



Service ■ Integrity ■ Leadership



Successful Small Firm Practice Series

Session Six: Client Relations and Employees

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D.C. Bar 2020*

HOMEWORK

- You may obtain copies of these slides by contacting rwashington@dcbar.org.
- Follow me on twitter for law practice management articles and tips **@attywashington**
- **We will see you on October 26**
- Homework:
 - Work on a Fee Agreement template for your firm (Tip: try to start with concept map)

Client Relations

- [RULE 1- Client-Lawyer Relationship](#)
- [Rule 1.3](#)
- Diligence and Zeal
- [Rule 1.4](#)
- Communication

KNOW THE RULES !

Know what
the client
wants

Trust

Competency

Communication (number one
complaint NEGLIGENCE) 28%

Honesty/Ethics Ratings

Please tell me how you would rate the honesty and ethical standards of people in these different fields -- very high, high, average, low or very low? How about -- [RANDOM ORDER]?

	Very high	High	Average	Low	Very low	No opinion
	%	%	%	%	%	%
Nurses	31	54	14	*	1	*
Engineers	17	49	31	2	1	1
Medical doctors	20	45	28	4	2	*
Pharmacists	15	49	28	5	3	*
Dentists	13	48	33	4	2	*
Police officers	17	37	31	9	5	*
College teachers	12	37	34	10	7	1
Psychiatrists	10	33	43	10	2	2
Chiropractors	6	35	47	9	2	1
Clergy	10	30	42	10	5	4
Journalists	5	23	34	20	17	1
Bankers	3	25	52	15	5	*
Labor union leaders	4	20	48	20	7	1
Lawyers	4	18	49	19	9	*
Business executives	2	18	50	22	8	1
State governors	4	16	52	21	6	*
Stockbrokers	2	12	55	22	8	2
Advertising practitioners	2	11	44	30	10	2
Insurance salespeople	2	11	52	26	9	*
Senators	2	11	42	32	13	1
Members of Congress	3	9	33	34	21	1
Car salespeople	1	8	47	30	13	*

Dec 2-15, 2019

GALLUP

Once Someone Needs a Lawyer, Negative Views of the Profession Fall

<http://www.abajournal.com/lawscribbler/article/do-lawyers-really-suck-no-potential-clients-antipathy-can-be-overcome>

Client Relations

- What the client is seeking from you
 - Trust
 - Competency
 - Communication (number one complaint NEGLECT)



Client Relations
Starts with Your
Choice





Good Client Selection

- 1. Identify the ideal client
- 2. Characteristics of the ideal client
- 3. Where are they and how do you find them?

The Goal

- 1. Solve the problem
- 2. Remain Ethical
- 3. Exceed expectations
- 4. Develop a referral source
- 5. Make a profit



The Bad Choice Lawyers Make

- 1. Can I do this?
- 2. Is this the Plan?
- 3. Is my fee reasonable?
- 4. Can they afford to pay?
- 5. Do you know their expectations?

I CAN HELP YOU
I'M REALLY GOOD
AT BAD DECISIONS



So How ?

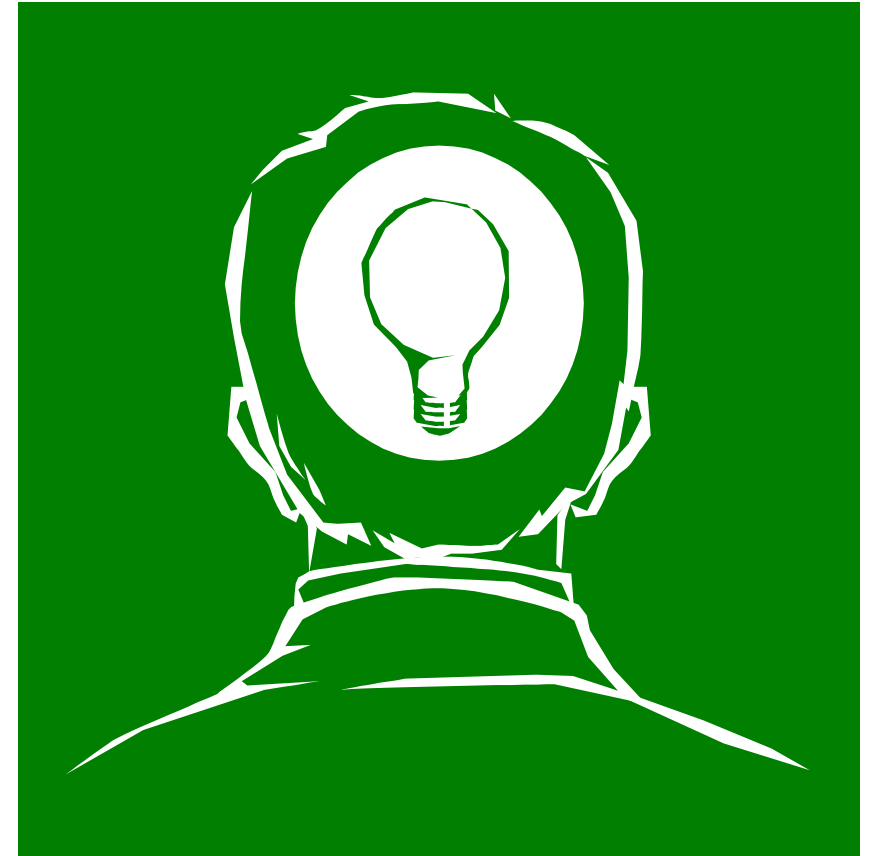
[Experian Credit Report for Lawyers](#)





How to Close-
10 Steps:

1. Thinking



2. Opening the Discussion

- Ask how you can help
- Set an agenda





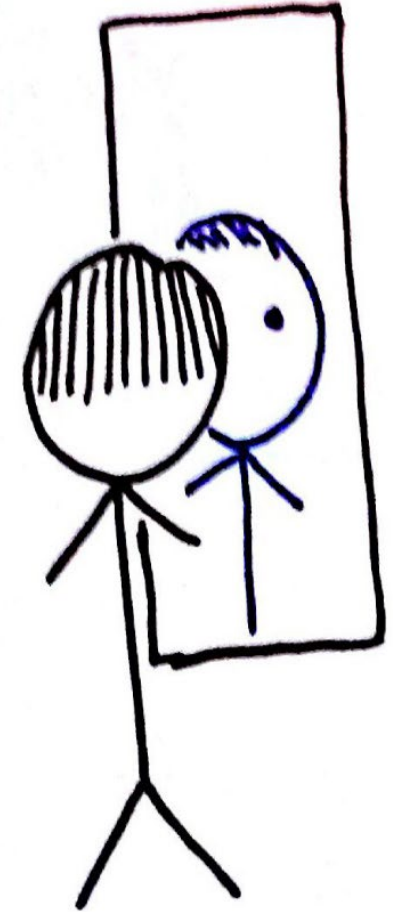
3. Needs Assessment

- Ask questions about the potential client
 - Who
 - What
 - When
 - Where
 - Why
 - How
- Listen to the answers and follow up as needed

4. Summarize/Restate

Restate your understanding

Mirror the PC's concerns



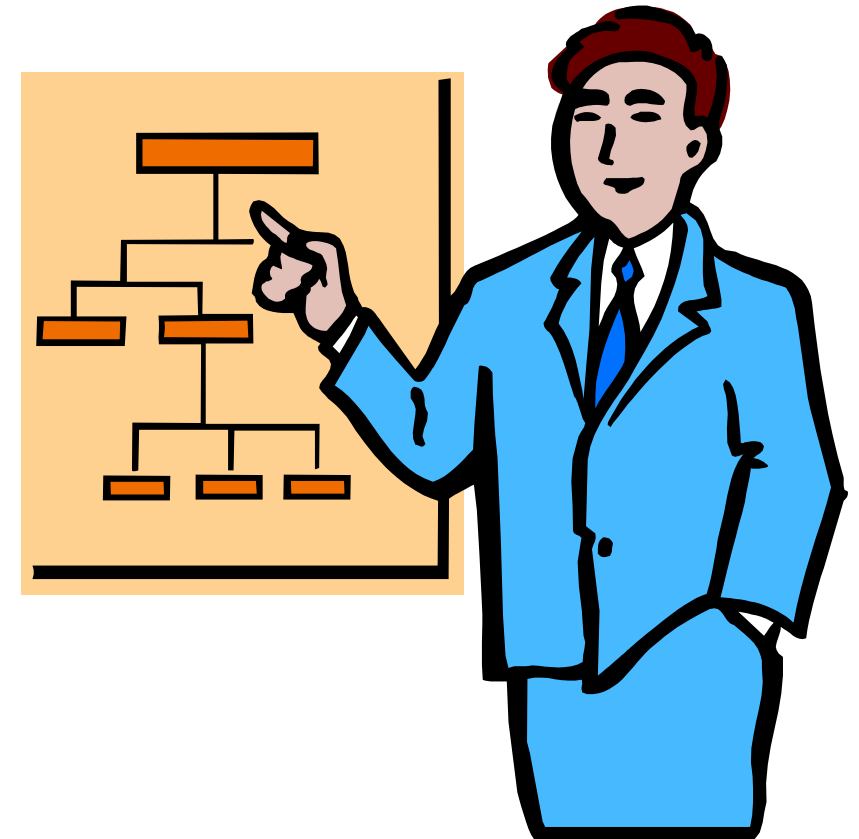
5. State Your Solution

- Tell about your ability to solve the problem
- Make confident Statement



6. Explain the Process

- What will happen
- The possibilities
- The solution
- Don't oversell



7. Recommendation

- You can help
- You can't help
- Refer it out



8. Justify and
Close and...

**WHO'S IN
CHARGE?**

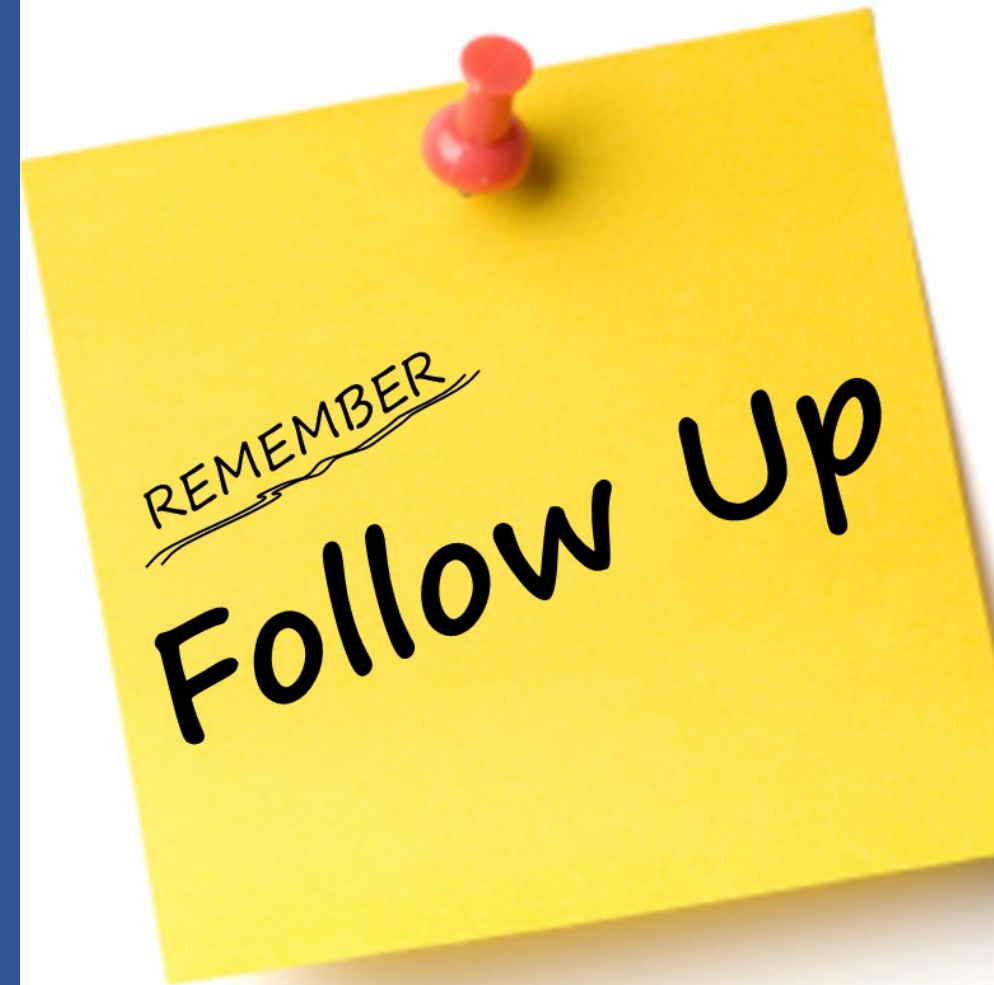
Tell the PC you are the right person
for the job then let them know....



Don't let them
beat you up on
price!

9. Follow-up

- Check in with the PC
- Agreement must be signed
- Decline Letter



10. Start
Working Now



GO!

Their choice too!



Trust is the Key: Listening is the Way

- Focus
- Hear words and feelings
- Restate and validate
- Clarify
- Reflect and Summarize
- Defer Judgment

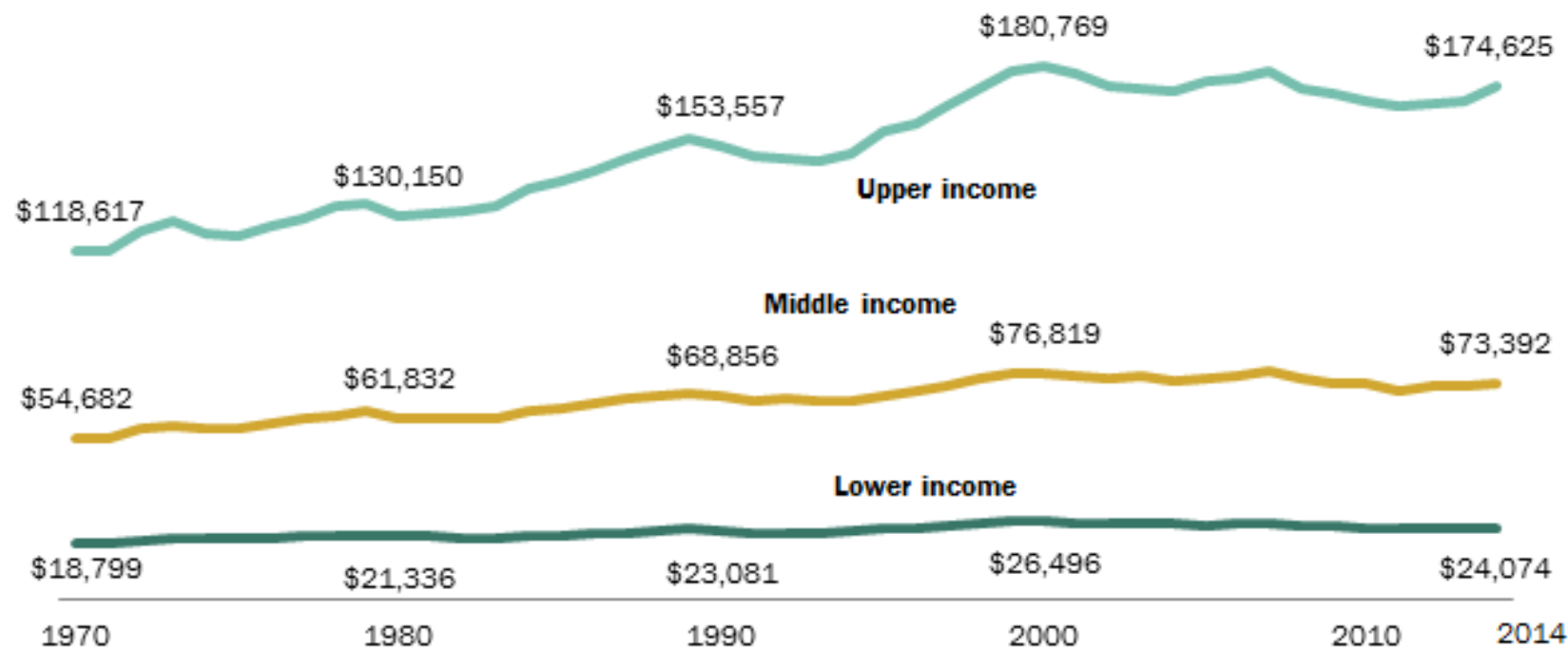




But They Said
No???

Median income of upper-income households has risen more than the median income of middle- and lower-income households from 1970 to 2014

In 2014 dollars and scaled to reflect a three-person household



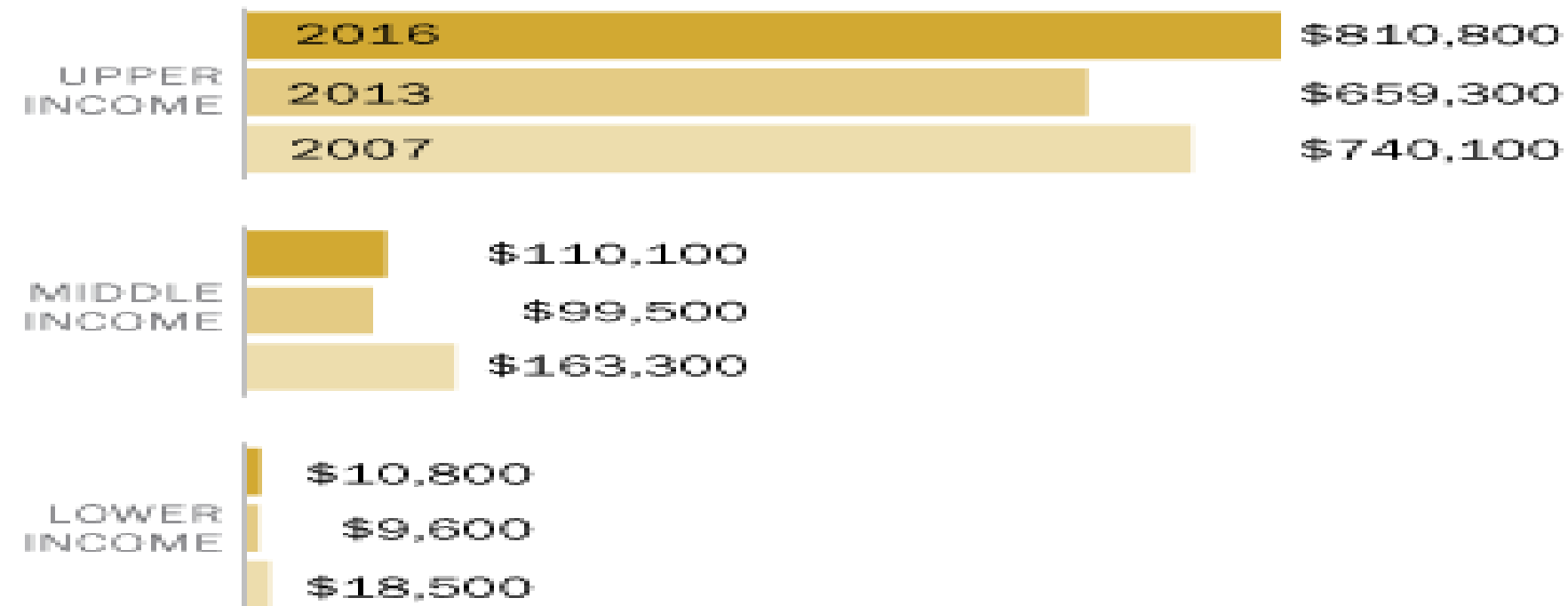
Note: Households are assigned to income tiers based on their size-adjusted income in the calendar year prior to the survey year.

Source: Pew Research Center analysis of the Current Population Survey, Annual Social and Economic Supplements, 1971 to 2015

PEW RESEARCH CENTER

Only upper-income families have median wealth greater than prior to the Great Recession

Median household net worth by income, in 2016 dollars



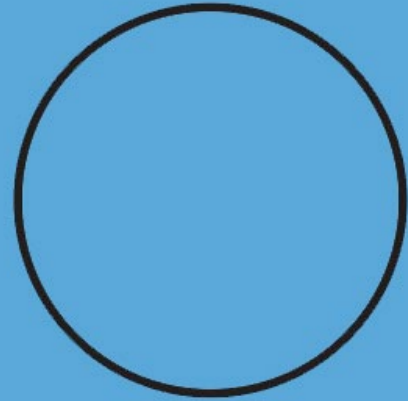
Source: Pew Research Center analysis of Survey of Consumer Finances public-use data.

PEW RESEARCH CENTER



You may be
the problem!

CIRCLE OF TRUST



YOU → •

Why No?
Don't End Up
Here!

If they say YES...





Get

started

Keep

going

CAUTION!



BUT WAIT!

Consider Walking Away From

- The serial litigant, especially the person who has fired her/his lawyer
- The exquisitely angry client
- The liar
- The unrealistic client
- The very cheap client
- Uncooperative



Symptoms of a Problem Client



Managing the Difficult Client



- 1. Special Time
- 2. Document, Document, Document [LEO 333](#)
- 3. Set Boundaries- before, during and after
- 4. Train and Remind

Now that your busy...

- Fire the clients you do not like;
- Fire the clients who don't pay;
- Focus narrowly on what you love;
- Learn how to say 'no'.



YOU
ARE
FIRED

You're Fired!
[Rule 1.16\(b\)](#)

Stop wasting precious
time!



We Can't Control Everything!

Things you
can't control or
change




Things you
can control or
change

Being *proactive* means you focus on things you have control over to make things better

Continue To:



Listen



Manage
Expectations



Boundaries

Internal Processes

Evaluate current caseload

- Avoids gaps expectations and service
- Have weekly case reviews
- Communication polices

Relationship Management



Initiate Dialog



Initiate Dialogue

1. Interviews

2. Conferences

3. Team interviews

4. Financial planning discussions

5. Ask for Feedback

6. Close Survey

Missed Opportunities

The appearance of your file

How your office looks and smells

How the phone is answered

Your demeanor and appearance

Unbundle Legal Services

- [See Legal Ethics Opinion 330](#)



Getting Clients to Pay



- 1. Bill regularly
- 2. Bill after good result
- 3. Bill after a productive conversation
- 4. Review billing entries
- 5. Never delay billing
- 6. NEVER DELAY BILLING!

Client Surveys

- Request our Client Satisfaction Survey Form
- From PMAS@dcbar.org
- Use www.SurveyMonkey.com
- More information on Client Relations is at
- Page 77, e-Manual





EMPLOYEES



- Automate

- Delegate

- Eliminate

HIRING STAFF

- When it is no longer cost effective to be the do-it-all solo practitioner?



HIRING STAFF

Working too many
hours

Income is not
increasing with work
efforts

Doing all the clerical
work yourself may not
be as cost effective as
you think.

But you can't afford to
take on an additional
expense, right?

HIRING STAFF

EXPENSE

- An expenditure for a good or service inherent in the process of dispatching work
- Should be controlled
- Example- rent, paper clips, staples, file folders

ASSET/INVESTMENT

- An expenditure that substantially enhances the value of a business.
- Can amplify profits by multiples of the investment's cost
- Should be judged by their potential return

WHAT STAFF CAN DO



- Staff can support the legal work
- Staff can support the non-legal work
 - Entrepreneurial
 - Organizational
 - Marketing
- Good assistant= profit (double what you pay the assistant)

Can I Afford Staff?

Gross revenue 4 times the cost of the staff person.

For Example:

- Gross revenue = \$120,000.00
- Assistant= \$30,000.00
- Assistant should be able to provide you with 500 extra hours of capacity.
- You will need 250 hours of extra work to cover additional overhead.



So ask yourself....

What type of support do I need?

Administrative assistant

Legal Assistant

Paralegal

Refer to your Time
Management Sheet

Look at what you spend your time doing
What can you delegate

Personnel Choices

Staff Employee:

- Traditional choice
- Available on long term basis
- Can be expensive
- Hire carefully and with expectation long-term relationship





Personnel Choices

- Leased Employee:
 - No payroll headaches
 - No benefit expenses
 - High premium for the convenience
 - Can also do temp-to-perm.
 - Lets you see a person in action first.
 - Usually expensive...

Personnel Choices

In the beginning may be best to use on an as-needed basis.

...but when you have more work than you can handle apply the four-to-one hiring rule to evaluate more permanent staff.



Virtual and Contract Help



[Virtual Receptionist/Assistants](#)



Contract Lawyers

Hire an Esquire
LawClerk



Benefits

Use as needed
Avoid costly long-term commitment
Easy to find

Training Employees

01

Client
relations

02

Billing and
time
keeping

03

Case
manageme
nt system

04

Calendaring
Dates

05

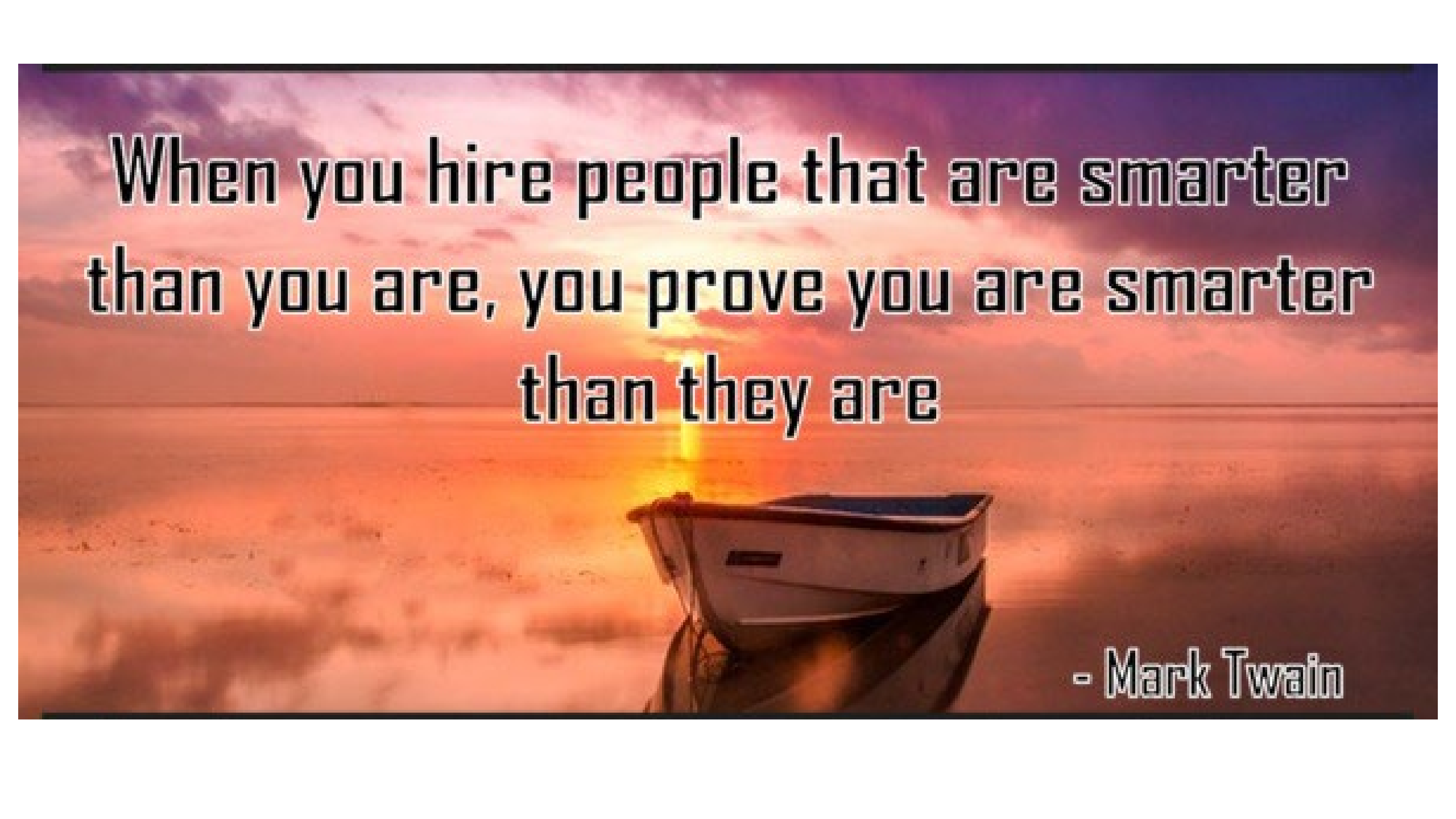
Internal
procedures for
handling daily
task

How to Onboard New Staff- Resources

- <https://www.fastcompany.com/90531227/how-to-onboard-new-employees-virtually-during-the-pandemic>
- <https://www.fundera.com/blog/hiring-first-employee>

Hire for attitude & talent

- Look for examples of how someone displays good attitude and uses their talent;
- Hire for attitude & talent and *train* for results;
- When you make a mistake, fail fast;
- *How to Hire Your First Employees:*
<http://guides.wsj.com/small-business/hiring-and-managing-employees/how-to-hire-your-first-employee/>

A sunset over a body of water with a small boat in the foreground. The sky is filled with soft, colorful clouds in shades of purple, pink, and orange. The sun is low on the horizon, creating a bright glow and reflecting on the water. A small, white boat is visible in the lower right foreground, partially obscured by the water's surface.

When you hire people that are smarter
than you are, you prove you are smarter
than they are

- Mark Twain

Lunch and Learn



- **November 5, 2020** - An Introduction to Legal Research on the New Fastcase 7
- **November 19, 2020** – Windows 10 and Digital Forensics

Networking Opportunities

**October 29, 2020, Virtual
Networking** RSVP to
rsjillions@gmail.com

**November 12, 2020, Network
Friday, at 12:30 p.m.** RSVP
to steven@stevenkriegerlaw.com

[Click Here: More Info on Our
Free Programs](#)

Nov. 2nd: Session 7 Marketing

- You may obtain copies of these slides by contacting smallfirmcourse@dcbar.org.
- You can also follow me on twitter @attywashington
- Homework:
 - Create a Client Survey
 - Concept Map your greatest marketing challenge and your client's problem recognition process

Process Focused Marketing

Reason #5 To Name **Guardians** For Your Kids

Your mother-in-law, Barbara

- Offers you lots of free parenting advice
- Thinks the answer to all baby problems is “more solid foods”
- Most important values are family and carpeting
- Believes in “spare the rod, spoil the child”
- Would do a much better job than you if given the chance.



Are you sure the court won't assign guardianship of your children to *her*?

Call Today For Your **Free Parent's Protection Planning Guide**: (415)451-0123 or visit www.TheaLaw.com



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