



IS THIS GOING TO BE A BETTER YEAR?

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It's early enough in the year for me to ask you an important question: will this year be different from last? Was last year exceptionally good or bad? Or was it yet another in a trend which is positive or negative? I ask these questions because it's not too late for you to have an impact on how the year turns out. Of course, you could be passive, and just wait to find out. That's how the majority of lawyers at solo and small firms operate, despite the fact that for most, trends have not been positive.

Let's suppose you want this year to be better. Who doesn't? What can you do to make a change which can have a positive impact this year? Truthfully, there are a lot of steps you can take in a variety of areas which will provide results.

Your first step is to plan a bit. Determine what changes you made last year, if any, and what impact they had. Identify any strategic moves and their results. How about serendipity? Were you in the right place at the right time? Anything which falls in the good result or good luck column deserves more time, attention, planning, and perhaps investment. Don't assume you can't replicate luck by carefully planning activities that will create more opportunities to be in the right place at the right time.

Carry it a step forward to convert your thought to action. Put your ideas on paper, outline the incremental steps to accomplish the required objectives and goals, and then block off sufficient time throughout the rest of the year for implementation.

Was last year a disappointment? If so, was it just one bad year, or one in a trend? There's a big difference. The longer you fail to react to a trend, the more difficult it will be to reverse it. And the more costly those efforts will be.

Examine the factors which contributed to the lagging performance. It's not enough to simply say that fee receipts were down. It goes deeper and wider than that. Were collections as strong, or have the receivables gotten out of control? Were matters billed in a timely fashion without repeated markdowns, or haphazardly and

lots of client-unseen discounts? Was time entry contemporaneous and accurate, or done poorly with lots of time increments falling through cracks in the floor?

Were there fewer prospects contacting the firm? Examine your referral sources to determine if any have fallen off and try to reinvigorate the relationships and build new ones. Have you been less visible in the marketplace? Have you discontinued SEO or SEM budgets?

Has your conversion rate from prospect to client dropped? Look at your intake procedure from every angle. Are you falling behind in how quickly you return calls and/or set up meetings? Do you have a new person screening prospects? Can you enhance your intake process with a well-written FAQ? Are you failing to effectively market other practice areas to existing and former clients? Are you getting bad “word of mouth” from former clients and not aware?

Overhead has a way of incrementally increasing year over year. In some years we see big increases in areas over which we have little control, like malpractice or medical insurance. But in other areas we rarely question what we spend, and tend to just budget for, or expect, a percentage increase each year. The first thing you can do is dig a little deeper. Take a look at the expenses for client development, advertising, marketing, entertaining, and related categories. Make sure you are spending money where you get the most bang for the buck. Don't just keep doing the same as previous years and expect better results. That's insanity.

Look closely at two of your most expensive items: people and space. Is your office maximizing revenue per square foot? If you have even one office stuffed with old files, broken chairs, and all the other debris we accumulate because we don't want to invest the time to clean it up, try to determine how to better utilize it. How about renting it to a non-competitive solo? [PBA members should contact me for my resource on sharing office space before doing so.] How about a full or part-time attorney or paralegal to whom you can delegate work and improve revenues? Chances are your clients will appreciate the cost savings, and you will better enjoy spending more time on the creative or highly skilled work, and in seeking new clients.

How about people? Do you have underperformers? Do you have too many people? My experience is that attorneys rarely want to deal with either of these unpleasant situations. They can go on for years. And years. Speaking of people,



don't assume that if your assistant has now been using Word for 10+ years, he or she is proficient. Most have had minimal or no expert training, and don't use the vast majority of features designed to work efficiently. The best software features are not apparent without training. If your staff are struggling daily to get work done, don't allow your ego to assure you it is because you produce more than most attorneys. Invest in some training.

There's no magic here. Just some introspection, some planning, and some action. Were it not for space limitations, I could offer a lot of additional suggestions for small changes which can make this year better than last. Or begin to reverse a downward trend. Need some help? The best small step a PBA member can take is to send an email to me at lawpractice@pabar.org to schedule a time to talk. There's no charge, and I can help you identify a few strategic actions which will have a positive impact on your firm's performance.

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