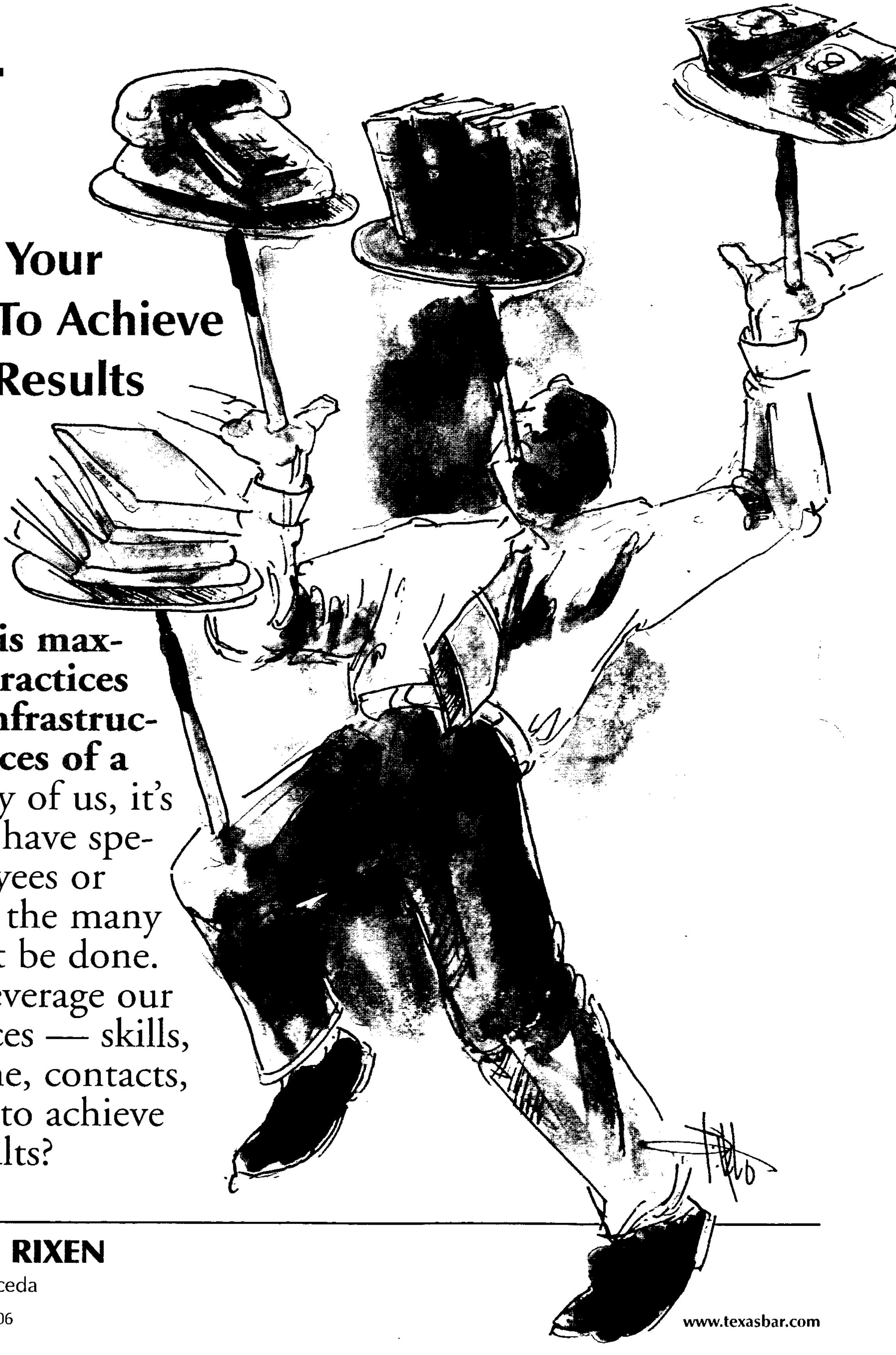
1 +1 3

Leveraging Your Resources To Achieve Maximum Results



One of the challenges we solo practitioners face is maximizing our practices without the infrastructure or resources of a firm. For many of us, it's not feasible to have specialized employees or equipment for the many tasks that must be done. How can we leverage our limited resources — skills, employees, time, contacts, and clients — to achieve maximum results?

BY JACQUELINE RIXEN

Illustration by Gilberto Sauceda

Skills and Expertise

For those of us who practice in a competitive market, specializing makes sense. Some lawyers specialize by substantive areas of law, others by type of client. I decided many years ago to stop doing litigation and concentrate on transaction work. I had some help with that decision when I took a job as an in-house counsel where I managed litigation but did not actually do litigation.

When I left to start my solo practice, I evaluated what I liked and disliked about the legal work I had done (in-house counsel, agency counsel, family law, eminent domain, judicial clerk) to help me clarify the type of practice I wanted. This exercise showed me I needed work with day-to-day satisfaction and that I really enjoyed the "counsel" part of being a lawyer. Additionally, I realized I wanted to keep my former employer as a client.

I also considered the demand for various specialties. Eventually, I decided to focus on representing small businesses and my former employer. By defining your practice, you can concentrate your limited resources on a few areas of expertise and keep the ratio of "learning" to "practicing" lower. As time permits or commands, you can revise your practice to respond to the demands of your clients, accept new opportunities, or develop new proficiencies to attract a desired client base without compromising your existing expertise.

To Clone or Not to Clone

I don't think I'll be around when cloning technology would allow me and my clones to do all my work, so until then, I'll be conventional and hire others to assist. The most important thing to remember about employees is to hire to meet our needs, not what we think we need to have. Flexibility is the second most important thing.

In a small office, it is worth the extra effort to find the right people to outsource various tasks. Likewise, it creates a false sense of security if we believe that because we have hired employees or contractors, we will never have to worry about all that pesky stuff we hate. If we abdicate, rather than delegate, we can rest assured we'll get to deal with that pesky stuff, but ten-fold.

Our employees have lives outside their jobs, which include friends, neighbors, and relatives who might need a lawyer sometime. We'd be foolish to squander our natural goodwill ambassadors because we don't treat them with respect and kindness, we criticize them more than we compliment them, or we blame them for our poor planning, disorganization, or mistakes.

When I was an associate, I never "got" why the partners were as they were. Having been on both sides, I now understand that owners and employees view their firms and jobs very differently. Employees are just not as passionate about our law practices as we are, and we are crazy to expect them to be.

Once we get over that, we can think much more clearly about our employees' roles in our practices, and our part in making it a win/win situation. For example, we could be realistic about what our employees' responsibilities are and provide the proper training, tools, equipment, feedback, and guidance. We might be amenable to doing things differently if an employee suggests an alternate approach. We might change their responsibilities if they are good employees who excel at some tasks. We might be receptive if there are things employees think would make their job more satisfying to them — variable work schedule, different chair, more time off — and see if changes can be made without compromising our practice.

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Time Is Money

Benjamin Franklin said, "Lost time is never found again." Time is precious for all lawyers, especially when doing repetitive tasks or work for which we cannot bill. If hiring more people is not part of our plan, then we turn to systems and technology to leverage our time. Just as most of us have forms that we use as a starting point for our legal work, we can create consistent and simple procedures for administrative tasks to save time, money, and anxiety ("What did I name that document?").

I have procedures for intake and evaluation of new clients, file set-up, file organization (electronic, paper, and email), billing, check writing, managing the trust account, and closing files (many of the systems I use are taken from materials available through the State Bar's Law Practice Management Program, **www.TexasBarCLE.com/cle/lmhome.asp**). There is nothing cutting-edge about my systems, but they work for me because they meet my goal of spending as little time as possible on administrative tasks and never having to spend weekends organizing files or reconciling my trust account.

Having great appreciation for, but limited interest or aptitude in, technology, I've learned that it pays to have the experts maintain my computer network and to make software/hardware changes over time, rather than all at once since that invariably leads to frustration — a disguise for lost time.

The Vital Few and the Trivial Many

In the early 20th century, Italian economist Vilfredo Pareto observed that 20 percent of the population owned 80 percent of the wealth. In the 1930s and '40s, Dr. Joseph Juran, a quality management pioneer, refined Pareto's findings and concluded that in any given activity, 20 percent of something is responsible for 80 percent of the results. He described this phenomenon as "the vital few and the trivial many."

The 80/20 rule is invaluable applied to all aspects of a law practice, but it really blooms when applied to clients and contacts. The idea is deceptively simple: Identify the 20 percent (vital few) of clients that result in 80 percent of revenue, and the 80 percent (trivial many) of clients that result in 20 percent of revenue. Then, modify your practice so that more resources are devoted to the vital few than the trivial many. The same goes for contacts/business development: Identify the 20 percent of contacts or business development activities that result in 80 percent of new clients and the 80 percent of contacts or business development activities that result in 20 percent of new clients. Since resources are limited, if we spend time on the trivial many, that is time not available to spend on the vital few.

I find that just being aware of the 80/20 rule keeps me from spending time on clients, contacts, or activities that don't meet my practice goals. I also discovered that being aware of the vital few, whether clients or contacts, changed my perception of them. Instead of being "clients" or "contacts," I view them as "allies." It is much easier to ask my allies to refer business to me, to inquire if there is additional work I could do for them, to be a resource whenever possible, and to demonstrate that I truly care about them and their businesses. Lastly, I also learned not to be shy about renegotiating my relationships with the vital few, as I was able to do with my former employer.

These are just a few ways to leverage limited resources to maximize results. The trick is to identify your resources and then find ways to leverage them. 1+1 really can equal 3.

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SOLO AND SMALL FIRM PRACTICE

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