

Building A Successful Solo Law Practice

By Joseph R. Jacques, CMC

Before commencing a solo law practice, one must ask the question: Why! Your answer may fall into one of two categories: (1) you have to, or (2) you want to. Those falling into the first category may simply be unable to obtain employment as lawyers, or the options available may not allow them to utilize their legal training and skills. Faced with this situation, they must either start their own practice or obtain employment outside of the field of law.

The main advantages of solo practice are freedom and independence, limited only by economic needs and responsibilities assumed to clients and the courts. Lawyers who choose to go into solo practice should be prepared for a few years of lean earnings, non-billable time, and perhaps more than a few frustrations. If you who can manage to get through the first two or three years, have utilized good public and client relations techniques, and provide the highest level of client service and work product, you should be on your way to a fulfilling practice. Lawyers contemplating such a practice also need to be aware that only a very few sole practitioners ever become wealthy from the practice of law. Most will survive economically, but, on the average, sole practitioners are at the bottom of the earnings ladder. Surveys of law practice economics almost universally report that the larger the organization, the more individual lawyers in those firms earn. Any lawyer contemplating solo practice would be well advised to be alert for prospective affiliations, either another lawyer joining you, or your joining another group of your fellow practitioners.

Getting Organized

Commencing a solo law practice does not necessarily have to mean renting an office suite, acquiring furniture, books, phones and computers, and hiring a secretary, receptionist, bookkeeper and paralegal. The up-front costs alone from such an approach are prohibitive for most people today. There are a variety of office alternatives available that need to be considered.

For example, you could rent space with other lawyers who are practicing on their own and share or maintain separate support staffs. Larger firms with excess leased space often rent out unoccupied offices, with receptionist and secretarial services negotiable. Executive suites, available in nearly all metropolitan areas, offer a private office, secretarial and receptionist support, and access to a law library, conference room and photocopier.

Sharing space entails risk. All participants need to get along. Before you move into a shared office, know the nature of your colleagues' clientele; it may not be compatible with yours. Criminal defendants and elder law clients or small business owners, for example, may not be compatible. Be certain that the privacy of your office, desk and files will be respected.

Ensure that the office sharing arrangement does not give the unintended impression of a partnership. The names of the respective practices should be kept as separate as possible. Have (or print on your own office laser printer) your own letterhead. Acquire your own business cards. You may want to provide your own private fax machine in your private office. If you do not have a private line, instruct the receptionist to answer the phone with "law offices". Never refer to your office sharers as "partners".

A trend among some sole practitioners is to work out of an office in your home. If the nature of your intended practice does not call for a regular stream of client traffic, this approach could reduce the rent overhead. When you do need to confer or take a deposition, for example, a conference room could be reserved at an office suite that is designed for such purposes.

Another trend that is occurring today is often referred to as the virtual law firm. These are networks of solo or small law firms that refer clients among one another. Often, some type of referral fee or fee sharing arrangement is in effect. Given today's available computer technology, these virtual law firm networks could include members located across town, across the county, or across the world.

Technology

Anyone contemplating opening a solo law practice (or entering any law practice for that matter) needs to learn and use modern computer technology effectively. If your practice dictates extensive travel on behalf of clients, or if your personal work habits call for working both at your home and at the office, you may want to acquire and learn to use a portable (notebook) computer.

Portable computer technology today is extremely powerful and on a par with nearly any desktop computer. Just ensure that your portable computer includes all the necessary accessories, including electrical power supply, batteries, internal data/fax modem and software, electrical and phone cables/connectors, and a carrying case.

If you travel frequently and need to carry a portable computer, you can still have a large external color monitor for use in your office or home. External color monitors, as well as larger external keyboards, and laser printers merely plug into the appropriate ports on the computer.

At the time this article is being prepared (November, 1995), anyone contemplating the purchase of a new computer, be it a portable or desktop computer, should consider Intel's Pentium microprocessor as the heart of the machine. Computers in this class today generally include 8MB of memory and 500MB or more of internal hard disk storage. If the intended use of your computer extends beyond fundamental word processing-types of applications, you may want to increase the amount of memory from the basic 8MB to 16MB or more. All computer hardware, with the possible exception of the very latest portable computers, are available at discount from list prices at computer stores or via mail order.

Another trend in today's high-end computers is to include an internal quad-speed CD-ROM drive. This should be an important consideration for many practitioners given the extensive practice-specific CD-ROM libraries available today.

Further technology planning considerations should include a data/fax modem and communication software. If you are going to purchase a modem, consider 28.8 baud as the standard. Space limitations for this article do not allow for an exhaustive discussion of data communication, but if you intend to devote substantial time online, you may want to look into ISDN services provided by Pacific Bell and others.

If you hold yourself out to clients and prospective clients as a "high-tech" lawyer, or practice in a technology-related specialty, you will need to have electronic mail capability. Your clients, for example, may want you to connect to their private email network. Alternatively, you may want to either establish an Internet email address or a more secure email address such as provided by Lexis Counsel Connect.

One of the important tools of your "trade" will be the ability to produce high quality printed work product. If you don't already have word processing software, consider the new Microsoft Office suite of programs. This suite for Windows 95 features Microsoft Word, Excel, PowerPoint, and Schedule +. As with the computer hardware, substantial discounts from list prices are available from discount and mail order stores. If you already own older versions of certain software, you may qualify for a software upgrade price.

Other software you may want to consider for producing specially-formatted work product is the preprinted Judicial Council Forms. If your practice dictates use of these specialized forms, they can be a tremendous time-saver and aid in producing a high quality work product.

Of course you will need a laser printer. Hewlett-Packard LaserJet printers are the standard today and have been for many years. If you plan to do a high volume of mailings, you may want to consider a LaserJet with the optional paper tray and envelope feeder.

If time forms the basis of determining your legal fees for clients, you will need a basic client accounting program. One of the more popular programs used by solo practitioners is called TimeSlips. Properly used, this program can produce high quality client invoices and provide fundamental client accounting information (hours worked, work in progress, accounts receivable, etc.). Analyze your requirements, acquire and learn to use this software early in your practice.

To assist in paying bills, preparing cost advances on behalf of clients, and generating financial statements, a program referred to as Quicken should be considered. Quicken is an excellent program and one that is known for its ease of use. The company can also provide you laser printer checks to eliminate the duplicate step of handwriting checks and entering the information into the program. As with the client accounting software recommendation above, acquire and learn to properly use this software at the outset of your practice. Do not believe you can wait until the end of the year to organize your accounting and financial reporting records. Also, if you are required to make estimated quarterly income tax payments, ensure the payments are made timely and correctly.

Other basic computer software you will want to consider acquiring and learning to use includes calendar and docket control and conflict of interest programs. If you intend to have a high volume of cases underway at one time, these programs can often be integrated in a case management system.

Some other financial considerations for the solo practitioner, in addition to the office space, staffing and technology factors discussed above, includes insurance. The practitioner will need to carry malpractice (errors and omission) insurance and premises liability insurance, in addition to personal health/medical insurance.

The Clients

The mechanics of establishing a solo law practice, such as discussed above, is the easy part. The difficult part of succeeding in a solo practice lies in attracting a client following that promptly pay their bills, and having a sufficient volume of well-paying clients to keep the practitioner comfortably busy working on client matters.

practitioner comfortably busy working on client matters.

A successful law practice today entails marketing your legal services. Until recent times, many lawyers did not think of themselves as having to market their services. Many successful firms, however, have used marketing principles and techniques for many years. Among such practices which lawyers trying to build a practice would be wise to emulate are:

1. Develop a plan for your new business and establish goals. Determine how you can arrange to meet the people you want for clients.
2. Produce the highest quality client service. The best source of work is from a satisfied client. Return all phone calls promptly. Keep your clients informed; communicate with them. Acquire and learn to use modern technology. Ensure that your written work product is neat and clean, and representative of the image you want to portray. Keep your promises and meet your deadlines. If you promise a draft to the client by next Tuesday, deliver it by next Tuesday.
3. Be considerate of clients. The Golden Rule still applies.

Lawyers must learn to sell themselves. Of course this is easier for some than others. Some people are born leaders who radiate ability and competence. Others are not so fortunate, but most lawyers can learn to compensate for the absence of natural skills traits. The first step is self-confidence. You cannot inspire others nor convince them of your ability unless you feel certain of yourself. Undertake pro bono legal services for clients. Your services will not only benefit the community, but will provide experience and exposure to leaders and other executives who are in a position to hire you to represent them in the future. Such exposure can be invaluable to the growth of your practice. You should provide pro bono services on an ongoing basis. Clients and prospective clients will notice the way you dress and the way you look in the context of your surroundings. You will be well advised to avoid extremes and to look the way your clients expect their lawyer to look. Always pay attention to what clients look for in lawyers, particularly lawyers in solo practice and small firms. Generally, clients want to work with lawyers who are available to do the work and who are affable. In other words, most clients are looking for a good working rapport. Be aware that clients, particularly clients of smaller firms, are not always capable of judging the quality of legal work they are getting, but they are fully capable of judging how effectively the service was rendered. Solo practitioners must be prepared to specialize by area of law or client group. Increasingly complex laws and regulations, continued changes in them, and achievement of practice efficiencies by more and more large and small firms are all signs that no law firm, particularly a small one, can afford to be "all things to all people". Solo practitioners should not feel pressured to accept any work that comes in the door. Such an attitude is a breeding ground for malpractice.

Conclusion

In conclusion, what does building a successful solo law practice all mean? It probably means learning how to be a lawyer first.

Develop and plan for your practice and establish goals. Budget your time. Establish practice management systems. Maintain accurate client and financial records.

Treat your clients properly, and always with respect.

Do your client work accurately and timely. Don't talk down to your clients. Always return their phone calls the same day. Charge them fairly for the work and service that you provide. Become the very best lawyer at your specialty. Write and speak frequently. Make other lawyers and prospective clients aware of your specialized services.

Recognize the competition. Learn from them whenever possible. Treat them as equals and don't trash them as it can reflect negatively on you. You may be able to cultivate your competitors as a source of referrals, particularly if a conflict should arise.

Be an asset to your community, both the legal community and where you live. Contribute back to your profession. Stay active in local, county, state and American Bar associations.

Network unceasingly. Learn to use modern technology effectively. Work hard and enjoy your work. Your enthusiasm will carry over to your clients and prospective clients.