include standard disbursements - in order to streamline the production process - and let your bookkeeper tell you if you are staying within the quotes you have given. You then have every incentive to produce your work efficiently and stay well-within your standard price quote.

Tip #51 - Are you spending $$ on what the client wants? Many firms still use engraved or expensive letterhead, envelopes and invoice sheets. Ask your clients - do they wish to receive communications in writing or by email? If they prefer email, then you can save on all the costs of printing and mailing by meeting their needs - and delivering services in a timely and cost-effective way - by using email. Don't put money and effort into modes of service delivery that are not appreciated or desired by clients. Software programs are better than ever at allowing you to produce your own letterhead, etc.

Tip #53 – Nothing takes the place of being good. Provide quality work and service to your clients. The best referral opportunities you can develop are those from satisfied and happy clients. Be sure you are accepting cases that you have the expertise to handle. Be timely in meeting deadlines and responding to critical dates for each matter. Communicate frequently with your clients, returning phone calls promptly and keeping them abreast of the status of their case. Be pro-active in your client communication rather than reactive, copying them with correspondence related to their case and providing monthly detailed billing. Thank them for their business and provide them a chance via a client survey to tell you how well you did. Be sure to take seriously any comments that would help you improve your client service and implement them.

Marketing Tip #54 – Their first impression could be their last. First impressions are lasting impressions. Is the first impression a potential client has of your office, building and reception area first-class or second-rate? Is your office waiting area well-appointed? Is your furniture comfortable? Do you have current reading materials on the coffee and side tables? Are there brochures relative to your practice area available for clients to review while they wait? Does your receptionist answer the phone in a timely manner? Are callers provided a chance to speak with your assistant or to leave a message on voice mail if you are not available? Is the receptionist pleasant to clients who call and come to your office? Do you offer your clients beverages while they wait? Are clients made to wait too long for you to appear? Do you have a well-appointed conference room to meet with your clients? Is your office organized and neat, if that is where your client meetings take place? Are papers strewn throughout your office and common areas, on file cabinets and desks, or are they neatly filed?

Does your office say, "Organized"& "competent" or "chaos"? Clients who come to you need help with a situation or event that, for them, is the most important thing in their life. Does your office reflect the type of place your clients can trust with the most important event in their life?

Marketing Tip #55 – How did they do it "way back when?" How have lawyers historically built their law practice? The way any business man or woman builds a business . . . through relationships. What relationships or associations interest you most? Is your church affiliation a priority? Are you a coach or official for recreational sports? Are you a member of your local chamber of commerce? Are you on the board of a non-profit charitable organization for a cause you admire and want to support? Are you on your local school board or counsel? Do you participate in family reunions? Are you a member and active in your local and state bar association? Do you play golf or tennis? Are you a member of a country club? Are you a regular at your YMCA? When was the last time you took a potential client or a referral source to lunch? Building relationships is key to building a law practice. In most cases clients still hire the lawyer rather than the law firm. A bit of advice: Building relationships takes time. Don’t get involved in any of these activities for the sole purpose of getting business. Your participation in outside activities should express your passion about those activities or causes. You should do something you enjoy. The relationships will then easily develop out of common interests and passions.

Marketing Tip #56 - Develop a marketing plan. Most lawyers cringe at the concept of developing a marketing plan. How many of you roll your eyes when one of your partners calls a meeting of the attorneys to talk about marketing? Many think they need a professional "marketer" to develop a plan. Developing and ensuring implementation of a marketing plan for a medium-size to large firm probably requires a person with marketing expertise. But the solo or small firm practitioner can’t afford and doesn’t need a marketing person to help them develop a plan. The small firm practitioner needs to commit some time to identifying potential client and referral sources and to developing a plan for getting in front of those sources on a regular basis. Set weekly, monthly and quarterly goals for 1) surveying existing clients as to their degree of satisfaction with your services, 2) getting in front of potential clients, 3) making contact with referral sources, 4) meeting new people, 5) participating in a civic, religious or community meeting, 6) attending a local bar meeting, 7) participating in a CLE program, 8) hosting a dinner party or 9) writing an article for the local or state bar publication or your local newspaper. Record all of your marketing activities as to date, activity, who you met or talked with and any business that may result from it. Review your efforts monthly and quarterly and follow up as appropriate. Marketing your practice requires some planning and discipline. The reward is building a practice made up of clients that you enjoy working with in an area of the law that you’ve chosen to develop.

Marketing Tip #57 – File closing letters and client surveys. The use of file closing letters at the end of a case is not only a good discipline for ethics and risk management reasons, but also a way to pleasantly end the relationship. A file closing letter should state that the matter on which you represented the client has concluded. It should contain the final bill, if appropriate. It should inform the client that you are closing their file and will store it for whatever retention period is appropriate; and, that at the end of that retention period, the file will be destroyed. The file closing letter can also be used to thank the client for the opportunity to represent them in the matter and contain an offer to assist them in the future with any other needs they might have. You should state your firm's other areas of practice. A client survey can be included with the file closing letter which provides the client an opportunity to provide you with feedback as to their satisfaction with the legal services rendered and as to how they were treated by not only you, but your staff.

Marketing Tip #58 – Brochures. Many law firms have hired marketing firms to develop expensive, slick brochures that describe the firm's philosophy, history, current services and expertise, depth of legal experience and office locations. Much time is spent on the "look", "tone", "feel" and "message" of the brochure.

According to Burkey Belser, author of Chapter 4 - "*Developing Your Visual Image*" in the ABA LPM publication, The Complete Guide to Marketing Your Law Practice, most firm brochures widely distributed to potential clients find their way rather quickly into the nearest waste basket. Mr. Belser makes the point that brochures do have value in the marketing plan of the law firm when they are used correctly.

Brochures can be effective when talking with a potential client – reiterating the points made during the "sales call". Brochures can, according to Mr. Belser, speak for you after you leave a meeting, when a hiring decision is made. Brochures can help with cross-selling of services and educating your clients on specific areas of law. In some practice areas, where clients are not necessarily sophisticated consumers of legal services, a brochure explaining the legal process can help you educate your client and manage their expectations; i.e., a personal injury practice, a divorce practice or an estate practice where issues relating to the development of a will and estate plan can be overwhelming to a client.

Brochures can be developed by a marketing professional or by you, using your word processing software and the resident brochure template. If you are going to develop a brochure, before you start, determine the purpose of it, your audience and the most effective way to develop and distribute it. The ABA's LPM section has excellent resources for marketing your practice. Go to www.abanet.org/lpm/catalog for a list of publications on law firm marketing.

Tip #59 – Advertising via yellow pages. If your practice is one that is conducive to yellow page advertising (and statistics show that personal injury, bankruptcy, criminal, family law and workers' compensation practices make up 90% of all lawyer display advertising), then you should read the ABA Law Practice Management Section's most recent publication on the subject, Effective Yellow Pages Advertising for Lawyers, A Complete Guide to Creating Winning Ads. This book is a fairly complete, lighthearted (and frequently humorous) instruction manual on how to develop the best yellow page advertising for your practice. It takes the reader through the history of lawyer advertising and explains how yellow pages advertising works and how it differs from other forms of advertising. In Part II and III, the author discusses how to create the best ad for your practice by using case studies, exercises and questions to take the reader through the process of developing an ad. In Part IV, the book addresses buying strategies – how to make the best purchasing decisions for yellow page advertising. It has an easy style and is well organized.

Tip #60 – Create a client-driven firm. The needs of today's clients are much different than in the past. Providing quality legal advice and work product with a smile and handshake is no longer enough. Clients certainly want their legal counsel to react when a problem arises; but, more than that, they want the firms to be reactive. Clients want their law firms to:

1. Provide solutions to their business problems
2. Look for ways to work together to deliver value
3. Do more with less
4. Create value, not just bill for your time
5. We want service providers that understand our business globally
6. We work in teams and you can be a part of the team