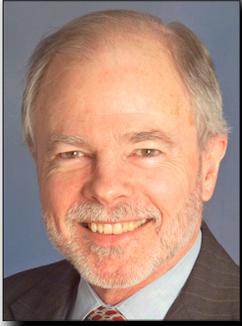




BUILDING YOUR PRACTICE OF THE FUTURE

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Let us not go over the old ground; let us rather prepare for what is to come.

— Marcus Tullius Cicero

My interest is in the future because I am going to spend the rest of my life there.

— Charles F. Kettering

Most lawyers we know spend very little time planning ahead. And that can be dangerous. Clients' needs change. Markets dry up. Competitors may offer superior value. But, business planning can be difficult for lawyers. Some are too busy to feel the need. Others are unfamiliar with the methods for planning. Following are some practical ways to build your practice of the future.

Improve everything you do. Much of your success in your practice of the future will be the result of being better at what you already do. Clients will be happier and being better is the best differentiator for marketing purposes. You can enhance what you do by increasing your awareness of improving what you do—as you do it. You might consider writing the question, “Is there a better way?” on a Post-it note on your computer screen as a reminder to constantly improve.

You can also make it clear that you want everyone to whom you delegate to always be on the lookout for ways to make the work product better or the systems more efficient. I once heard that Henry Kissinger, when receiving work product from his aides, always asked (prior to looking at it), “Is this your best work?”

Review your business. While the following elements of your practice are obvious, their improvement can fall under the radar. Here is a list of things you ought to consider:

Technology

The technology of running a law practice will become more important for you as younger people become your clients. They are more comfortable with technology and will expect it from their attorneys. Set aside time to become more familiar with the technological advances available to you. Go to technology trade shows even if you are not interested in them. Experiment with new technologies as soon as you can. Technology that seems unappealing becomes useful as it becomes more familiar. Some of the work of integrating technology into your practice can be delegated to someone who is already comfortable with it.

Staffing

Is it time to increase your staff? Is it time to reduce it? Should you introduce flex-time or work-at-home programs? Should you use more paralegals or contract lawyers?

Training

The pressure to keep costs down may make it even more advisable to push more work to lower levels. Think about who should be doing what in your organization, and then make sure they get the training they need.

Productivity

It's common to fall into less productive patterns. Your greatest asset is your time. How you use it will affect your profitability. Take time each day to review your priorities. Ignore trivia. Identify time wasters such as television and Web surfing. Keep meetings short. Delegate whatever you can and focus on those things that require your personal attention.

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Leadership

Decide how much of a leader you want to be in your practice of the future. Leadership of a law firm may look more like leadership in the business world. Is it time to bring in a stronger administrator? Hire a chief executive officer? Is it time to move away from management by committee? Is it time for you to take a stronger leadership role in your firm? Or, is it time to transition leadership to younger partners?

Client relations

Make sure every aspect of your practice is designed to enhance the client experience. One area that often needs improvement is familiarity with the business issues facing clients. Many lawyers are going back to school to learn more about the industries they represent. They want their clients to know that they not only know the law, but also the science or technology that drives their clients' businesses.

Business development

This may be the most important factor in your future success. Your competitors are improving their business development skills and so should you. Here are some things to consider:

Offer a better deal. A good deal is relative. It is a ratio between the benefits you offer and the fees you charge. A good deal is not necessarily the lowest price. So demonstrate that the benefits of hiring you are greater than the cost. The business skill you should develop is to reveal more and better benefits than your competitors. When you do that, you can increase your rates and still offer a better deal.

Pricing

We've been consulting with law firms since 1983 and during the years, we've always heard discussions about creative pricing. But not until recently have we seen so many changes actually taking place. With more pressure from clients to control costs, lawyers need to think of creative pricing. Consider, for example, a tiered pricing system. You charge x rate for the first block of work and x minus some number for the second block of work. This is a practical way to provide a volume discount based on real volume and not just the promise of volume. We've seen an increase in flat fees and in value pricing.

New services

Consider all the possible services that your clients of the future will need. Intellectual property? Employment? Alternative Energy? Take a look at each client you have and think about the services they will need in the future. Is it time to specialize or recruit new talent? Or maybe it's time to start a shift to another area of the law.

New markets

Look at the markets you are serving and determine if they are large enough to support your practice of the future. Consider what other markets could use your services. Do some research regarding the trends in your geographic area to see if there are pockets of new markets. It's much easier to penetrate markets in their early stages.

Location

Should you move closer to opportunities? Some regions of the country are booming, while others are fading away. Does your office need to be in a high-rent neighborhood, or can you move to a less costly location?

New contacts

Your practice of the future may well be to serve an entirely new group of clients. The greatest weakness of your practice of the future will probably be a lack of quality targets. Here are four ways to meet new contacts.

1. Leverage existing contacts. Meet people through people you already know. For example, if you get referrals from other attorneys, think about the attorneys you know who have partners who are worth meeting. Offer to give a seminar. If you get referrals from CPAs, meet all the CPAs of all your clients. If you represent privately held companies, meet all the board members. If you know in-house counsel, ask them for their guidance in expanding your sphere of influence. Review your entire contact database and consider who can introduce you to other good contacts.

2. Attend well-targeted events. Identify the organizations that your targets belong to. Select events that are

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interesting to your targets, rather than those that are interesting to you. Attend as many events as possible that cater to your targets.

3. **Speak.** Public speaking is one of the most effective ways to meet prospects. Arrive early and linger afterward until everyone has left. Make some kind of offer during the speech that invites people to give you their card. Offer to provide a checklist of some kind that would be valuable to them. And offer to invite them to follow-up activities. The goal is to get the card so you can follow up.

Another way to use public speaking is to organize your own seminars. Create a list of the people you would like as clients. You can include people you already know and also people you would like to meet. Your seminars can be in person or over the Internet and telephone. You may want to consider joint seminars with non-competing professionals who share your target market.

4. **Use the Internet.** First, make sure you maximize your Web site's ability to attract people who are looking for your services. One of the best ways is to contribute regularly to a blog. It may make sense to hire a consultant who can help with key-word selection. Be sure to write articles and add them to your site. And of course, keep your bio current.

Next consider Facebook and LinkedIn as a way to identify the contacts of your contacts. This is especially important if your targets are using social networks. You can expect this technology to become more important, so the sooner you engage it and learn about, the better.

Do research. There are many resources that will help you look into the future. One of the easiest is to ask your current clients and referral sources about their plans for the future. People are often enthusiastic about sharing their plans. And when they do, you will be in a much better position to prepare.

The Web is another valuable resource. Visit the Web sites of the trade associations of your clients. Go to Web sites of government agencies. The big accounting firms have sophisticated trend information on the Internet. Check out the search engines.

Of course, there are futurist books and conferences on future trends. One of the most important aspects of your research should be to identify the economic tidal waves that will affect your future clients. The real estate boom of the 70s, the tech boom of the 80s and the dot-com boom of the 90s were economic waves that brought great profits to the lawyers who were in the right place at the right time. Some obvious economic tidal waves of the future are healthcare, alternative energy, and infrastructure construction. In addition to economic tidal waves, there are micro-trends that may affect your local economy which will be more than enough to dramatically improve your revenue.

Capture your observations. While it is important to implement research, many ideas are presented to you with no effort on your part. Every day we are bombarded with thousands of ideas. We interact with other businesses and see their systems for production and quality control. We receive their marketing messages. Your goal should be to look at all this information through the lens of building your practice of the future. For example, you get invited to a seminar. The invitation should trigger your creative thinking: "You don't put on seminars. Should you start?" It is not enough to just notice these messages. Make a note of the information that may apply to your practice of the future. That way, you will remember it and give it further consideration. Remember new ideas need time to percolate. The more you think about the observations, the greater the likelihood you will identify ways to capitalize on them.

Brainstorm. Several minds can be a superior way to create your practice of the future. Bring people together for the specific purpose of coming up with new ideas. Invite people in your firm to a brainstorming session. To maximize creativity, prohibit sarcasm and criticism. The goal is to create new ideas. A new idea that sounds foolish can lead to a good idea.

Observe your competitors. If your competitors are doing anything that you think makes sense, copy it and try to improve on it.

Change your patterns. We've seen many people wake up their creative thinking by simply changing the

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way they do things. If you jog, take a different route. If you go to the gym in the morning, try going in the evening. If you have lunch at noon, try going at 1:00. Take a different route to work. Changing your patterns helps you look at the world a little differently. You might want to select a specific issue to consider, something you want to improve. Give yourself a problem to solve. Ask yourself questions and look for answers. If it's socially appropriate, try talking out loud.

Building your practice of the future is a never-ending process. But by constantly reviewing your business, you will learn to identify those areas that need improvement and the steps you need to take to have the business you would like to have.

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years and was the managing partner of his firm. He is past president of the Century City Bar Association; past member of the board of governors of the American Academy of Matrimonial Lawyers; and, past member of the board of trustees of the Los Angeles County Bar Association.

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