

Highlights

- **Office Management Seminar Set**
- **Too Many Old Files?**
- **Marketing for Small Law Firms**

Inside

- **Winning Alternatives to the Billable Hour**
- **Management Seminar Registration Form**
- **Quick Practice Tip**

LOMAP Update

Information from the Law Office Management Assistance Program

Fall 2003



ASB and ABICLE Offer Office Management Seminar

October 31st Program is Designed for the Solo or Small Firm Lawyer!

Did you know...

that ABICLE and LOMAP are sponsoring a seminar designed just for the solo lawyer and small firm ?

ABICLE and the Law Office Management Assistance Program have teamed up to provide you with a fast-paced program that will answer your questions about the nuts and bolts of solo and small firm practice.

Scheduled for *Friday, October 31st*, the all day program will be held in Tuscaloosa at the University of Alabama Law School and will feature some of Alabama's outstanding solo practitioners and small firm lawyers talking about the topics that matter the most to you.

The first section of the program will cover *You and Your Client*. Mike Manasco from Montgomery will tell you all about case selection, file control, client communication, contracts and billing and professional and ethical issues you are sure to encounter, sooner or later, in the small firm.

The second session, presented by Alyce Spruell from Tuscaloosa, will

cover *You and Your Staff* and will give you the latest information on hiring and firing, sexual harassment in the law office, internet policies and confidentiality, competency of employees, and how to develop office policies and procedures to make your office run smoothly.

Following lunch on your own, Mark Murphy from Andalusia will talk about *You and Your Business*, discussing topics such as selection of the right business entity for your firm, taxes and insurance needs, software selection, retirement planning, and how to prepare for the unexpected.

The final session of the afternoon will cover *You and the Rest of Your Life*. Hal Albritton of Birmingham will discuss technology to ease your burdens and free you from the office, and tell you how to avoid burnout.

This seminar has been approved for 6 hours of CLE. The early registration fee is \$225 and registration at the door will be \$245.

For more information call ABICLE at 800-627-6514, go to www.abicle.org or see the registration form on Page 3 of this newsletter.

Marketing for Small Law Firms

by Lisa Goldstein

Forty years ago, my father began practicing law in Philadelphia. He had a successful business formula and comprehensive marketing plan. He and his partner looked at a map of the city, and marked all of the law offices with pins. They rented an office where there were no pins and hung a "Neighborhood Law Office" shingle in the front window. This plan put my brother, my sister and myself through law school.

Today there are thousands of lawyers in the Philadelphia area. Although most large law firms realize the value of a comprehensive marketing plan, small law firms often take a piecemeal approach to marketing. In order for lawyers to succeed, a comprehensive marketing plan is no longer a luxury, it is a necessity. Those firms that learn how to develop and maintain clients are the firms that will thrive.

What is a Thorough Marketing Plan?

The Legal Marketing Association's 2001 Survey of Law Firm Marketing Budgets found that law firms spend an average of 2.4% of annual revenues on marketing, compared with other professional service firms that spend an average of 7 to 10%.

Fewer than 60% of the firms surveyed had formal marketing plans. One reason lawyers may not be utilizing marketing

tools at the pace of other professional service firms is that many lawyers remember when lawyer advertising was prohibited. Although it has been almost thirty years since the United States Supreme Court decision of *Bates v. State Bar of Arizona* opened the door to lawyer advertising, some lawyers still view marketing and advertising activities as beneath the profession.

Although the average lawyer does not spend as much as other professional service providers, attorney advertising is rapidly increasing. A study conducted by the Yellow Pages Integrated Media Association in New Jersey indicates that in the year 2000, lawyers spent \$808 million on Yellow Page advertising, increasing from \$607 million in 1996. Despite this dramatic increase in Yellow Page advertising, law firms continue to struggle with developing successful law firm marketing plans. One advertisement in the Yellow Pages does not guarantee a steady stream of business.

Rather, in order to thrive in today's competitive legal environment, law firms must carve out a unique position in the market by answering the Four P's of marketing: Place, Product, Price and Promotion.

The Product

Lawyers help people that are unfamiliar with the law navigate through the legal system. In order for law firms to differentiate their services from another firm, lawyers must appeal to a unique market niche. Simply put, a market niche targets the client to whom the law firm provides services. Although this seems obvious, many law firms believe that a full service approach is the best approach.

Most clients are not looking for an attorney who will handle any matter; rather, they are looking for lawyers who will best handle their matter. For example, a reseller of computer equipment will be more attracted to a law firm that markets its law firm as a technology or computer oriented law firm, rather than a strong business law firm.

Place

In the past, lawyers were truly tied to their office geography and serviced local clients. With the advent of the Internet, it is now possible for lawyers to attract and retain clients throughout the entire world.

For example, one of my clients was hired via the Internet by a Texan to represent him in a Pennsylvania custody action.

Another client was also hired via the Internet to represent a Florida resident who was injured at his employer's site in Philadelphia.

Promotion

I have consulted with hundreds of law firms about marketing, and the most common response that lawyers have when the subject of promotion is broached is, "We get all of our business from referrals." Referrals are fantastic, but any business that relies solely on the chance that someone will refer them business rather than strategically attacking the competitive legal market is doomed to fail.

It is difficult for lawyers to actively promote their services because lawyers service the business they develop. Therefore, a lawyer's business cycle is often subject to extreme peaks and valleys. When a lawyer is extremely busy, he believes there is no need to speak, write or advertise. However, without continuously promoting the law firm, the workflow will slow at certain points in the cycle. The most efficient way to facilitate ongoing promotion is to develop an Internet marketing campaign. This allows lawyers to inactively market to their niche markets.

Seventy percent of Americans currently expect to find information about the services they will purchase on the Internet. A web site that offers detailed content related to a law firm's market niche provides a resource to existing clients as well as new clients. A good web site should have newsletters, relevant case law and frequently asked questions that promote the firm as an expert in its niche market.

Price

The competition in the legal market is fierce. Whether lawyers focus on personal injury litigation or business law, pricing options are changing. Pending tort reform legislation may limit contingent legal fees. Corporations are awarding business to lawyers with flexible pricing options rather than fixed fees.

Large law firms as well as sole practitioners must understand flexible pricing options. For instance, a sole practitioner may devote 20 percent of his practice to personal injury motorcycle litigation and 80 percent to bankruptcy for food vendors. Of the 80 percent, one client may account for half of the bankruptcy practice. That client should

be charged a more competitive rate than another smaller bankruptcy client.

Future Success

In the year 2003, the "pin in the map" approach to marketing no longer works. In order for lawyers thrive in the practice of law, they must be able to understand and practice the 4 Ps of marketing.

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Quick Practice Tips

Handle Interruptions Effectively

Anyone who has ever worked in a law office knows that interruptions are the bane of a lawyer's existence. You can't get rid of them, but you can control them and diminish their impact on your work.

To control interruptions, make sure you and your secretary both take your pre-viously scheduled work times as seriously as you take a client appointment. If you have difficulty saying "no" to interruptions, your staff won't hesitate to interrupt you. When you set the tone in your office, the others will follow you lead. But you must work with your secretary before going into "seclusion" to let her know what the important matters and deadlines are and how to handle various matters which may come up while you are "unavailable."

Interruptions are a state of mind. They only divert you from your work to the extent that you let them. If you must allow an interruption, before you turn your attention make a mental or physical note of the next thing you are going to do. Most of the time getting back into the flow of what you are doing takes longer than the interruption, and you have complete control over that.

Quick Practice Tips are from the members of the Practice Management Advisors' Committee of the ABA's Law Practice Management Section.

Malpractice Matters

Too many old files?

Getting rid of old case files is such a headache that most lawyers don't do it until they run out of on-site storage and off-site storage fees begin to cut into their profit margin.

The rules of professional responsibility don't require you to keep all your files forever, but you shouldn't prematurely destroy anything of value to the client.

How do you balance the client's needs against your own? Here are some things to remember:

- Files may be stored in any facility in which their confidential integrity is maintained. This may be in the lawyer or law firm's office or at a secure off-site location.
- Any medium that preserves the integrity of the documents in the file, whether by maintaining the original paper file, microfilming the file, or by electronically scanning the file, is appropriate.
- Before destroying any file, it should always be reviewed again to be sure nothing has changed that would prevent disposition. It is a good idea to have files microfilmed, micro-fiched, or scanned and stored on disc, if you feel that issues related to the file, or the client, may continue to arise.
- Remember that, even in the course of destruction, client confidentiality must be maintained. Use appropriate methods for file destruction, such as shredding or incineration.

For more information on closing and purging files, contact the Law Office Management Assistance Program.

2003 Law Office Management Seminar

Friday, October 31, 2003

The University of Alabama School of Law
Tuscaloosa, Alabama

Early Registration Fee: \$225

Door Registration Fee: \$245.

Name

ASB Bar ID #

Firm Name

Phone #

Fax #

Address

City

State

Zip + 4

Email Address

Please contact me regarding my physical requirements.

I cannot attend. Please send:

\$95 Audiotapes & Handbook

\$50 Handbook

To Register or Order

Mail: Mail form and fee or credit card information to:
ABICLE (Check payable to the University of Alabama)
Box 870384
Tuscaloosa, AL 35487-0384

Phone: Call 800-627-6514 or 205-384-6230

Fax: Send completed form to 205-348-1072

Internet: www.abicle.org

Visa Mastercard Discover

Account No. _____ / _____ / _____
Exp. Date

Cardholder (Please Print)

LOMAP Library Highlights

Technology has fundamentally changed the law office. Jobs, such as drafting complex pleadings, leases and other agreements, which once took hours, now take only minutes as word processors allow the lawyer or legal assistant to reuse work product, changing names and making brief but important revisions. The ethical lawyer is faced with a dilemma: how to collect a reasonable fee which compensates the scholarship and creativity that went into the underlying document and takes into account the value of the work product to the client - while billing on an hourly basis.

Two small firm practitioners have addressed this and other problems, which are making it harder and harder for solo practitioners and small firms to remain economically viable, in their new book ***Winning Alternatives to the Billable Hour: Strategies that Work, Second Edition***.

Winning Alternatives to the Billable Hour takes you through a quick analysis of the current status of the legal market and the trends which are shaping the future, and gives you hands on ideas to help better value, charge for, and collect your fees. The book covers topics such as Alternative Billing Methods, Implementing Value Based Billing, and Evaluating the Results of the Use of Alternative Billing Methods.

This book is designed for small firm lawyers who want to implement billing systems which reward them for due diligence, talent, creativity, experience, efficient processes and technological aptitude, while eliminating inefficiency, redundancy and "busy work."

Winning Alternatives to the Billable Hour: Strategies That Work is available from the LOMAP Check-out Library. If you would like to read it, or if you would like to receive a list of other titles available from the Law Office Management Assistance Program, please call Sandra Clements at (334) 269-1515 x 302 or visit the Law Practice Management section of the State Bar's web site at www.alabar.org.

LOMAP Update

Alabama State Bar
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Inside: Law Office Management Seminar Offered October 31st!