HOW TO MANAGE
A SMALL LAW FIRM

HOW TO GROW YOUR FIRM BEYOND $500K

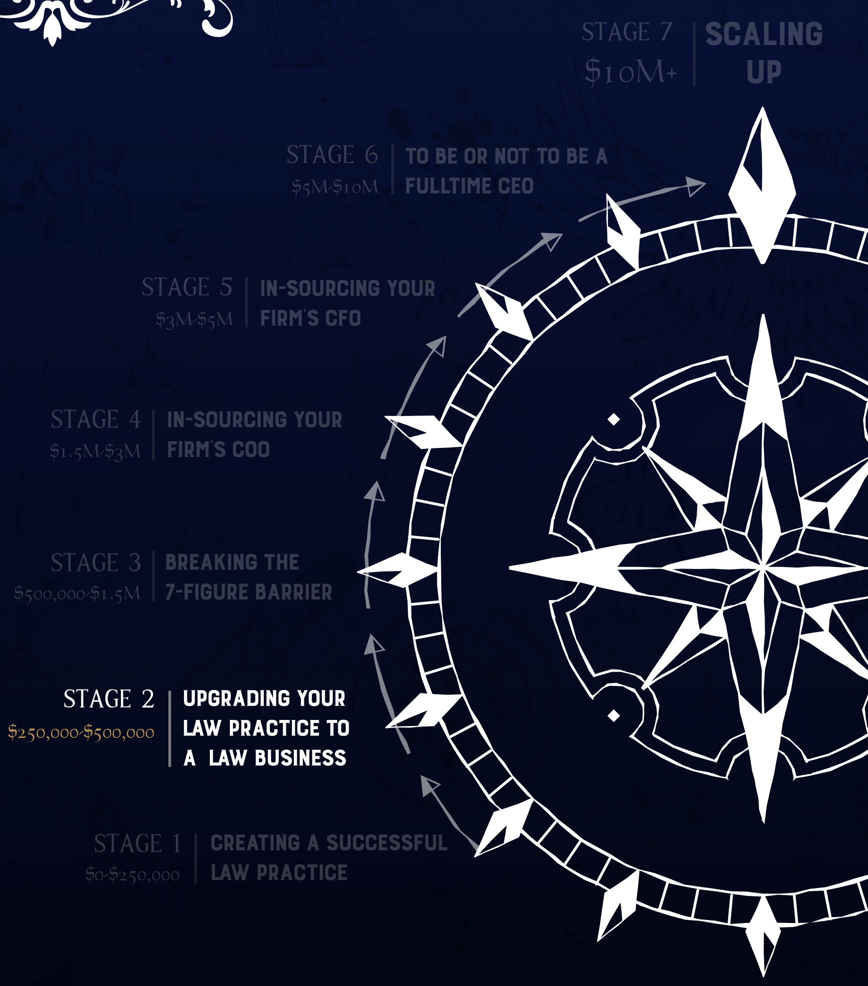
IN ANNUAL REVENUE WITH A PROFITABLE A-TEAM THAT DOESN'T SUCK UP ALL OF YOUR TIME AND ENERGY

STAGE 2

UPGRADING

LAW PRACTICE - LAW BUSINESS

$250K-$500K



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In the second stage of growth for a solo or small law firm owner, the focus for the owner is most often ***how do I find more time to handle every thing***! There are hiring concerns, staff questions, more client work to get through, greater financial controls that need to be implemented, marketing projects that need to be pushed along and of course, converting the potential clients into paying clients.

While more clients are coming in the door, this is often the most difficult stage of growth because everything is generally on the owner (or comes back to the owner) until the systems are in place. That is why the **2nd stage of growth is all about building the infrastructure and systems so the team and the firm can generate more predictable and reliable revenues**.

The good news is that once the team and some systems are in place, the owner is able to start taking more time off from the firm to recharge their batteries.

ELEMENTS FOR BUILDING A SUCCESSFUL BUSINESS

1. Revamp the Business Plan.

As a firm in the Second Stage of Growth, it is imperative that the business plan be revamped so that includes a strategy to hire and make a profit with stall. Every successful business becomes more stable and easier to grow with the help of a business plan that spells out in plain English where you are and what you want to build. This allows the firm to have darity in bringing in the right kind of clients, with the right kind of legal problem, with the right kind of expectations, and in the righling and in the right quantity, (wait, "night quanti-ty? why limit ourselves? Well, because frankly most lawyers in the first or second stage of growth wouldn't be able to handle the business if say 100 A dients dropped on your doorstep! Better to gradually increase the business in the right way so you create raving fans of every single one of the next 20 dients you bring in rather than create 100 pissed off dients)

THERE ARE 7 WORKING PARTS IN EVERY BUSINESS.

A business plan fleshes out each of these 7 working parts to explain in plain English...

How you are going to get clients in the door, how you are going to convert them timely and efficiently into paying clients, the processes for getting the work done, how you are going to hire, train and make a profit with staff to get the work done, where they are going to work and what tools they need, and how we are going to know if it is all working.

Don't confuse a business plan with a prospectus. A business plan simply lays out what you are trying to build and sets up a plan to get there Sounds easy I know, but as with many things it takes a little work. But work like this is always easier with the help of someone who has been there.

In the Second Stage of Growth the business plan establishes how the business will meet the Owner's financial, professional and personal needs while building an A-Team to ensure that the business can operate without the owner there.

Equally important is identifying when to "cut loose" if a person is not producing in the manner in which the firms needs the person to produce. How do you know when to "cut loose"? Again, it is the business plan and the systems that help give the guidance so that the firm can make an objective, not personal, decision when to terminate an employee.

2. **Draft Key Administrative Policies and Procedures So the Team You Are Going To Hire Knows How To Get The Work Done.**

A cornerstone to building a sustainable business is building the key policies and procedures and crafting them into a good well-orga-nized system so the team can handle things without you.

- There are **12 Key Administrative Internal Policies** that every firmneeds to give guidance to the team and the owner on why we do things to be more efficient, pro-ductive and profitable.
- There are **12 Key Administrative External Policies** that every firm needs to help the firm's clients and vendors better understand how we operate so they can mini-mize the interruptions to us and be able to get help faster with their needs.
- There are **24 Key Administrative Procedures** that help our team complete the day to day operations in a con-sistent and professional manner without constant supervision and direction.

3. **Craft Job Descriptions and then Hire, Train and Make a Profit with Staff.**

Most employers fail to get clear on the position and the job description before they hire a warm body. The old "hire and hope strategy" (you know, hire and hope they know what to do!) has never been a successful plan.

But law school never taught us or defined the role of the receptionist. Or the role of the legal assistant versus the role of a paralegal. Or the role of the paralegal versus the associate. Most lawyers have barely even taken the time to think about it let alone write it out. No judgment zone, this stuff isn't easy! But it is at the heart of what makes a good successful business run well and is what allows firms to hire, train and get new staff up to speed very quickly.

ACTION PLAN: DRAFT, HIRE, TRAIN & FINE TUNE

1. Draft Key Administrative Policies and Procedures.

While not the most glamorous part of being a law firm owner, the building of the Key Administrative Policies and Key Administrative Procedures is at the heart of the second stage of growth. The great news is that it is so much faster to create these with help! The key to getting where you want to go is seek out help ... don't just think you can do it on your own.

2. Hire The Right Kind of Staff!

Regardless of the practice area, every successful law firm business owner knows that a key to success is hiring the right A+ Team to help them grow. The key is taking action. Before you can hire someone, you need to interview candidates. Before you can inter view, you need some candidates and some good questions. Before you can get good candidates, you need an ad or some mechanism to let people know you are hiring.

This slippery slope is why hiring is such a difficult task for so many solo law firm owners. The great news is expert help is available to you to fill in the gaps. Doing this alone, from scratch, when there's help available is much like walking 100 miles and having that take a week when you could drive and get where you're going in less than 2 hours.

3. Fine Tune Your Infrastructure.

New level, new devil. Owners in the second stage of growth know that some of the things they build in the first stage of growth no longer work as well when there are more people in place. Recognizing that it is imperative that the firm fine tunes the processes as it grows is as important as building them in the first place.

What needs to change and when? Every firm is different and that is why it is so important to have a trusted resource who can give you feedback and help you recognize the signs of when certain things need to change.

WHO IS GOING TO HELP YOU: YOUR CEO AND YOUR COO

IN the Second Stage of Growth you need more than just a CEO on your Team. You also need the help of an outsourced COO to help you build your day to day operations and infrastructure.

A CEO to a small law firm helps guide the firm in building the business plan, the budgvet and holding the owner accountable to do the things which will help it grow. A CEO is a blend of a mentor, a coach, an accountability partner and ass-kicker.

Where your CEO helps you with the big pictures views and keeps you moving forward, **Your COO** is there to guide you in developing the policies, procedures and systems to build out your law practice into a true lawfirm business. The best news is that the COO works with the owner to learn the vision of what we are building and then works with the staff to make sure it gets built.

Big firms have a full time Managing Partner or CEO who can hold the firm together and keep it moving in the right direction as well as a full time COO to optimize operations. For solo and small law firm owners that luxury of those full-time individuals doesn't exist at the first stage of growth, but an outsourced CEO and COO who works with you weekly is the perfect solution.

If you are ready to get help and start taking control of your firm and grow it the way you want, **CLICK HERE to schedule a discover call with someone on the How To MANAGE A Small Law Firm Team.**

You'll be able to choose a time that works for your schedule and then when you speak to one of our team Members, you'll be able to ask all your questions and most importantly discover how you could be growing a much healthier, much more profitable firm in the next 18 months. You can and should have a firm that serves you professionally, personally, and of course financially.

Taking action sounds easy, but when you start doing it is where it gets tough. Don't reinvent the wheel. There are hundreds of successful small law firm owners who have taken the first step by scheduling an appointment and you owe it to future successful self to at least learn what options are out there to help you move forward!

SCHEDULE YOUR DISCOVERY CALL RIGHT NOW

Dedicated to Your Success,

TEAM HOW TO MANAGE A SMALL LAW FIRM

P.S. Don't just take it from us. once where you are right now. Read some comments from law firm owners who were Don't take it from us. The proof is in the pudding...

"This program helps to guide you in building up and out your team members so that you can accomplish the growth of all the moving parts of the firm ...

They're going to teach you financial reporting, bookkeeping, they're going to teach you the basics of marketing, and then up level you to higher functions of marketing. There's people on your team that need to wear these hats because the owner can't wear all the hats. This program will systematically build out and teach you the directions and the procedures the policies that your firm needs to be able to show those team membershow they can be efficient and effective in their role. "This program is brought out incredible richness within myself, and not only monetary riches but also inner riches.

Part of that comes from the freedom of not having to carry everything all the time"

-Corine Rogers Holy,
Brotman Law, San Fransisco, CA

'MY GROSS REVENUES GREW 48%!'

"It's been one year so in this one year since joining the program my gross revenues grew 48%. The best thing I did was create systems so that I could offload the burden of everything that I was carrying on my own shoulders and develop a team.

This program is brought out incredible richness within myself, and not only monetary riches but also inner riches. Part of that comes from the freedom of not having to carryeverything all the time"

-Michael Cohen,
Micahel H Cohen Law Group, Palo Alto, CA

'MY STRESS LEVEL HAS PLUMMETED'

"It gives me goosebumps thinking about it. You laid out how to grow a million dollar a firm on paper... This was October 2014 and October of 2017 is exactly when we hit it.

We're just going to keep doing it and I don't lose sleep anymore, my stress level has plummeted, I've finally become very *relaxed and I feel great about where the firms headed and comfortable that whatever happens, we can handle."*

-Brett Trembly,
Trembly Law Firm, Miami, FL

'WHEN I STARTED I WAS $340,000 AND NOW I'M AT $665,000'

"My firm had been just growing just growing by dribs and drabs, and I wanted to have more profit from my business so I could do more for my family. When I started I was $340,000 and now I'm at $665,000, which is close to double what I did two years ago.

When I joined I thought having a $1,000,000 firm was completely ridiculous. 'That's not possible for me to have a $1,000,000 firm.' And now my goal is to have a 1.2 million dollar firm."

-Lisa Speaker,
Speaker Law Firm, Lansing, MI

'IT'S ABOUT BUILDING SOMETHING THAT CAN GIVE ME MORE FREEDOM'

"It's really not about the money. It's about building something that can give me more freedom. Once I built this firm that can run without me that's going to allow me to spend more time with my kids. We try and provide them the things that they need no matter what... But it's a whole lot easier to do that with a <u>million dollar</u> law firm.

My goal for 2017 was to end the year at $350,000, and I ended the year at $500,000. As I stand here before you today my goal for 2018 is to gross a million dollars."

-Holly Moore,
Moore Family Law Group, Corona, CA

"LAST YEAR WE GREW ABOUT 40% IN GROSS REVENUES...

"We added people and things like that, but prior to that we were probably growing about 20% a year. We want to at least double or hopefully more."

-Phil Bluestein,
Rocky Mountain Health Care Law and Wills and Trusts, Boulder, CO

P.P.S. To help you with your action plan, on the following pages we've included the key administrative policies referred to earlier in this report as well as an example intake system. These tools will not only be incredibly helpful to you right now, they're also an excellent demonstration of the type of intelligence you'll get from working with us to grow your firm. Remember, helping you get that business is THE business we're in. **START HERE.**

KEY ADMINISTRATIVE POLICIES

Internal

1. Attorney-Client Confidentiality
2. Client Interaction (professional but not friends) especially outside of the office in sensitive practice areas.
3. Legal Services For Staff, Friends & Family
4. Following Documented Procedures & Agreed Methods For Questioning/ Improving Documented Procedures
5. Business hours & dress code
6. Time sheets
7. Work Hours & Holidays
8. Attorney-access (by appointment or emergency)
9. Personal business while at work
10. Client cost advancements
11. Centralized files of the firm
12. Job descriptions (receptionist, secretary, paralegal, associate, rainmaker, manager & owner)

External

1. Definition of the word "Emergency"
2. Access to attorney (by appointment so that...)
3. Billing what you do/do not bill for (travel, paper clips, etc.)
4. Costs vs. Fees
5. New developments in case (both directions)
6. Treatment of opposing parties (your values, so as to not make a bad situation worse, etc.)
7. Definition of the word "Honesty"
8. File retention (are you going to be their reference librarian?)

9. Referrals (discuss it so you train them)
10. Privacy & confidentiality
11. Boundaries & duration of attorney-client privilege (to protect you & them and as a marketing lesson)
12. Definition of A-F clients.

KEY ADMINISTRATIVE PROCEDURES

1. Answering the telephone & taking messages
2. Routine correspondence (list of and how to)
3. Scheduling appointments (prospective clients, current clients, opposing counsel, other)
4. Calendar & docket control
5. Scheduling hearings
6. Opening a new file, case or matter for a new client
7. Opening a new file, case or matter for a current client
8. Monthly file review
9. File protocols
10. Closing files, cases, matters
11. Calculating & documenting statutes of limitations or other self-imposed deadlines.
12. Conflict checking & documentation
13. New client engagement
14. Declining a new case or engagement
15. Pre-engagement glide path
16. Post-engagement 15, 30, 60, 90, 180 days etc.
17. Accounting for time, tasks & value
18. Preparing bills
19. Accepting payment
20. Monthly book keeping

21. Monthly newsletter
22. Computer back-up
23. Computer file organization scheme
24. Operating instructions for all technology
25. And last but not least... the procedure for monthly review of allpolicies & procedures so we are always getting better.

EXAMPLE SYSTEM

Intake System:

- **Preliminary Client Information.**
  - Client contact information sheet
  - Preliminary conflict check
- **Scheduling an Appointment.**
  - Client contact information sheet
  - Preliminary conflict check
    - Current Client.
      - Confirm date and time of appointment.
      - Enter into Office Calendar
      - Send confirmation email
    - Prospective New Client.
      - Confirm date and time of appointment.
      - Enter into Office Calendar
      - Send confirmation email with map and directions.
      - Send confirmation email with preconditioning/ prescreening information. (clarify what to expect at meeting, have specific section about the client you are not able to help directly but would be willing to provide a referral, etc)

prescreening information. (clarify what to expect at meeting, have specific section about the client you are not able to help directly but would be willing to provide a referral, etc)

- Prepare welcome package.

- Referral Source.
    - Confirm date and time of appointment.
    - Enter into Office Calendar
    - Send confirmation email

Greeting New Client - Once they arrive at office.

- Greet person by name (should be on the calendar).
- Offer them a drink.
- Give them Welcome Package. (info on your team, your practice area)

New Client Packet

- Retainer Agreement
- External Policies to condition them to be a A+ client
- Info Sheet Introducing Team

Receiving Funds:

- Policy: Protect our client's money and maintain solid financial controls.
- Procedure: Who receives check, copies it, logs it, returns receipt to client, etc

- Procedure: Who receives credit card, runs it, logs it, returns receipt to client, etc
- Procedure: Who receives cash, writes out receipt, obtains client's signature on receipt, etc

New File:

- Atty confirms retention and designates class/type of file; rates.
- Complete Conflicts Check.
- Preliminary Deadlines Meeting between attorney and assistant is scheduled.
- New file creation.
- Checklist of Preliminary File Duties.

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