

# LEGAL MANAGEMENT

THE MAGAZINE OF THE ASSOCIATION OF LEGAL ADMINISTRATORS

FEBRUARY 2019  
VOLUME 38 • ISSUE 2

## THE RISK OF IDOLIZING FALSE PROFITS

This CE course will outline how modern law firm leaders are adapting to the changing times to become healthy, client-focused businesses.





## FEATURES

CONTINUING EDUCATION COURSE BY TIMOTHY B. CORCORAN

- THE RISK OF IDOLIZING FALSE PROFITS** ..... 12  
This course will outline how modern law firm leaders are adapting to the changing times to become healthy, client-focused businesses.

LEGAL INDUSTRY/BUSINESS MANAGEMENT BY KYLIE ORA LOBELL

- BEYOND THE BILLABLE HOUR** ..... 18  
More than ever, firms need to find creative ways to generate revenue streams. Start by building up your attorneys.

## COLUMNS

- BIG IDEAS: A MESSAGE FROM ALA'S EXECUTIVE DIRECTOR** ..... 4  
Realigning Our Structure: An Inside Look at the Proposed Bylaw Changes

- BP PERSPECTIVE** ..... 6  
How Legal Document Management Can Increase Your Firm's ROI

- INNOVATIONS** ..... 9  
Storytelling and the Law Firm: How It Benefits Your Firm

- MARKETING MATTERS** ..... 22  
Five Business Development Basics for Associates

- TEST DRIVE** ..... 25  
The Pros and Cons of Facebook Portal

## DEPARTMENTS

- TIPS AND TRENDS** ..... 28  
How Do We Prepare to Pass the Baton? Mentoring Leading to Successful Succession Planning

## ALA NOW

- ALA FACES** ..... 30  
Member and Chapter News

- AT ALA** ..... 33  
What's Happening at Headquarters?

## LEGAL MANAGEMENT STAFF

### PUBLISHER

Oliver Yandle, JD, CAE  
[oyandle@alanet.org](mailto:oyandle@alanet.org)

### EDITOR-IN-CHIEF

Theresa Wojtalewicz  
[twojtalewicz@alanet.org](mailto:twojtalewicz@alanet.org)

### SENIOR MANAGING EDITOR

Valerie A. Danner  
[vdanner@alanet.org](mailto:vdanner@alanet.org)

### ASSOCIATE EDITOR

Kate Raftery  
[kraftery@alanet.org](mailto:kraftery@alanet.org)

### ADVERTISING OPPORTUNITIES

Robert Leighton  
[advertising@alanet.org](mailto:advertising@alanet.org)

### ART DIRECTOR

Jeff Wojciechowski  
Straight North, LLC

### GRAPHIC DESIGNERS

Abby Burkle  
Straight North, LLC

Agnieszka Williams  
Straight North, LLC

### WEB TEAM

Eric Michalsen  
Straight North, LLC

Greg Wixted  
Straight North, LLC





# LAWPAY IS FIVE STAR!



I don't usually embrace third-party programs like this, but LawPay is the best credit card processor I've ever seen.

— Richard Radbil, Administration/Client Relations  
RWR Legal



Trusted by more than **35,000 firms** and verified '5-Star' rating on Trustpilot

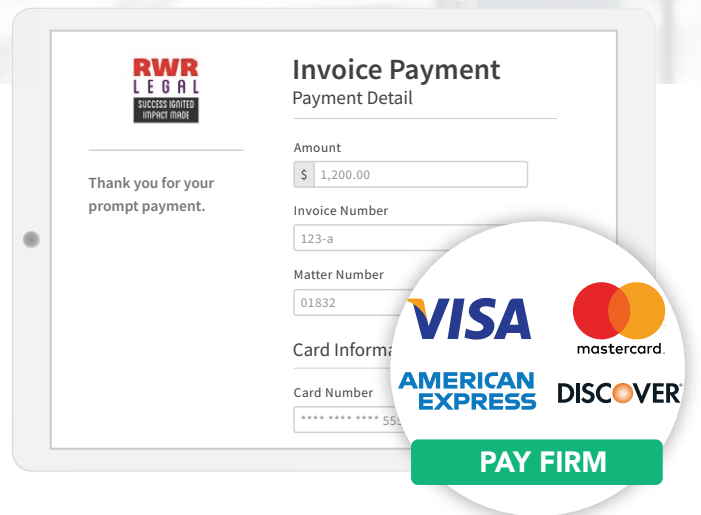
## LAWPAY<sup>®</sup>

AN AFFINIPAY SOLUTION

### BE THE HERO IN YOUR FIRM!

Getting paid should be the easiest part of your job, and with LawPay, it is! Clients can pay your firm by credit card, debit card, or even eCheck—all with a simple click of a button. LawPay makes your job even simpler by letting you schedule payments in advance. Designed specifically for the legal industry, earned/unearned fees are properly separated and your IOLTA is always protected against third-party debiting. Give yourself, and your clients, the benefit of easy online payments with LawPay.

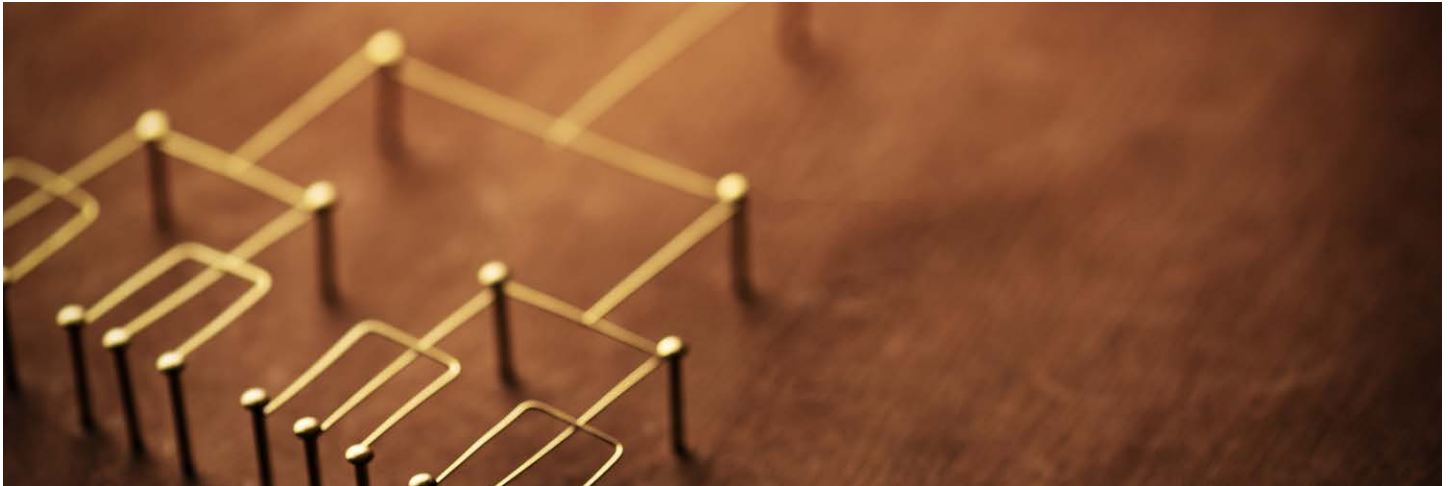
**866-921-0115** or visit [lawpay.com/ala](http://lawpay.com/ala)



LawPay is proud to be a vetted and approved VIP Business Partner of ALA.



Special offer for association members.  
**Call for details**



**OLIVER YANDLE, JD, CAE**  
Executive Director, Association of  
Legal Administrators

## Realigning Our Structure: An Inside Look at the Proposed Bylaw Changes

*Note: This article contains links to the FAQs and the redlined version of the bylaws. Visit the web version of this article to access them directly.*

**As you have probably heard by now, the ALA Board of Directors has been examining our governance structure over the last several months to ensure it is meeting our current and future needs. And in keeping with this column, it's a pretty Big Idea!**

“

This change, if approved by the membership, will allow the Board to focus on the strategic matters of the Association rather than management and oversight of regional and chapter affairs.”

Given the accelerated change in the industry, the increasing expectations of our members and the critical role of chapters in ALA, we need the best Board and chapter support structure possible. Our current governance structure — a Board composed of regional and at-large directors and regional teams supporting chapters — has been in place for some time and has served us reasonably well. But we recognize that our governance structure has not been in step with the changing needs of the Association and its members.

We are excited to share that ALA's Board of Directors has unanimously approved a proposed bylaw amendment to change the organization's governance structure. We believe this new structure will align our Association with a stronger focus on organizational strategy, increased volunteer opportunities and dedicated chapter support.

This proposal is removing barriers and opening doors as follows:

- **Provide a stronger focus on organizational strategy by eliminating the regional structure of the Association.** This change, if approved by the membership, will allow the Board to focus on the strategic matters of the Association rather than management and oversight of regional and chapter affairs.
- **Increase volunteer opportunities and better meet the needs of the Association by electing all directors at large.** The Board of Directors will be composed of

nine (9) directors from the membership at large, not designated by region, and three (3) Executive Committee members (President-Elect, President and Immediate Past President). The overall size of the Board will not change; this modification will open the door for volunteer opportunities to those who currently do not qualify solely because of their geographical location. This would apply to Board service, the Nominating Committee and chapter support opportunities.

- **Redefine the roles of regional representatives by creating an Association Chapter Resource Team, led by the Immediate Past President.** The creation of the Chapter Resource Team provides a focused resource for chapters in need of guidance or assistance, while maintaining a link to the Board of Directors.

### WHY THE CHANGE?

The primary rationale for the existence of the regional structure was to facilitate communications and provide localized chapter support in a time without email and the internet. Today, technology allows for instantaneous communication anywhere around the world. Our membership is not distributed evenly across North America: 46 percent of our members are located east of the Mississippi River, and more than 1,800 are not affiliated with a chapter. In addition, the needs of our chapters vary greatly, but our regional structure does little to take those needs into account. There have been situations in which we could not consider quality Board and regional representative candidates because of regional restraints.

Eliminating the regional construct will enable ALA to select leaders with the specific skills, knowledge and expertise

necessary at that particular time. A Chapter Resource Team, composed of experienced chapter leaders with skills specific to our chapters' needs, will be a better and more effective use of our human capital. The Chapter Resource Team will be able to provide more substantive direction and support for chapters in the areas they need it.

### THE PROCESS

Under ALA's bylaws (amended and restated in March 2017), the governance changes being proposed require a bylaws amendment. All regular members of the Association are entitled to vote. A secure, electronic ballot was distributed to all regular members on February 4, 2019. Voting will remain open until midnight Central Standard Time on February 24, 2019. Regular members may only vote once and may not change their ballot once cast. Results of the vote will be announced to the membership on February 28, 2019.

### WHAT DO I DO NOW?

Please review the redlined version of the bylaws and the FAQs to familiarize yourself with the changes and the reasons behind the proposed amendments. And please share your comments and questions or request more information by directing a message to [BoardOfDirectors@alanet.org](mailto:BoardOfDirectors@alanet.org).

We look forward to your feedback and working together to Align ALA! ■



[oyandle@alanet.org](mailto:oyandle@alanet.org)

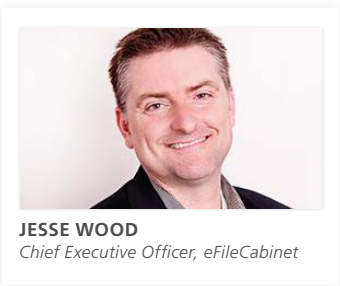


[www.linkedin.com/in/oliver-yandle-8a98146/](https://www.linkedin.com/in/oliver-yandle-8a98146/)



The graphic features a circular diagram with five colored segments: ANALYZE (green), DEFINE (blue), MEASURE (teal), IMPROVE (orange), and CONTROL (red). In the center is a map of Texas with a star and the text '2019 ANNUAL CONFERENCE & EXPO'. To the right, the text reads: 'Get Your Yellow Belt in Legal Lean Sigma®', 'Attending the 2019 ALA Annual Conference & Expo in Grapevine, Texas? In the market for legal project management (LPM) certification? ALA is hosting a two-day Legal Lean Sigma workshop immediately after #ALAConf19 adjourns – so you can attend both or just the one.' At the bottom left is the ALA logo (Association of Legal Administrators) and at the bottom right is the URL [alanet.org/yellowbelt](http://alanet.org/yellowbelt).





**JESSE WOOD**  
Chief Executive Officer, eFileCabinet

# How Legal Document Management Can Increase Your Firm's ROI

**Most law firms deal with significant challenges in handling an ever-increasing pile of important documents — files that can be vital in many respects, from providing accurate billing information to court documents. While it's crucial that these documents are organized, it can often feel like a chore that takes up much of the work week.**

“

Legal document management software gives law offices the capabilities to become more efficient, helping them save time, increase revenue and cut down on possible mistakes.”

Even when documents are placed within correct files, finding them on a later date can be just as time-consuming as when they were first saved. That's why it's a smart strategy for law firms to consider adopting legal document management software.

## CREATING A MORE EFFICIENT LAW FIRM

Some law firms might show reluctance to implementing an electronic solution to document management. After all, legal documents can contain sensitive information, and manually filing physical documents has simply been the way it's done for years. However, modern legal document management software solutions are simply too advantageous to pass up. They lower the overall cost of handling documents while also providing law firms with increased revenue — all tied to increasing a law office's overall efficiency.

## SAVING TIME

Let's start by looking at how using legal document management software can save office workers time. One recent study found legal professionals end up spending up to 11 hours every single week dealing with document-related challenges in the traditional law office filing system. Take a moment and think about how much time is needed to properly record and store your documents in the right place. Then consider how much time it takes to find that one document you need for the case you're working on. Even under the most efficient physical file systems, finding that one morsel of information can take hours. And that's only if the file is in the right place to begin with. A document that was misfiled can take even longer — if it's found at all.

Legal document management software saves significant time on filing your important documents. This type of software automatically files these documents in their proper places, complete with all necessary and helpful tags and metadata. Many of these redundant processes, including naming the files, become automated, leaving everyone in the office with more hours to work on other tasks.

Through advanced and easy-to-use search features, you won't have to spend inordinate amounts of time looking for a vital paper. A simple search will reveal where the document is along with all its contents. You have a lot of information at your disposal, and legal document management software now places it at your fingertips with minimal hassle.

### INCREASING REVENUE

Some of the benefits to saving time can be felt on the revenue side of things. If you're not spending long hours filing and searching for documents, think of how many more cases you could take on. More cases means more clients, and more clients means more revenue. Likewise, legal document management can help you be more efficient with the cases you have.

The benefits of this can't be understated. Legal document management essentially gets rid of the busy work that many law firms experience and can streamline your current work processes. That allows everyone within the firm to focus on their cases, thereby improving the quality of legal advice. The result is a law firm functioning like a well-oiled machine.

### OTHER BENEFITS

By utilizing legal document management, your firm can gain other benefits as well. For one, it helps to eliminate human error. Even the best legal professionals can make mistakes, and even the smallest mistakes can end up hurting your law

firm. With this type of software, the chances for human error decrease significantly.

Legal document management software also keeps track of who works on which document and what they did. By recording the work history of a document, you'll have added knowledge about any changes that are made, which is especially important when working with judgments, affidavits, depositions and more.

While some law firms may be a bit skittish about using software with these types of documents, the software protects this sensitive data, even when you share it. Everything is secure and encrypted, meaning you won't have to worry about satisfying the many security requirements out there.

### THE GOAL OF IMPROVED ROI

Law firms already know how to work hard, so it's time to learn how to work smarter. Legal document management software gives law offices the capabilities to become more efficient, helping them save time, increase revenue and cut down on possible mistakes. The modern law firm must look into document management to remain competitive today and well into the future. ■

#### ABOUT THE AUTHOR

**Jesse Wood** is the Chief Executive Officer of document management software vendor eFileCabinet. Founded in 2001, eFileCabinet, Inc., began as a tool to digitally store records in accounting firms, and eventually developed into a full-fledged electronic document management solution designed to help organizations automate redundant processes, ensure security and solve common office problems.

 [www.efilecabinet.com](http://www.efilecabinet.com)

## Earn a master's degree in **LEGAL PROJECT MANAGEMENT**

**100% online | 24 months to complete**  
**APPLY TODAY FOR FALL 2019**



KONICA MINOLTA

All Covered   
IT SERVICES FROM KONICA MINOLTA / LEGAL

# THE LAW FIRM OF THE FUTURE. HERE. NOW.

You face pressure to cut costs, increase efficiency and find time-saving solutions. Meanwhile, technology evolves at lightning speed while playing an increasingly significant role in how you must practice law. Konica Minolta's Law Firm of the Future can give you the competitive advantage through:

- Industry-leading advanced technology, solutions & legal applications
- Managed IT tailored for the legal industry
- Information and productivity management tools
- eDiscovery, security and compliance

We understand your challenges and the pace of law firms and are ready to securely lead you into the next era of legal technology.

[kmbs.konicaminolta.us/legal](http://kmbs.konicaminolta.us/legal)







**RICH WILSON**  
Founder and Film Director, Visual  
Image Building Enterprises (VIBE)

## Storytelling and the Law Firm: How It Benefits Your Firm

**What is a law firm's greatest asset? If you're like most law firms I've worked with over the years, one of the key items on your list is "your people" — your staff and attorneys, the individuals who help make the well-oiled machine that is your law firm run.**

“

Video lets your potential clients not only hear your attorneys' passion for their area of expertise, but also see who they are. #TellYourStory; <http://bit.ly/2BlYoyJ>”

Both seen and unseen, as they interact with both current and potential clients, “your people” become the face of your firm, the touchpoint for all current and future interactions. With that in mind, have you ever considered how you can utilize the intrinsic relationship-building power of your attorneys and staff to help boost awareness of your firm among potential clients?

One word: Storytelling.

In this digital era, it's probably no stretch of the imagination to say that your firm is online. You have a website, maybe a Facebook page or a LinkedIn account, or you're sending out regular emails to your mailing list. Whether you're just dabbling in the online arena or doing all that and more, with each interaction you're telling your firm's story. But what story are you telling? And are you using the relationship-building power of your people to help weave that story?

### **BUILD YOUR STORY**

Countless studies show that when potential clients are searching a law firm's website, they are looking to learn about the firm's attorneys. That being the case, one of the main focuses of telling your firm's story should be sharing that of your attorneys. Typically, this starts with the bio pages on your website. If you were to visit your website right now, what would you, along with your potential clients, find there? Do the attorneys' bios simply give a list of accomplishments and areas of practice or do they invite the visitor to engage and to build a connection with them?

As you craft the individual attorney’s story, start by identifying the true value your attorney brings to your clients. What knowledge does the attorney bring to the table? What experience does the attorney have in that area? Of all the attorneys in that field, why would an individual or company want to choose your attorney over another one? As you answer these questions, I would invite you to keep some words of wisdom my dad has shared with me many times over the years, “People don’t care how much you know, until they know how much you care.” Attorney bios should capably communicate not only the attorney’s expertise, but also their passion for the area of practice. If not, your attorney’s story — and ultimately the firm’s story — is missing an invaluable element: heart.

### ELEVATE YOUR STORY

According to a recent white paper released by Cisco, by 2021 video will make up 87 percent of all traffic on the internet. With its ability to not only disseminate information, but also engage multiple senses, that statistic is not horribly surprising. There’s definitely something to be said for being able to more personally interact without actually talking one-on-one with an individual. After all, though we live in a digital world, we still work with people. And it’s nice, perhaps even comforting, to know who those people are.

Enter digital storytelling — an effective way of taking your written attorney bios to the next level. Video lets your potential clients not only hear your attorneys’ passion for their area of expertise, but also see who they are. What’s more, these videos can be used in multiple areas: bio pages, emails, social media sites. Indeed, if a picture is worth a thousand words, video is worth a million.

Video bios are just the tip of the iceberg though. Q&A videos are another way of elevating your story. Instead of having potential clients read Q&As on your website, consider setting up a series of videos answering the most common questions or even the hardest-to-find answers as it relates to a specific area of practice. Just like video bios, brief one-minute Q&A videos can be deployed strategically through many digital platforms with a planned purpose of communicating the attorney and the firm’s value propositions.

For instance, my company recently worked with a firm known and recognized in its market as the expert in elder care. The law firm community and even the state bar all knew of and had awarded this firm with accolades for years. Wanting to

share their success with the community at large, the firm wondered how they might tell their story without coming across as arrogant.

The decision was made to produce a series of Q&A videos that answered the top 25 most asked questions on elder law and to focus on the elder law community for communicating the value of the attorney practice group as experts through visual education. The firm’s investment in video education provided a way to start conversations that provided the practice group with the ability to flex its award-winning muscles. Ultimately, this decision and deployment resulted in creating new clients that were looking for someone who cared about them and their family.

### SHARE YOUR STORY

Spencer X. Smith, social media speaker and the author of *ROTOMA: The ROI of Social Media ‘Top of Mind’* noted, “You can’t really succeed on any social media platform [and I add the digital arena in general] unless you bring real value to the community.” Video provides the vehicle to share your story and bring that necessary value to the online community.

In the words of Steven Spielberg:  
“We all have to tell our own stories,  
there are so many stories to tell.”


What story are you telling?  
#TellYourStory: <http://bit.ly/2BlyoyJ> ■



### ABOUT THE AUTHOR


**Rich Wilson**, Filmmaker, Photographer and Video Storyteller, is the Founder and Film Director of Visual Image Building Enterprises (VIBE). VIBE was founded in 2015 and immediately became an ALA VIP Business Partner. VIBE is contracted with ALA National and many chapters as the video and photography service partner of choice.

 Rich@vibe4business.com

 847-432-3546

 [www.linkedin.com/company/vibe](http://www.linkedin.com/company/vibe)

 @vibe4business

 [www.VIBE4Business.com/law](http://www.VIBE4Business.com/law)



# What can Net Promoter® Score do for your law firm?

Leading firms use NPS® to maximize service quality, differentiate from the competition, and win new clients.





# The Risk of Idolizing False Profits

This course will outline how modern law firm leaders are adapting to the changing times to become healthy, client-focused businesses.



**TIMOTHY B. CORCORAN**  
Principal, Corcoran Consulting Group

1 Hour

## CLM® Recertification Credit:

Financial Management for Recertification and toward the hours needed by Functional Specialists applying for the exam

**CPE credit (self-study, paper based):** Accounting

## COURSE DESCRIPTION

In days past, providing quality legal services was not only the best marketing tactic — it was a can't-miss opportunity to earn a handsome living. By contrast, the delivery of legal services today requires an astute understanding of finance and economics, pricing acumen, a marketing and business development mindset, and a deep understanding of market needs. In this CE course, we'll link these concepts together as we discuss how modern law firm leaders are adapting to the changing times to build strong, successful, client-focused businesses.

## COURSE OBJECTIVES

- Describe the most critical aspect of a partner compensation plan.
- Examine new ways to measure profit and calculate profitability.
- Recognize assumptions embedded in the analysis of timekeeper and matter profitability.
- Analyze how to be strategic when pricing legal services.
- Identify the aspects of a multistage approach to incorporating and adopting profit.

The modern law firm leader must understand and then embrace measures of profit in order to thrive. The marketplace in which law firms operate has long been considered sheltered — if not immune — from economic market forces. But longtime barriers to entry have



come down, buyers of legal services have become far more sophisticated in their analysis and selection of providers, and globalization and technology have disrupted traditional operating models.

For many lawyers, like many professionals, an open discussion of the pursuit of profit can appear unseemly. Of course, there is potentially significant value in providing competent legal counsel to those in need, such as to a small business owner in a contract dispute, or to a multinational corporation in the midst of a merger, or to an individual purchasing a new home. But many lawyers have considered profit to be an inevitable byproduct of a successfully managing a case or a file, and not itself the objective.

But as demand has shifted, and competition has increased for a dwindling share of lucrative legal services, law firm leaders have been forced to think differently. Today's law firm leaders understand that pursuing profit isn't unseemly — rather, it's a key way to ensure that the firm is providing quality legal services, at competitive market prices, to price-conscious buyers, and generating sufficient value to reward the lawyers engaged in the practice of law.

## REDEFINING PROFIT

Many law firms have an unsophisticated approach to measuring profit, namely by adding up total cash receipts received during the fiscal year and then subtracting from this the costs to operate the firm. What remains is profit, and this is distributed in total to the equity partners, and the process repeats the following year. One problem with this aggregate approach is that it masks underperformance. It's not only possible, but likely, that the firm delivers some services at a significant loss, but so long as other services deliver a significant premium no one's the wiser. This is why profits per partner (PPP) is such an opaque metric for assessing the fiscal health of a law firm, or for comparing two law firms. The underlying performance is wholly unknown when everything is rolled up.

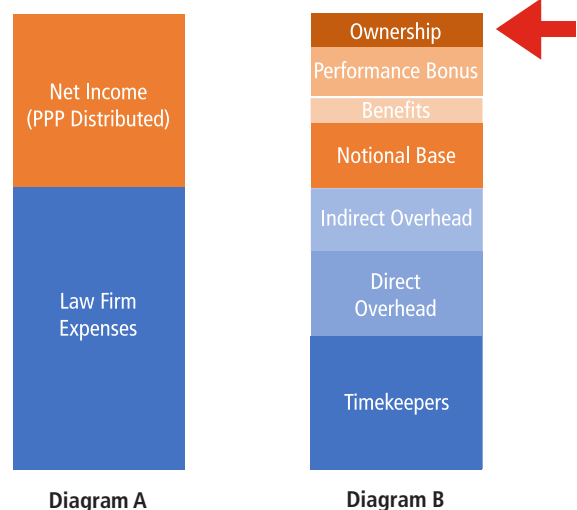
In a competitive marketplace, it's not only more sensible to know explicitly which services can be delivered profitably; it's often the best way to sustain a competitive advantage. It's also helpful to set prices and allocate resources based on an understanding of the underlying profit contributions of different practices, industries, offices and matter types. No, this doesn't mean that the most profitable work enjoys the most resources. In fact, mathematically speaking, doing so would impair profitability. Instead it means that firm leaders

would know better where to allocate resources in order to boost or maintain profits, rather than dole out resources as some reward for good performance. Done effectively, a low-rate but high-volume practice that some would starve of resources might benefit greatly from an investment in practice re-engineering, potentially delivering substantial profits (albeit at low margins).

Matters with declining margins due to price pressure might benefit from different staffing approaches. Matters with already high profits might earn a price increase, if analysis reveals high unmet market demand. In most law firms, different matters and even different practices operate across a spectrum of profitability. In other words, one-size-fits-all management solutions fit none.

To properly calculate profit, we must make a number of choices. The first is the level at which profit will be measured. As described above, aggregate organizational profit is a blunt instrument and wholly unhelpful to guide management decisions. Organizational profit is also, in many cases, calculated improperly or at least imprecisely.

In Diagram A below, we see the usual approach defining "profit," as characterized by what's left after operating expenses. In Diagram B, we see a more realistic reflection of partner compensation as a cost of business. From a practical standpoint, many law firms pay partners a notional salary or "draw" against future profit distributions. These draws, combined with budgeted performance bonuses and the cost of certain benefits provided to partners, functionally serve as operating expenses. As a result, the amount of remaining cash profits to be distributed to owners is much smaller, sometimes nonexistent.



According to Chris Johnson of *The American Lawyer*, “Big Law profitability is massively overstated and ... some firms generate virtually no profit at all.”

So, it's more useful to understand the profitability of a timekeeper and a matter. If we understand these, we can also calculate the profitability of a client, a practice, an office or an industry.

### ASSUMPTION CONSUMPTION

There are a number of assumptions embedded in the analysis of timekeeper and matter profitability, and it cannot be overstated how critical they are to influencing and/or understanding the result. In most cases, there isn't a clear right or wrong approach, but absent a common understanding, the mismatched expectations will lead to unrest and unnecessary strife.

For example, does the firm measure performance on a cash or accrual basis? The latter is embraced by other business segments because it can provide a more robust understanding of profit contribution over time. How will the firm account for overhead expenses? Some mete out all costs in exhaustive detail; others ignore organizational costs that partners can't control. Do we assign lawyers based on capability and capacity, or does a busier lawyer get more assignments?

How we account for lawyer utilization can present a disproportionate, and quite possibly false, read on timekeeper profitability. Do we treat lawyers primarily engaged in rainmaking as more expensive than those primarily billing time — even when those billing time would otherwise be idle without the rainmakers?

The combination of these and related assumptions will produce different results, so it's important to understand the business purposes for which each calculation is most helpful. As firm information systems grow in sophistication, it's common for leaders to be presented with different dashboards depending on business purpose. Profit can be influenced and measured at multiple stages of the legal services delivery process, so it's important to provide analysis and decision support information in a way that's easily understood and digestible for the intended audience.

### STRATEGIC PRICING (OR PRICING FOR PROFIT)

A key opportunity precipitated by a deeper understanding of profit is to be more strategic in pricing legal services. Traditionally, law firm pricing has been set from the inside

out, or by setting a price that covers the law firm's expenses and generates a healthy profit, often independent of what the market might be willing to pay. As clients have flexed their buying muscles, law firms have had to embrace what every other business segment long ago realized — value is defined by the buyer.

When sophisticated buyers of legal services know they can buy at half price and at greater quality than which they once purchased from a traditional law firm, the endgame for the law firm is either obsolescence or adaptation. But when adapting means lowering prices to meet market realities, this doesn't have to mean lower profits and smaller distributions for partners. By understanding what drives profitability, lawyers can re-engineer the work to make money even when revenue is flat or declining.

Law firm leaders must link pricing to profitability. Rather than maximizing hours, or even rate, the goal is to maximize profit. There are numerous levers available to partners to boost matter profitability, including staffing, technology and automation. Similarly, there are numerous ways to boost firm profitability, including high utilization, high realization, client retention and client penetration (aka cross-selling). The critical adjustment to the art of pricing is *knowing what the market is willing to pay for a service*. Without this knowledge, it's sheer luck when the price charged is roughly equivalent to the client's perceived value.

It's not uncommon to hear a smug senior partner boast, “My rates have never been challenged by a client.” It's also increasingly common for a sheepish partner to lament, “My client apparently doesn't care about quality; they just want lower rates.”

What these both have in common is a lack of understanding of market value. When a client has never complained about a price, it usually means the product is underpriced for the value delivered. When a client fixates solely on price, it usually means the product is overpriced for the value delivered. As we incorporate profitability metrics, we can shift away from a goal of selling as many hours as possible at the highest rates possible to a goal of maximizing profits — even if this means raising or lowering the price or spending more or less time delivering the work.

### REWARDING PROFIT NOT PRODUCTION

A discussion of profitability is an interesting but futile academic discussion if the partners don't act accordingly to change their behavior. In many law firms, there's a clear recognition of

the importance of profits over hours, but there's no incentive to change focus. Partners continue to make choices that, unfortunately, pit the firm's long-term financial interests against their individual interests. It doesn't have to be that way.

Managing partners often exhort their partners to act in a "firm-first" manner, which is an acknowledgement that the partners have a choice. Instead of offering a choice of acting for or against the firm's interests, the choice for partners should be between maximizing one's compensation by furthering the firm's interests or limiting one's compensation by acting selfishly. The culture might not allow de-equitization or ouster of a partner who refuses to collaborate. However, the compensation plan can certainly withhold rewards for those who take more from the firm than they give. It's the responsibility of management to align what's good for the partner with what's good for the firm. Asking partners to find and then pursue this path on their own is simply poor management.

It's also important to note that not all partners are motivated by financial rewards. A compensation plan also serves as guiding principles for what it means to be an owner of the firm and it helps to manage expectations by linking rewards with actions. Modernizing a partner compensation plan can be time-consuming and cumbersome. Even when there's a clear vision of the end state, it might take a few years to implement because of the risk of disruption. Nevertheless, it's critical to incorporate measures of profit in partner compensation.

The most critical aspect of a partner compensation plan — and a goal that must be maintained throughout any adjustments to formulae, processes or dashboards — is transparency. Whether the plan is formulaic or subjective, open or closed, driven by an elected committee or by senior management, the most important goal is for the plan to provide clear guidance to partners as to what rewards will ensue when they engage in certain behaviors. The goal is not merely to reward profitable behavior, but to drive it.

This is not a task for the lighthearted, which is why so many law firm leaders avoid it. However, it's the role of management to align what's good for the partner with what's good for the partnership. Anything less just "kicks the can down the road" to the next management regime. In this case, it's probably better to accelerate the arrival of a new management team than to allow the firm to languish under an outdated compensation plan that often ignores profitability — and may even penalize it.

## BUILDING A PROFIT CULTURE

Given law firms' longstanding focus on measures of production, it may take some time to build momentum to adopt measures of profitability. It's important to move thoughtfully in order to avoid significant disruption. With a hat tip to BigLaw Chief Financial Officer Madhav Srinivasan for offering insights based on his lengthy tenure in the profession, we suggest firms take a multistage approach to incorporating and adopting profit.

- 1. Measure.** Firm leaders will work through a variety of approaches for measuring profit, sometimes behind the scenes. While it's helpful to have a mandate from the partners, it's not necessary. Once a suitable model is ready, it's important to embrace change management principles to gain buy-in.
- 2. Monitor.** Once established, the profit measures are included in the firm's financial systems and reported, often in selected and targeted areas. Management provides targeted education to help understand how the profit measures can be used.
- 3. Manage.** As profit measures become more ingrained, management can shift to sharing deeper insight into the underlying drivers of profitability and providing training to help partners make better decisions.
- 4. Master.** At this stage, all partners have had intensive training and are expected to know and incorporate measures of profit into their decisions, e.g., pricing, staffing, etc. Where partners fall short, corrective action is taken.
- 5. Motivate.** Some partners will change behavior only when there are economic benefits or consequences in the compensation plan. For those not motivated solely by financial considerations, the compensation plan linked to the annual business planning process can serve as an excellent roadmap for incorporating more profitable actions.

## THIS IS ONLY THE BEGINNING OF THE JOURNEY

As law firms develop more sophisticated approaches to measuring profit, it will become easier for law firm leaders to begin thinking differently. Rather than a one-time calculation, profit becomes a metric that can only be measured over time. Profit can also incorporate multiple independent variables that don't easily fit into today's simple models. Here are a few examples:

- Today's law firm measures and influences matter profitability by adjusting pricing and staffing to achieve

the optimal profit. Tomorrow's law firm will consider the high cost of client acquisition (aka selling, rainmaking) in its profit calculations and adjust pricing to win repeat engagements, forgoing some short-term profits to secure a more stable future.

- Today's law firm often treats timekeepers as a fungible commodity where the goal is to reach maximum utilization. Tomorrow's law firm acknowledges that an expert who can deliver a certain task flawlessly shifts over time from a competitive advantage to a competitive risk, i.e., when eventually no one else is capable of doing that work. As a result, tomorrow's law firm will consciously remove and rotate expertise periodically to diffuse risk and spread experience, even if doing so dilutes profitability in the short term.
- Today's law firm often treats process improvement as a necessary evil, because it can lead to billing fewer hours. Tomorrow's law firm marries process improvement with strategic pricing to proactively offer fixed fees for as many services as possible, thereby ensuring a profit even as the market demands lower pricing.

In the journey toward adopting a more modern sense of law firm profitability, there will be a number of roadblocks, detours, diversions and shiny things to capture your attention. Don't be dazzled by technology tools, crippled by recalcitrant partners, or awed by complexity. As with all successful journeys, it starts with a few simple steps in the right direction. We can't go backward, but we can learn the way from those who have made this trek before us. It's time to get started. ■

## Rethinking Profitability, Partner Compensation and Pricing in a Changing Marketplace: Education Track


This course only touched on the nuances of tackling profitability in today's firm. To get more thorough instruction on profitability, join Timothy Corcoran at our Annual Conference & Expo in Grapevine, Texas. He'll be presenting three sessions about rethinking profitability, partner compensation and pricing. Register today at [alanet.org/conf19](http://alanet.org/conf19).



### ABOUT THE AUTHORS

**Timothy B. Corcoran** is Principal of Corcoran Consulting Group, a Trustee and Fellow of the College of Law Practice Management, and was 2014 President of the International Legal Marketing Association. A former Chief Executive Officer, he advises law firm and law department leaders through the profitable disruption of outdated business models. Based in New York with a global client base, he authors *Corcoran's Business of Law* blog.

 [twitter.com/tcorcoran](https://twitter.com/tcorcoran)

 [www.BringInTim.com](http://www.BringInTim.com)

## EARN YOUR CE CREDIT

Now that you've read the course, take the exam to earn your CE credit.

Please use the information below to register for the exam. A confirmation email will be sent to you with additional details. Please check your junk/spam folder, as it may be filtered there. To register, please visit [bit.ly/2SgUwF6](http://bit.ly/2SgUwF6). Members pay \$49; nonmembers pay \$69.

Once you have registered, please [alanet.org/elearning](http://alanet.org/elearning) to access the exam. If you have any questions, please email us at [publications@alanet.org](mailto:publications@alanet.org).

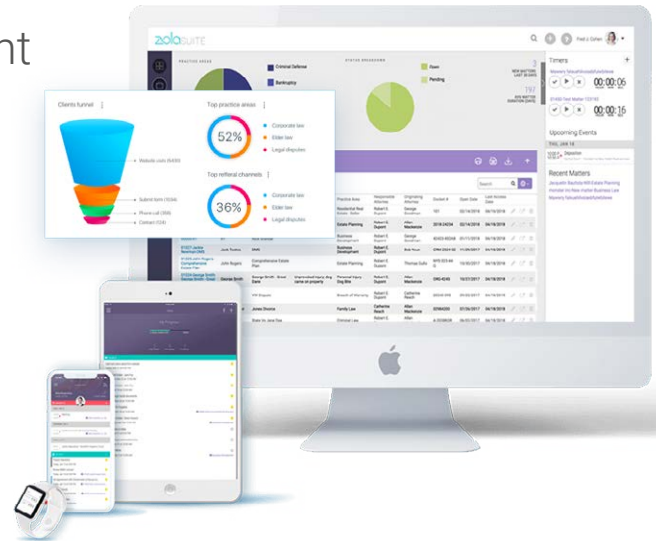


# You've dreamt of the perfect practice management platform.

We've built it.

Cloud-based practice management software for the modern firm

- Robust time, billing & complete accounting
- Advanced reporting
- Powerful document management
- CRM to manage prospects
- Smart email management
- Cutting edge iOS & Android apps



We are a mid-sized firm and Zola definitely helped us grow. It's a fantastic cloud-based solution for a firm with multiple locations and attorneys that need to collaborate on a single platform. ”

~ Dunlap, Bennett & Ludwig PLLC 100+ Users

Zola has a dedicated team that ensures a streamlined and highly accurate migration process for a hassle-free transition from a wide range of cloud and legacy applications, including:



PROLAW



[zolasuite.com/ala](https://zolasuite.com/ala) • 855-997-1574

**zola**SUITE





# Beyond the Billable Hour

More than ever, firms need to find creative ways to generate revenue streams. Start by building up your attorneys.



**KYLIE ORA LOBELL**  
Freelance Writer

**Since the last recession, the law industry has faced a major challenge: people can't afford attorneys anymore. Coupled with emerging technologies and nontraditional competition, this has forced the law industry to look at how it bills clients, and, specifically, the tradition of billing by the hour.**

According to a 2018 Altman Weil survey, law firm partners are underutilized, and nearly half of all firms did not meet their total annual billable hours goal for 2017. When asked, "Do you think lower firmwide billable hour targets will be a permanent trend going forward?" 31.7 percent of respondents said it would be.

Billable hours are not going away, but in light of recent times, firms need to reexamine how they are going to be successful without completely depending upon these hours.

"It's an important metric for determining such things as pricing and profitability," says Katie J. Bryant, CLM, Executive Director for Udall Shumway PLC. She also chairs ALA's Business Partner Relations Project Team. "But a system that rewards billable hours in fact pits an attorney against their client by creating a strong driver for inefficiency. This type of dynamic is on borrowed time and anyone who is still clinging to it must move on."

---

“Inquisitiveness and a desire to learn and grow in one’s craft may suffer, since those efforts may not be billable.”

---

If you want to shift away from your primary focus on billable hours, come up with other ways to create revenue, improve attorney productivity and accountability and sustain your firm for generations to come, take the following tips into consideration.

### STOP PUTTING BILLABLE HOURS ABOVE ALL ELSE

When getting attorneys to hit a certain number of hours every year is your top goal, the quality of the work may decline, according to David N. Pessin, Founding Member, Pessin Katz Law, P.A. In addition, he says in a firm solely based on billable hours, attorneys aren’t able to allocate time to marketing, building a practice and community or charitable service. “[Additionally], inquisitiveness and a desire to learn and grow in one’s craft may suffer, since those efforts may not be billable.”

### FIGURE OUT NEW TIME REQUIREMENTS

While Nicole Sodoma, Managing Principal at Sodoma Law, doesn’t think billable hours are becoming outdated, she did acknowledge that new ideas are out there regarding how to remove these requirements. She says some examples include A) requiring attorneys to produce certain amounts of revenue per month or year with complementing compensation models and B) creating business models that reduce billable time requirements so as to deliver better opportunities for work-life balance.

“Though not favored by most family law attorneys, flat-fee arrangements are also often used for both bundled and unbundled legal services,” says Sodoma.

### TEACH EFFECTIVE TIME MANAGEMENT SKILLS

With the billable hour model or any other model, attorneys need to learn how to manage their time. For instance, Pessin says firms need to teach attorneys to schedule telephone calls, rather than taking calls at random times, because it interrupts work and makes them less efficient.

“[Firms could also train attorneys on] thorough editing and proofreading skills so that drafts of documents are not going back and forth between partners and associates, creating tons of billable hours that will never be billed or collected,” Pessin says.

### PROMOTE A GOOD WORK-LIFE BALANCE

Often, employees chasing billable hours do not have a good work-life balance, which may actually make them less productive. “Firms should remember that billable time is important to the firm, but personal time is important to the attorneys,” says Sodoma.

One of the programs at Sodoma Law sets forth a manageable time requirement, and if an employee meets that requirement within a 40-hour workweek, he or she can take the rest of the week off, paid, which she says encourages efficiency, time management and teamwork. “Encouraging and fostering a healthy work-life balance not only develops loyal employees, it also results in productive employees.”

---

“A system that rewards billable hours in fact pits an attorney against their client by creating a strong driver for inefficiency. This type of dynamic is on borrowed time and anyone who is still clinging to it must move on.”

---

At Sodoma Law, the firm has monthly meetings. Starting this year, Sodoma says they are promoting a healthy work-life balance by leaving work early once a quarter and meeting off-site “for a chance to leave the work behind and enjoy time with each other.”

### PROMPT ATTORNEYS TO MAKE GOALS

Firms should put the power in attorneys’ hands and ask them to make their own goals instead of just doing it for them. Bryant says that each year, attorneys at Udall Shumway create a plan of work for the coming year. “In this plan of work, they put down professional goals and business development goals. As the Executive Director, I meet with each of them twice a year to see how they are doing in reaching these goals.”

### ASK ATTORNEYS TO RATE THEMSELVES

Another effective practice, Bryant says, is for attorneys to complete a self-evaluation twice per year. At Udall Shumway,

“[Firms could also train attorneys on] thorough editing and proofreading skills so that drafts of documents are not going back and forth between partners and associates, creating tons of billable hours that will never be billed or collected.”

attorneys are given the chance to rate themselves on things like client satisfaction, client/business development efforts and community involvement. The executive committee reviews these self-assessments and comes up with a final score, or rating, which is used to determine an attorney’s semi-annual bonus amount.

### RATE EMPLOYEES ON BUSINESS-GENERATING ACTIVITIES

Along with having attorneys rate themselves, the firms’ leaders have to rate them as well. Brian Johnson, a certified Business Coach with ActionCOACH, says firms could rate attorneys on four things:

1. Results (the quantitative effort vs. the goal)
2. Qualitative impact to the firm
3. Behaviors (or how an attorney represented the firm in relation to the goal)
4. Talent/potential (or how an attorney demonstrates the drive to excel in the firm’s future)

“You could then evaluate the strength of their performance in those four areas based on the goals,” says Johnson. “Determine four or five levels of performance ratings, give value to them and then assess their performance accordingly.”

### REWARD ATTORNEYS FOR HARD WORK

Whether you stick to a mostly billable-based system or you shift to an alternative model, you need to reward your attorneys for working hard.

“At my firm we ask our attorneys a basic fundamental question: ‘Do you want to be a lawyer who works for other lawyers or do you want to be a lawyer who works for their own clients?’” says Bryant. “If the answer isn’t the latter, our firm is not going to be a good fit for them in the long run. Part of our succession planning strategy is to assist and reward our attorneys for their various client development efforts.” ■

### ABOUT THE AUTHOR

**Kylie Ora Lobell** is a freelance writer living in Los Angeles. She covers legal issues, blogs about content marketing, and reports on Jewish topics. She’s been published in *Tablet Magazine*, *NewsCred*, *The Jewish Journal of Los Angeles* and *CMO.com*.



kylieoralobell@gmail.com



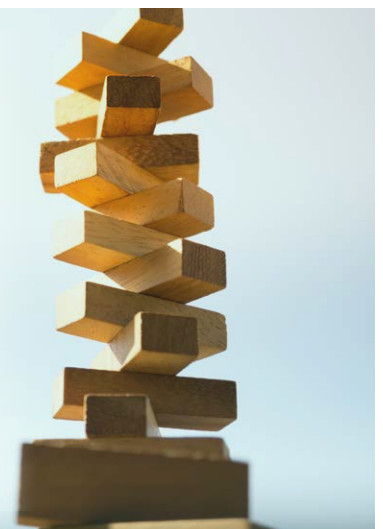
twitter.com/kylieoralobell



www.linkedin.com/in/kylieoralobell

## BUILD BUSINESS BY BUILDING UP YOUR ATTORNEYS

In order for firms to thrive and continue on for future generations, they need to look at the long-term goals and incentivize the activities that will hopefully help them achieve those goals. Join Katie J. Bryant, CLM, Executive Director of Udall Shumway PLC and Chair of ALA’s Business Partner Relations Team, as she takes you through the real-time story of how a 53-year-old law firm finally abandoned the incentive on billable hours in favor of a more versatile and strategic approach focused on incentivizing attorneys to become well-rounded with activities to build their own client base. Get more details on this session, LI23: Build Business by Building Up Your Attorneys, and others offered at the 2019 Annual Conference & Expo in Grapevine, Texas. Register today: [alanet.org/conf19](http://alanet.org/conf19).





# TOOLS FOR LAW FIRM STAFFING



[alanet.org/job-toolkit](http://alanet.org/job-toolkit)



[alanet.org/compsurvey](http://alanet.org/compsurvey)

## HIRE THE **BEST TALENT** FOR YOUR FIRM

ALA's Job Bank is your source for hard-to-find legal management professional candidates.



Advertise job openings and search posted résumés



Post your résumé or search for open positions



[alanet.org/jobs](http://alanet.org/jobs)



ROSS FISHMAN, JD  
CEO, Fishman Marketing

## 5 Business Development Basics for Associates

The idea of bringing in clients can be daunting for younger lawyers. Secretly, most associates seem to feel that success in this area is either unlikely or impossible.

Most lawyers want to have their own clients, but looking ahead 10 or 20 years, few see a clear roadmap to success.

The specifics are where it gets complicated. There's a lot of advice out there. Candidly, much of it is terrible. Some of it makes sense in theory but doesn't work in practice. Of course, associates are rarely able to judge which is which. By the time they figured it out, they've squandered the years they should have been building the infrastructure for their future success.

Can you imagine spending a decade doing the wrong things without realizing it? Most lawyers never really figure out the *right* things; they just do a lot of different wrong things, or a few wrong things for a long time, then quit in frustration. They simply think that they must not be marketers, rather than understanding that they've been implementing a flawed plan. It's our job to give them useful advice and help aim them in the right direction.

### DRIP, DRIP, DRIP — THAT'S ALL MARKETING IS

Developing business isn't especially complicated. In part, it's a numbers game: do the right things and enough of them that they gradually and systematically build and develop their personal network and reputation.

Plan, prepare and execute. Steadily, over time. A little bit every week. Just make sure the things they are doing are the *right* things.

I've trained tens of thousands of lawyers and helped thousands of associates prepare for partnership, or at least for getting clients. What have I learned?

“

Plan, prepare and execute. Steadily, over time. A little bit every week. Just make sure the things they are doing are the *right* things.”

That today's associates know the game. They've heard gray-haired seasoned attorneys assure them that "law is a profession, not a business" and "doing good work is the best marketing." But Millennials know better; they know that your competitors are also doing darn good work. They learned it's a business the hard way when smart, skilled, hard-working but generic or fungible associates got fired unceremoniously in the recession. Or when friends had their big-firm job offers withdrawn because there wasn't enough business to go around — no hard feelings; it's just business.

Today's associates are hardworking, smart and adaptable. They know not to rely on the firm's loyalty to feed them forever. They're industrious and impatient. They want to control their own destiny. Good for them.

So, what should they do?

### FIVE-STEP MARKETING PLAN FOR ASSOCIATES

Here's the basic outline of an associate marketing program. These five basic steps will help associates build a sizable network of relationships, and a personal brand for something that clients will want to hire you to do.

1. In the first two to three years, they must learn to be a great lawyer, emphasizing both technical skills and client service. Help them build their long-term marketing infrastructure, the social media platform and other tools they'll leverage through partnership.
2. Encourage them to join a local bar association, meet their peers, learn the profession, build their résumé by joining a committee, get active, and work toward a leadership position on a small, relevant committee. Build both their personal and professional networks.
3. Gradually, as they grow into midlevel associates, they can start to add more external marketing and networking activities. Get them out of the office. Teach them not to eat lunch at their desks.
4. Around year four or five, they should start to develop a specialty niche or industry expertise in an area they enjoy. We can't let them become one more generic generalist. We want them to offer more, both to the firm and its clients and prospects. Help them find something they're passionate about to focus on, something narrower than "commercial real estate" or "complex business litigation." Not "transportation law," but "interstate transportation

of infectious biological material." Once they have that narrow specialty in mind, then it's easier for them to determine what to write, speak and network about to help them become market leaders. They'll finally know whom to network with and how to build their personal brands. This is critical.

5. As they get more experienced, they should spend more time out of the office with prospects and referrals. If they've accomplished step 4 above, they'll have: A) something to sell beyond "I'm a smart, service-oriented lawyer" (precisely like hundreds or thousands of look-alike lawyers in your community); and B) hundreds of interested prospects. They'll stand out in a positive, client-oriented way.

That's the big overview. The niche practice is the silver bullet, the special sauce. They *might* develop business otherwise — many lawyers do — but their chances are exponentially greater if they offer a unique specialty. ■



### ABOUT THE AUTHORS

**Ross Fishman, JD**, specializes in branding, websites and marketing training for law firms. A former litigator, marketing director and marketing partner, he has helped hundreds of firms dominate their markets. Fishman was the first inductee into the Legal Marketing Association's Hall of Fame. He's written two books on branding and associate marketing, both available on Amazon.

 [ross@fishmanmarketing.com](mailto:ross@fishmanmarketing.com)

 847-432-3546

 [www.linkedin.com/in/rossfishman](http://www.linkedin.com/in/rossfishman)

 [twitter.com/rossfishman](https://twitter.com/rossfishman)

 [www.fishmanmarketing.com/blog-2](http://www.fishmanmarketing.com/blog-2)

# ALA Thanks Its 2019 Annual Conference & Expo Sponsors

2019  
ANNUAL  
CONFERENCE  
& EXPO



## GOLD



**All Covered**  
IT SERVICES FROM KONICA MINOLTA / LEGAL



**ROYAL CUP**  
COFFEE AND TEA



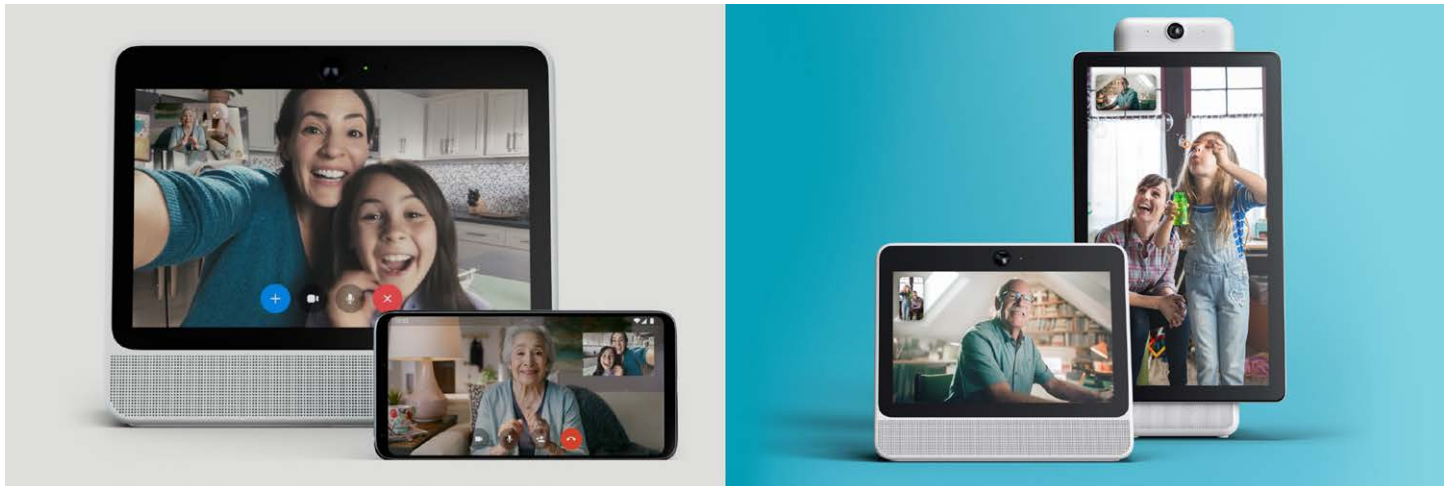
## SILVER



## BRONZE







Pictures sourced from Facebook.



**BILL & PHIL**  
William Ramsey, Partner, Neal & Harwell  
Phil Hampton, Consulting President,  
LogicForce

“

In our testing, we set our Portal in a public place in the home, like a kitchen or den, but we could imagine the Portal being a great device for the office.”

## The Pros and Cons of Facebook Portal

**Just in case you slipped into a coma and slept through all the new tech products of the past six months, you may not realize that video-to-video chats are all the rage now. Yes, we know iPhone users have been using FaceTime for what seems like eons in tech years, but now Facebook, Google, Amazon and others have taken the concept to a whole new level.**

Facebook started advertising their new video chat device in late 2018, and, putting privacy concerns aside for a minute, we decided to give it a try. We ordered the Portal on Amazon during the holidays, and apparently we weren't the only ones. Amazon had a limit on the number of devices you could buy at a time. It turns out that a lot of people received Portals as gifts from family members.

### WHAT IS THE PORTAL?

It is Facebook's solution for the popular gadget genre known as the "smart screen." It could be described as a digital picture frame, a smart speaker and a video calling device. There are currently two versions available: the Portal, a smallish 10.1-inch display that looks sort of like Amazon's Echo Show, and the Portal+, a rotatable 15.6-inch display mounted on a base that contains built-in speakers. As always, we opted for the larger, more expensive Portal+.

To get the full value out of the Portal, you need to have another Portal to connect to, or be friends with someone who has one. The essential purpose of the device is to facilitate video chats between Facebook Messenger users. Now, there is the first rub for us. To try out this new device, we had to be Facebook Messenger users. If anyone is paying attention, you may have noticed that Facebook has been causing more than a little heartburn with some of their privacy policies. We duly noted the potential risk, but also vowed to not share any state secrets during our Portal test drive.

### HOW IT WORKS

The Portal is indeed a handsome device, if you can describe tech gadgets that way. The screen is mounted on a sturdy backbone that has a built-in speaker, and it will rotate for either portrait or landscape modes. Setup was a breeze and within minutes we were connected to our Wi-Fi signal and seeing a list of all our Facebook friends that we might want to call for a video chat. Calling a friend is as easy as touching their profile picture on the screen or just saying “Hey Portal, call Bill.” The person gets a ringing notification on their Portal (or the Facebook Messenger app on their phone if they are mobile), and they can accept or reject the call.

Once the person you are calling answers, get ready for showtime because your screen fills with the feed from their built-in video cam; likewise, they are seeing you up close on their screen. We were impressed with the crispness of the video and the clarity of the audio. You get the sense that the person is just in the next room. Rotating the screen to landscape mode allows you to see a larger field of view to show many people. We tested with family members, and the whole family was able to participate in the call with everyone being in view of the cam.

### HOW IS IT UNIQUE?

The Portal’s camera has the ability to track a person’s movement. As you are talking to someone on a video call and need to move around the room, the camera will zoom in and move to keep you in focus as you move — making Portal calls seem much more personal and less techy. Even with multiple people on camera, the camera will adjust if one person moves to try to fit everyone in the camera frame.

The Portal also doubles as a smart speaker with Alexa integration for voice commands, so any skills that you can use on your Alexa device can be used with the Portal. You

give up nothing in terms of Alexa functionality by purchasing the Portal over any of the Amazon Alexa devices (and you gain a superior video chat experience in our view).

In our testing, we set our Portal in a public place in the home, like a kitchen or den, but we could imagine the Portal being a great device for the office. It is not inconceivable to use it as a video chat device for business calls, except we wish it could be decoupled from Facebook Messenger.

### OTHER CONSIDERATIONS

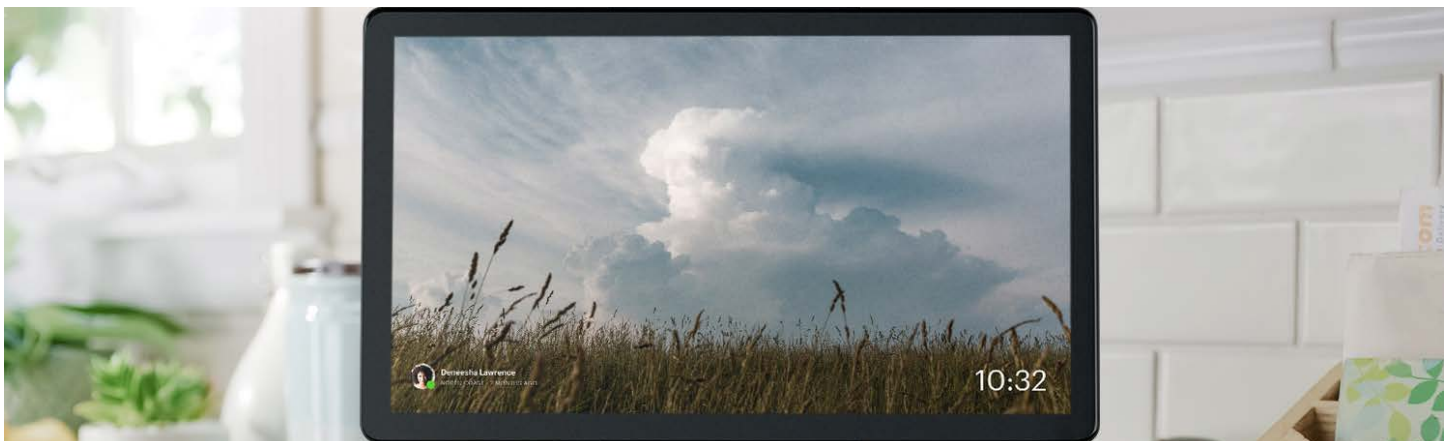
Yes, we know a lot of people have voiced concerns about privacy with these types of devices, and Facebook has been pilloried for some of their privacy issues. It’s probably not a great comfort, but the Portal does come with a plastic lens cover that you can use to cover the camera, and there is a button on the top of the device that you can push to disable the audio and video on the device. We make no claims about how Facebook is treating this data that it undoubtedly collects from the Portal. Facebook claims that video calls are encrypted end-to-end and the company cannot even access the feeds, much less use your data. Our recommendation is caveat emptor.

Casting a wary eye toward Facebook’s evolution on the privacy issues it faces, we are pleasantly surprised with functionality of this first Facebook hardware device. Of course, you know we are going to try out the other competing products in this genre (Amazon Echo Show and Google Home Hub), so stay tuned for more updates. ■

### ABOUT THE AUTHOR

**William Ramsey**, Partner at Neal & Harwell, and **Phil Hampton**, Consulting President of LogicForce, are best known for *The Bill and Phil Show*.

 [www.twitter.com/BillandPhil](https://www.twitter.com/BillandPhil)



- ✔ Attending the 2019 Annual Conference & Expo in Grapevine, Texas?
- ✔ In the market for a legal project management (LPM) certification?
- ✔ Want some continuing education credits?



Same location, same week  
as Annual Conference

## Sign up for the Legal Lean Sigma<sup>®</sup> and Project Management **Yellow Belt** Certification Course!

Led by Legal Lean Sigma Institute Founder  
**Catherine Alman MacDonagh, JD**

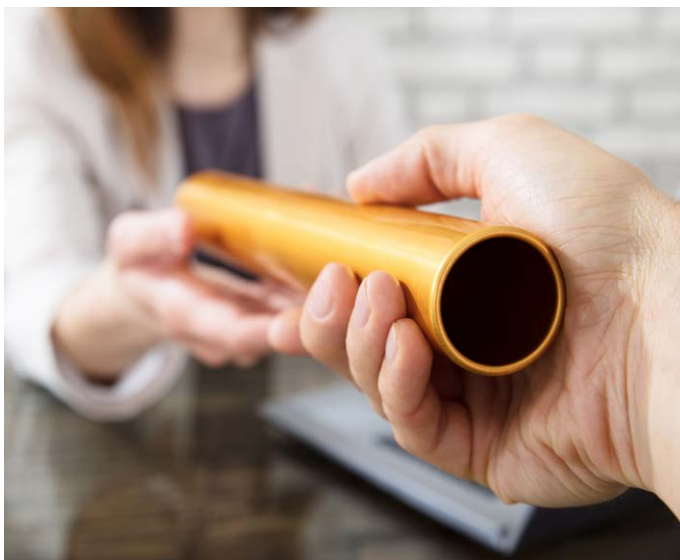
Offers efficiency-enhancing and  
profitability-boosting strategies.



Learn more at [alanet.org/yellowbelt](http://alanet.org/yellowbelt)

# How Do We Prepare to Pass the Baton? Mentoring Leading to Successful Succession Planning

By Bianca Moreiras



**After investing more than three decades working in the legal industry, a person learns a thing or two — what works, what doesn't. And I'd like to think I learned everything I needed to know in kindergarten — like how to share everything, play fair, say you're sorry when you hurt somebody and live a balanced life of work and play.**

It sounds simple, and it should be. But as adults we overthink and complicate our world.

When I think back to my success, I recall my mentors. At a young age, my mom and grandparents played a tremendous role in my early formation of thoughts and creativity. As a working adult, the managing partner of my first firm, where I thrived for more than 20 years, helped to form my thought leadership and business mind.

In my early tenure at the firm, I implemented a mentoring program for new associates. As the Executive Director of the firm, I would personally spend three months with each associate,

developing their business etiquette, time and billing habits, systems and programs knowledge, goal-setting understanding, and business development. This proved to be an efficient and effective use of my time. I was laying the foundation to develop excellent associates and our next best partners.

Not every associate will make the cut. Identifying who has it and who doesn't saved our firm a tremendous amount of time, money and client satisfaction. I recall one associate gave notice before the 90 days were up and thanked us for putting him through the associate program. He had learned so much — particularly that he didn't want to be a lawyer (at least not in private practice). Did I mention he had worked at the state attorney's office for eight years?

## START EARLY

Finding the right associate who will rise to the occasion starts during the hiring process. Many firms are not thinking about this progressive development, especially when they're recruiting a newly graduated attorney or a lawyer with one to three years' experience. But this is the time to find your next best partner.

When I coach attorneys who are looking to build a book of business, make partner or hang their own shingle, they will suggest that there are no documents or processes in place that spell out what is expected of them to achieve partnership in their firm. But if a firm does not have this information available, it sends a message to your associates that you don't have a plan and that the process is subjective. Not a good way to attract talent.

When hiring a new associate (or any new hire), here are some questions to ask:

1. What one thing do you believe is important to do every day?



If your firm doesn't have a written vision, mission statement or goals, how do you know where you will end up each year? Success is not measured by revenue alone!

2. What has been the most courageous thing you have done in your adult life?
3. What concerns you most in today's world?
4. Right now, what do you think your greatest contribution would be to this firm?

I am sure you are wondering what the correct answers are. The only way you'll know that is if there's a clear, concise direction for where your firm is headed over the next 7 to 10 years. In addition, you should know the current goals the firm is trying to achieve.




If your firm doesn't have a written vision, mission statement or goals, how do you know where you will end up each year? Success is not measured by revenue alone! What about sustainability, employee turnover, client satisfaction and work-life balance? Direction is important. A GPS is only as good as the address you've entered; it cannot bring you to your destination if you don't have the correct information. For those of you who do have a clear vision or mission statement or set goals, check to see that the dynamics

of your firm have not changed. Have the client's needs, the environment, the economics or structure of your firm changed? Knowing where you're going and how you're going to get there is the key to any successful business. ■

#### ABOUT THE AUTHOR



**Bianca Moreiras** has been helping law firms achieve success in all areas of their business. She has more than 35 years of law firm experience in operation, mergers and acquisitions, practice area development, cross-selling and marketing. A retreat facilitator, speaker and keynote presenter, she also provides one-on-one coaching and development, specializing in networking and social skills.

-  [smoreirasbianca@gmail.com](mailto:smoreirasbianca@gmail.com)
-  305-986-0905
-  [www.biancamoreiras.com](http://www.biancamoreiras.com)

## HOW TO CREATE AND IMPLEMENT A SUCCESSFUL MENTOR PROGRAM

Seize the opportunity and ask your firm to attend this year's Annual Conference & Expo in Grapevine, Texas. Bianca Moreiras will present her session, HR10: How to Create and Implement a Successful Mentor Program. It's just one of many courses that will teach all you need to know about developing your next generation of leaders and so much more. Register today: [alanet.org/conf19](http://alanet.org/conf19).



## Browse the Digital Stacks

Don't go searching through Amazon – ALA's Legal Management e-Store gathers the best resources all in one place!

- How-to technology guides
- Future-looking titles
- ALA publications like the Compensation and Benefits Survey
- Best practices for marketing, accounting and more



[alanet.org/bookstore](http://alanet.org/bookstore)

# Anniversaries, Awards and Appointments

## MEMBERS ON THE MOVE >>>>



Tara Ghannam Binge



Jennifer Bodenhoefer



Jia Liu Caruso



Cynthia M. Elliott



Tyler J. Farr



Michael G. McDearmon



Brandon T. Randolph, CLM



Tania Rodrigues



Ian M. Skewes



Sheila Sullivan



Scott A. Wendel, MBA

**Tara Ghannam Binge**, the President of the Puget Sound Chapter, is now Office Administrator for the Seattle and Anchorage locations of Stoel Rives LLP.

**Jennifer Bodenhoefer**, the President of the Orange County Chapter, is now Office Administrator at Terry Mudge, LLP, in Newport Beach, California.

**Jia Liu Caruso**, a member of the Orange County Chapter, is now Office Manager/Legal Assistant at Atkinson Andelson Loya Ruud & Romo in Irvine, California.

**Cynthia M. Elliott**, a member of the Puget Sound Chapter, is now E-Discovery Analysis and Technology Practice Administrator at K&L Gates in Seattle, Washington.

**Tyler J. Farr**, a member of the Puget Sound Chapter, is now Executive Director of Tousley Brain Stephens, PLLC, in Seattle, Washington.

**Michael G. McDearmon**, a member of the Austin Chapter, is now the Texas Regional Office Manager at Fish & Richardson PC in Dallas, Texas.

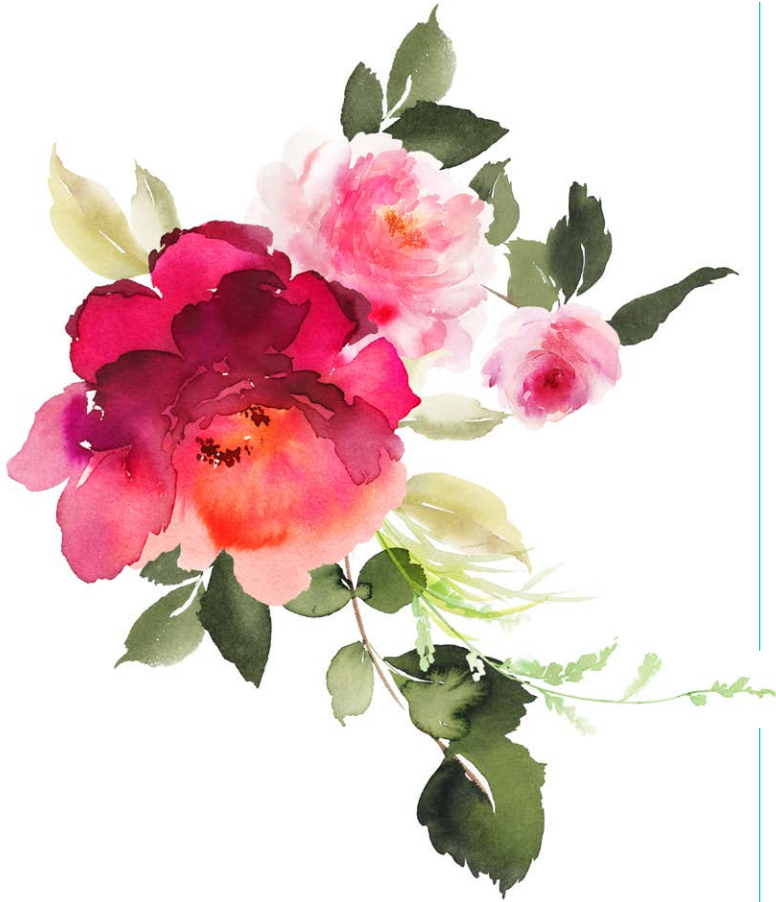
**Brandon T. Randolph, CLM**, a member of the San Diego Chapter, is now Director of Administration at Pillsbury Winthrop Shaw Pittman, LLP, in San Diego, California.

**Tania Rodrigues**, a member of the Calgary Chapter, is now Officer Manager at Lawson Lundell, LLP, in Calgary, Alberta.

**Ian M. Skewes**, a member of the Houston Chapter, is now Firm Administrator at Greer Herz & Adams, LLP, in Galveston, Texas.

**Sheila Sullivan**, an independent member from Region 2, is now Firm Administrator at Wicker Smith O'Hara McCoy & Ford, PA, in Tampa, Florida.

**Scott A. Wendel, MBA**, a member of the Palm Beach County Chapter, is now Chief Financial Officer and Executive Director of the Ellis Law Group in Boca Raton, Florida.



## SENDING OUR HEARTFELT CONDOLENCES

- The law firm of Dannis Woliver Kelley informed ALA that member Emily Scannell, who was their Office Manager for San Francisco and Sacramento, passed away. She joined that firm in 2018; prior to that, she was a long-term employee of Kirkland & Ellis.
- Former member Anne Kupstas passed away in January at age 70. Although she had been retired for several years, Anne is fondly remembered for serving as the 1998-1999 President of the Metropolitan Detroit Chapter. Her last place of employment was Clark Hill PLC in Detroit, where she was a Project Manager.
- Our thoughts are with the family, friends and colleagues of member Sue Wynn, who passed away in December. She worked as the Human Resources Manager at Alston & Bird LLP in Atlanta, Georgia.
- ALA recently received word that member Cynthia L. Myers passed away in August 2018 at the age of 59. She was a dedicated Office Administrator for 24 years for Metzger Wickersham, PC, in Harrisburg, Pennsylvania, and she also belonged to the Central Pennsylvania Chapter. Donations may be made to KCCure in her honor.

**Get Your 60 Seconds of Fame!**

Star in a one-minute video to earn the spotlight. Our annual video contest is seeking imaginative testimonials about the value of the ALA relationship.

Voting takes place during the 2019 Annual Conference & Expo in April. The winning video will be announced at the Association Awards Dinner.

**Enter by March 27! [alanet.org/60-seconds](http://alanet.org/60-seconds)**



# A Whole New Fall Conference Season



# 2019

We're blowing up the fall conference lineup with brand-new experiences that better align with our members' professional goals, work schedules and desired price point.

## NASHVILLE



Aug. 1–3

**Large Firm Principal Administrators Retreat**

## BOSTON



Sept. 17–18

**Legal Lean Sigma® and Project Management Yellow Belt Certification Course**



Sept. 18–20

**NEW! C4: The Legal Industry Conference**

A design lab bringing together legal industry stakeholders to address challenges and develop solutions

## WASHINGTON, D.C.



Sept. 26–27

**Intellectual Property Conference for Legal Management Professionals**

## SEATTLE



Oct. 21

**Advanced Human Resources Administration for Legal Management Professionals**



Oct. 21–23

**NEW! ALA Master Class: Leadership for Legal Management Professionals**

A deep dive into critical leadership skills vital for success and career advancement



[alanet.org/events](http://alanet.org/events)



# What's Happening at Headquarters?

## 2019 ANNUAL CONFERENCE & EXPO EARLY BIRD DEADLINE EXTENDED

You have one last chance to save up to \$200 on your registration for the 2019 Annual Conference & Expo. The deadline has been extended to February 11! Just head to [alanet.org/conf19](http://alanet.org/conf19) to sign up for the chance to enjoy more than 15 education hours and more than 17 networking hours from April 14 to 17 in Grapevine, Texas.

And don't forget to add on the Legal Lean Sigma® and Project Management Yellow Belt Certification Course. It takes place in the same location just after the conference adjourns: April 18-19. Attendees can earn a legal project management certification and continuing education credits.



## ALA HEADQUARTERS HAS MOVED!

We're still in the same office complex, just in a different building. Please update your records with our new address:

Association of Legal Administrators  
8600 W. Bryn Mawr Ave.  
Suite 400N  
Chicago, IL 60631-4600

## BOARD OF DIRECTORS CHANGES

Immediate Past President Gary Swisher II, CLM, and Region 3 Director Kimberly Ess have stepped down from their positions on the ALA Board of Directors. The role of Immediate Past President will remain vacant until April 2019, at which time currently seated President April L. Campbell, JD, will step into the position.

At its January meeting, the Board voted to appoint currently seated At-Large Director Michael T. Bumgarner, CLM, CPA, CGMA, to fill the term balance of the Region 3 Director position, which extends his service on the Board through 2021. The Board then voted to appoint Sarah Evenson of Barnes & Thornburg, LLP, in Minneapolis, Minnesota, to serve as At-Large Director. Her service on the Board will begin immediately and her term will end at the 2020 Annual Conference & Expo in Salt Lake City, Utah.

We thank Gary and Kimberly for their service across all levels of the organization, and welcome Michael and Sarah to their new roles.

## REFER A MEMBER, GET A REWARD

We love when our members refer their colleagues to the Association! To show our appreciation, we have introduced a new incentive. For every new ALA member you refer, you'll receive one complimentary webinar of your choice (a \$109 value)! Simply ask the person you referred to provide your name during the application process — ALA's membership team will send you an email with redemption instructions.



## GET MEMBER PRICING AT THE LMA CONFERENCE

The Legal Marketing Association's Annual Conference is happening April 8-10 in Atlanta, Georgia. ALA members qualify for LMA member pricing. Call 1-877-562-7172 or email [customerservice@lmaconference.com](mailto:customerservice@lmaconference.com) for details. Early registration pricing ends March 1.

Attendees can tailor their #LMA19 experience by choosing from more than 40 sessions to help them build the legal marketing skills they need, explore today's hottest topics and tackle their most pressing challenges. Visit <http://bit.ly/2TwGrj1> to register.