

DESIGNING SUCCESS: LAW OFFICE MANAGEMENT

Diane L. Drain, Counselor and Attorney at Law, March 2003¹

The title of this article – *Designing Success: Law Office Management* - at first glance appears to be two diametrically opposed principals grafted together in one statement. In fact these items are connected - they are on the opposite ends of the full spectrum of a professional's life. How we live, play and practice is dictated by how we manage our life. How our office is managed should be a reflection of our own philosophy of life. This article looks at the practice of law, managing your office and managing your life in a new way. In this article you are asked to analyze how you want to live and what you want to accomplish in order to determine how you should organize and manage your practice.

The first step in this analytical process is to assist you in finding your personal definition of success and then, later, address how to achieve that success by organizing your practice. By the end of this process you will agree that identifying all facets of what you deem to be success are inseparable from identifying how you want to practice law or manage your office.

Each person has his or her unique definition of success. Success is somewhat like baking a cake. There are many different cake recipes; many with very different ingredients. Throughout our time on this earth we have good and bad experiences. We see good and bad people, some that we deem to be successful and others unsuccessful. We select from our experiences those items that we define as our basic personality and, ultimately those items become the core of what we call "success". In other words, we create our own cake by looking at the recipes of others and selectively choosing certain ingredients as reflective of our needs. The most dangerous mistake anyone can make is to surrender their own special recipe of success by mimicking someone else's. You must decide that you can trust your head and heart to lead you in a way that accomplishes what you want in your life.

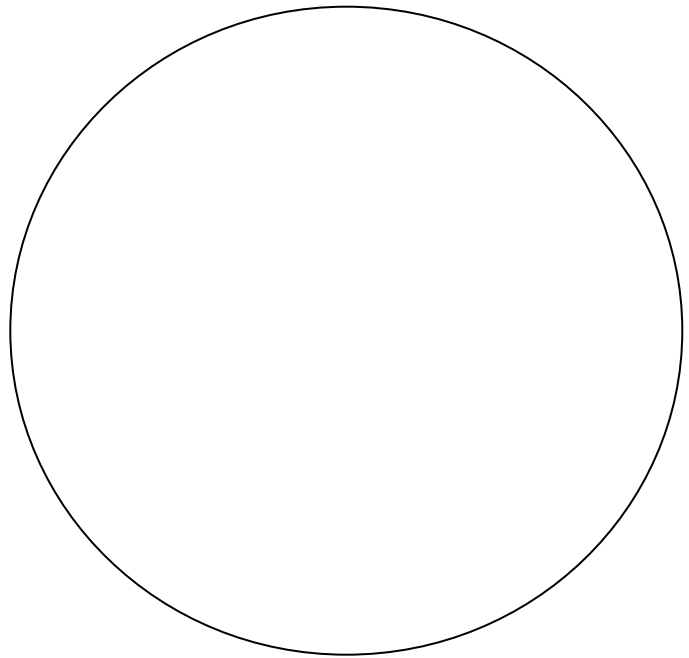
The first step is to identify your definition of "success". There are different layers of success. Just a few would be: immediate success, family success, professional success, theological success, emotional success or worldly success. Success may be mowing the lawn on Saturday or having a baby. Success may be having a job that allows you to be available to care for your ailing parents or to have time for long vacations. Be aware that time and experience will change some of these definitions; so what you identify today will most likely not be true in the future. Many of us also change our definition of success when we move from the business world to our personal world. I point all this out not to confuse you, but to help you identify the complicated layers that you will need to work through as you define success.

Back to the first step – take out a piece of paper and complete the following sentence with 15 different descriptors: "For me success means". Be true to yourself - do not to let your descriptions be affected by expectations of your family, friends or peers; this exercise is for you, not your friends or family. Number each sentence one through fifteen. Review your 15 sentences and determine their categories – such as home, office, community, family, self. Feel free to create your own categories.

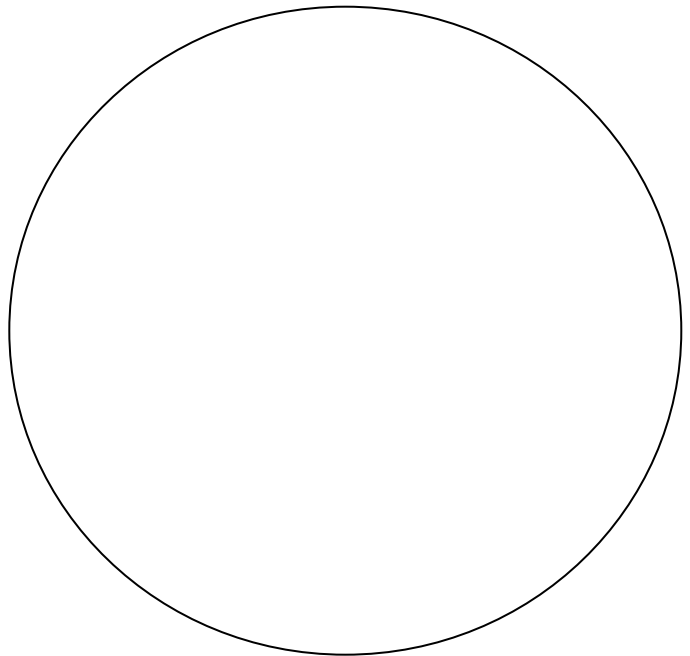
Categories	Short Term	Long Term

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The second part of this step is to rank the items that make up your picture of success. Below write 8 words that describe your **CURRENT** picture of success. Partition the pie chart into separate sections, with the size proportionate to the word's importance. Examples of words would be: money, power, reputation, family relationship, community involvement or something else? Use your own descriptions so this chart becomes meaningful for you.



Now - below write 8 words that describe your **FUTURE** picture of success (where you would like to be in 15-20 years). Again, use your own descriptions so this chart becomes meaningful for you. Let your mind expand and picture your ideal setting.



The Second step is to list your own specific needs: time, money, emotional commitment to family, and work? These are not necessarily goals, they may be dictated by your current or future circumstances. These needs will change as kids leave the home, parents become ill or you become a member of your church choir.

Now list the specific needs of your family: time, money, emotional commitment?

Compare your needs and those of your family. Identify the needs that overlap or conflict. The overlapping ones are easy – just make sure that they become part of your daily program. The real challenge is dealing with the conflicting needs. Some conflicts may be time-based only – a difficult teenager or employee. Others may be indicators that you are being torn in two directions – a spouse that expects you to arrive home at 5:00 pm versus your need to stay until the work is done.

The time-based conflicts may just need to be tolerated until they take care of themselves. But before you move past this point make sure that you have analyzed the situation with all the options that may be available. Ignoring some problems sometimes end up causing yet more problems. Example – a difficult teenager or employee. That person may need your help in identifying their conflicts and seeking alternatives.

As to the second type of conflict – being torn in two directions – those are time bombs. Do not ignore those conflicts. They must be addressed or your firm or your family may implode. These may dictate more time than you think you have to address, but this is one case where time spent now will reduce the time spent in dealing with the problem in the long run. Do not underestimate problem employees – without a doubt they begat more problems. Nor should you take too lightly problems with the members of your family; those problems tend to begat life changing issues.

The Third Step is to list your dreams or goals. List four dreams/goals and rank them in order of their importance. Have you always wished to be your own boss? Do you want freedom to come and go as you please? Do you see yourself as an award-winning expert in a particular area of law?

Rank	Dream or goal

The Fourth Step is to picture your future. Examine the next five, ten, twenty, thirty and fifty years. This may not be difficult for those of you that have worked in the theatre or were raised in very creative families. For the rest, you are wondering how do you picture your future? Create a picture in your mind of your surroundings and your involvement in your family, profession and community. Build on that picture so that each successive time period adds additional pieces of the puzzle until the ultimate picture is complete. It is usually easier to begin by visualizing one of the later periods and then work backwards.

Try to see the entire picture by using of all of your senses – sight, touch, auditory, taste, smell and lastly, emotion. Drill down into your view of your future and find the finite details that make this picture feel that it speaks to you. Do you feel and see a garden environment? Do you smell the ocean or mountain air? Do

you hear others in your office regaling the quality of their work environment? Do you see yourself working with abandoned children or abused elderly?

You cannot move further in the process of defining success until you take the time to picture your ideal future (your definition of success). This may seem almost metaphysical for many of you and, to some extent, you are right. But is ignoring the emotion of life going to help you build a healthy, happy future? I doubt it. Therefore, I submit to you that embracing some of the metaphysical issues of quality of life is the next step to finding your true success.

5 years	
10 years	
20 years	
30 years	
50 years	

The Fifth Step is to Identify Your Assets and Liabilities. After you have defined what success means to you, listed the needs for you and your family and identified your dreams/goals, then you need to inventory your assets and liabilities. Again, rank them in order of importance or impact.

Impact	Assets or liability

Each goal dictates an in depth analysis of your ability to achieve that goal. Take each dream or goal and identify the 10 most common attributes to accomplishing that goal. Once you have completed that for each goal then compare your inventory of assets and liabilities. How do they line up? For example, if one of your goals is to be your own boss (a practitioner in a small or one person firm) then you need to be able to:

- Handle a multitude of tasks at one time and be challenged by and do take pride in multi-tasking.
- Be able to hire and fire.
- Constantly see the whole picture of the management issues, while still dealing with the day-to-day details.
- Be willing to compromise billable time for management time. (Hint: most solos will tell you that they spend at least 50 percent of their time managing their practice. This is time that they cannot spend billing hours.)

- Do every job in the office, no matter how mundane.
- Be able to be alone.
- Be able to withstand the pressures of fluctuating income.

Make sure to include the practical questions, such as what type of support and resources will my clients need/expect? How much financial burden you are willing to shoulder? What type of office is best for me, my clients, my family?

Many times we cannot fairly and honestly answer the hard questions (e.g. are you able to be a good boss?) Talk to others that you know and trust. Ask for their candid impressions as to your ability and skills to handle whatever dream/goal you are working on. Re-analyze your dreams/goals over time. Many times you have elected not to pursue a dream/goal because you were not ready to take on those challenges. But time or change in circumstances open doors that did not exist before.

- Are you able to be a boss? Why?
- Are you willing to be a boss? Why?
- List the attributes of a good boss/manager. Now list your attributes as a boss/ manager. Where are the deficiencies? Is it possible to supplement those deficiencies with other resources? For example, you can hire a bookkeeper if you cannot or will not balance your checkbook.
- Ask others whom you respect to describe their perceptions of a good boss/ manager. What are some of their ideas of a bad boss/manager? Compare your list with theirs. Have you ever been your own boss? If so, did you and/or your family like you during that period?
- How much staff assistance do you and your area of practice require?
- How much peer interaction do you and your area of practice require?
- What resources do you and clients deem necessary? Which of those resources are merely luxuries and could be supplemented with alternative resources? Can you afford to purchase the resources that you and your clients deem necessary?

Now comes the real work – you must reconcile your goals, your needs, your family/business/community needs, your assets and liabilities with your present and future goals. You must decide what you need to accomplish each year in order to create the pictures you have for these various stages in your life. Hint: Never reject an option just because it does not fit your A five-year goal. Also, be willing to reanalyze your long-term goals to determine if you have changed your ultimate picture. But do not be so flexible that your goals become wishes and dreams with no chance of becoming reality. You will need to take some quiet time to complete this portion of the exercise. Without identifying these goals you will find that months, years and decades past without any change in your current situation. Remember, you control your future so long as you control your present.

MAKING A CHANGE IN YOUR LIFE AND PRACTICE

Before moving from your existing situation, you should first determine what style of practice best suits your professional, philosophical and emotional needs. You are more likely to be productive, and therefore more efficient, if you are comfortable in the style of practice that you have chosen. Do not shy away from alternative practice styles just because they are different. Do not let the naysayers dissuade you from trying something creative. The American workplace is changing. Goals that were considered highly respected business goals yesterday are not held to that same level of respect today. .

SETTING UP OR REORGANIZING A LAW OFFICE

For the most part, the considerations in setting up a solo office are the same as setting up a multiple-lawyer firm. All equipment, file setup and staffing requirements must be determined. They will be influenced by the physical size of your office, your monetary constraints, the requirements of your clients and/or the demands of your particular area of law.

You must make a commitment to establish a firm foundation for the startup and continued operation of your law office. The following diagram identifies the basic building blocks for every organization, including law offices.

Without a firm infrastructure your office will never be able to support the items above it. As to the support issue - one of the most universal shortages is the law firm's commitment to train and support on the items that the firm uses (e.g.: software, procedures and policies).

Business Etiquette: Basic office management tips from "Ask Heloise"² Most lawyers believe the operation of a law office has some special ranking in the overall hierarchy of business structures. How wrong we are. Here are some very basic tips that will help any practitioner get and keep clients:

- (1) Put yourself in your client's place. Would you use your business?
- (2) Is every client treated with respect, and are their comments or complaints evaluated?
- (3) Are directories or other signs easy to see? Easy to understand?
- (4) What about the person who answers the phone? Are they well trained, levelheaded, knowledgeable and personable? This is often the only contact potential clients have when deciding to use your business.
- (5) Drive past your business. Can you see the sign? What about parking, maintenance, traffic congestion? Use the public entrance. What is your perception? As a friend/relative who has never been to your office to make the same critique.
- (6) Involve your staff or employees in decisions when possible.
- (7) Assign duties based on abilities and interest when possible.
- (8) Treat employees the way that you would want to be treated.

Office policies: Policies need to be in place regarding the operation of your office. These policies would include how to greet clients, control information flow in the office, communications with clients, how to handle files, documents, and mail, the use of the Internet, office email, use of office equipment and supplies. There are many, many other policies that must be addressed by the lawyers setting up the office. These policies should not be left to develop on their own. Each office may have unique issues, therefore those policies need to be careful throughout, put in writing and honored by all. Set policies regarding security (physical and electronic) and the backup of all computer data and software. Commit to regularly training of all members of the firm as to use of software and hardware. Set policies for upgrading critical software. Further in this article are more detailed descriptions of suggested policies and procedures for a law firm.

HARDWARE, SOFTWARE AND THE INTERNET: It would be impossible for any written article to detail the best equipment in any given situation. The best advice I can give you is to find a technician that has glowing references. Be willing to invest in quality equipment and schedule timely replacement of that equipment. For a good starting place go to www.Cnet.com for great comparisons on all hardware, software, web services, tech articles, downloads and tech auctions.

Computer. Buy the most powerful computer you can afford. Your best investment is to purchase the largest hard drives and the most amount of RAM that you can afford. Make certain that your computer can be easily upgraded. A tower should be a mid or a full tower. Always buy brand name peripherals (modem, video) and find a local computer company that will build and repair your units on site. Depending on the size of your desk consider a 19 to 21 inch monitor. If you have an extra few dollars upgrade to a flat screen monitor. I highly recommend the natural keyboard (reduces carpal tunnel problems). The keyboard is curved; therefore it will take the experienced typist three days to become comfortable with it. Make them stay with it - after all, you are the one paying for workmen's compensation.

You must be willing to dedicate the time necessary to learn to operate your new computer. Having just spent a great deal of money for both the hardware and software, you need to be able to use the resources you have purchased. The more efficient you are on your computer, the greater advantage you will have over your fellow lawyers who are still not sure how to turn on their computers.

Office management software. You will hear these programs called personal information managers, or PIM's. The purpose of these programs is to combine all functions of your calendar, docket, conflict checks, timekeeping, "to do" lists, and file information into one central location. Many of the programs

² *Hints from Heloise, The Connection*, by June Hayes, April 2001.

provide some, but not all, of these integrated functions. I have been using *Amicus Attorney Pro* for several years and find that all the information I need to properly manage my law office is easily accessible. Data entry need only be made once, and all information is cross-referenced into other locations. I am pleased with *Amicus* because a lawyer designed it, therefore it looks and acts like a law firm, not a sales office. It uses icons that all attorneys will recognize: file folder, telephone, calendar, and contact list, call center and time clock. The program thinks like a very thorough lawyer and uses terms that I understand. This is compared to other programs in which I was required to learn the programmer's definitions, rather than the programmer using mine. Most important, it is very user friendly and does not take any experience to use the program efficiently. Of course, the more that you use it the more information you will be able to gather from several internal sources. *Amicus's* major competitor is *Time Matters for Windows*. If you enjoy customizing your software to reflect your unique style then *Time Matters* may be for you. This program has its own strengths, but also some serious weaknesses. For the non-computer technician it is visually overwhelming and takes a great deal of time to "tweak" to fit a particular style of practice. Investigate before you buy.

Time management packages. If your office management software does not have a built in time-keeping function, then you will need a method to keep track of your time. Even if you are billing your clients by flat fees, or contingent fees, most courts are now requiring evidence of the total time you actually spent on this file. *Timeslips* is a product many attorneys use throughout the U.S., but it has become unnecessary. I have found that using my PIM - *Amicus Attorney* <http://www.amicusattorney.com> and my bookkeeping program - *PC Law* (www.pclaw.com) I no longer need *Timeslips*. All of my timekeeping is done in *Amicus* and then almost effortlessly imported into *PC Law* for billing and accounting purposes.

Accounting software. Another software package that you will need is an accounting package. It is important to make sure that your office management and/or timekeeping programs talk to your accounting program, or it will be necessary to input information separately into each program. DO NOT RELY ON THE SOFTWARE SALESPERSON'S REPRESENTATION THAT THESE TWO PROGRAMS WORK. There are several accounting packages available with links to different office management or timekeeping programs. Some of these links work and some fail miserably. I use *PC Law*, which merges with *Amicus Attorney* very well. In fact, *PC Law* automatically numbers each new file so that I cannot open two client files with the same number. *PC Law* produces two different versions of the same software package. *PC Law*, which accommodates 10,000 new client numbers, and *PC Law*, which accommodates 3,500 clients. *PC Law* prepares the bills, prints pre-bills, and does all accounting functions, including multiple trust accounts, trial and final balances and produces very detailed management reports.

Word-processing. The word processor is the program that you use to draft your legal documents and correspondence. Most of these programs are very "user friendly," but do require training in order to use them to their full advantage. There are software "suites" available, which combine word processing, spread sheet, data manager, and perhaps desktop publishing, into one package. These suites are easy to install and all the programs are designed to work together.

When choosing your word processing software, look for the following:

- User friendly
- Universal use among other law firms
- Spell checker and other amenities
- Data manager package (depends on the level of sophistication that you wish to achieve).
- MOST IMPORTANTLY - WHAT IS THE REST OF THE LEGAL COMMUNITY USING. Most law firms are converting to Word and most of the court systems are now using Word. With the future of on-line filing a few short months away, this will be the most important consideration when choosing a word processor.

Document Assembly: *Amicus* and *Time Matters* both have some elements of a built-in document assembly system. They will permit you to create letters, memos, faxes, and pleadings, all with the touch of a few buttons. The documents are stored in your word processor, just like all the other documents that were created there. The most valuable full document assembly program for the small to medium sized firm is *HotDocs*. This program will store an unlimited amount of information about each file. It works in conjunction with *Amicus* and creates all the documents that you need. It recalls the prior answers about specific questions (e.g.: client name, case number, date of accident) and merges that information into the new documents, retaining all new information.

The use of the document assembly program permits the lawyer to edit one master document (e.g.: reflect statutory changes) and all documents created from that date forward with include that new statutory provision. The centralized library of forms will permit anyone in the office to draft the proper form that has been approved by the lawyers. In addition, everyone will be assured that the form being used is in compliance with the rules and regulations.

Document Manager: Each office must have a system established that dictates exactly how all information is to be stored. One method is to use a software program called a Document Manager. One method is to use your various software programs and have files for each client in each program. For example: Client Ted Smith retains your office to represent him in a chapter 7 bankruptcy case. You need file folders in all your software that has information related to Mr. Smith's file. That would include *Word*, *HotDocs*, *WinFax Pro*, *Eudora*, *Paperport* and *Bankruptcy 2000*.

Another option is to use a Document Manager program, such as *Worldox*, to point to the physical location of all documents. This acts as a general index for each client and administrative file. A new feature of *Worldox* is an online document manager. This would allow attorneys to work with client documents anywhere, anytime. The program acts as the firm's in-house file service, securely behind its firewall. The program permits access to documents by anyone with the correct security information. Remote users with proper security clearance can search for documents via the Internet, and view them, edit and store back to the designated location. Clients can be given access to specific documents, based on security clearance.

On-line Document Management: Electronically control and access your documents. Most of these services either assist you in converting your documents into electronic format and then preparing them for secure transfer or for trial. WorldDox.com purports to offer easy access to your documents over the Internet from anywhere and at anytime. You can search, view, download and upload files using simple, intuitive, customizable HTML-based web pages. Question – what happens to your data stored in someone else's site? Is insurance available? Should you store on two different sites? Questions to be answered in the future.

Application Service Providers "ASP": What is an Application Service Provider? These are companies (virtual) that rent software from their web site to third party users (you). This eliminates the need to buy and maintain software the law office. Typically, an ASP offers those that subscribe to their services software from many developers.

The benefits are obvious – you can access your office information at anytime, from anywhere, on any computer. You no longer need to spend hours and dollars installing, integrating and maintaining the latest version of each software package used by your firm. Worrying about fire or theft destroying your data are now at an end. Or are they? If this all sounds too good true – you could be right.

Before committing to use an ASP consider the following: what is their security? What are the policies of your malpractice carrier? What happens to your data if the ASP goes out of business? What type of connections are you going to need to access the data? Do you want to be the guinea pig on this new idea? Perhaps the more conservative will wait until the dust settles to see what the ethics police come up with.

Litigation software: Simple case manager software should give you the ability to list parties, witnesses and documents. To these you need to be able to define your basic legal theories, causes of action, facts and elements that tie each to your parties, witnesses and documents. It is necessary that the software help you set graduated levels that define favorable and unfavorable issues. Examples of software that will assist in this process is Case Map, Time Map, TrialDirector and DocumentDirector..

Voice Recognition: Unlike just a few years ago, voice recognition has finally arrived. Be prepared to take time "training" the program, but the current versions are well worth the time for those that do not type 90 words per minute. L&H - Voice Xpress (Dictaphone Corp) purchased Dragon Systems, Inc. - Dragon Naturally Speaking and appears to be holding the market in voice recognition.

Virus Checking: If you have a computer you must have virus protection software. This program needs to work whether you remember to use it or not. The standard programs used by most are Norton Anti-Virus www.symantec.com and McAfee www.mcafee.com. Another good program is sophos at www.sophos.com. A package of multiple programs, which help to protect your computer, is Norton SystemWorks Pro. It

contains Norton Utilities that is great for keeping your hard drive tuned and working well. For one price you get a virus program, a good utilities program and Norton's Ghost. **These programs are not luxuries, they are absolute necessities.**

E-Mail - Organizing and controlling your mail is of great importance to your firm (and your malpractice carrier). The same control must be applied to your electronic mail. Eudora Pro is software that can be free (if you do not mind banners), or a non-banner version is very inexpensive (www.eudora.com). If you use Microsoft's Outlook – beware! Every technically literate nerd in the world is trying to better each other by writing new viruses. Microsoft Outlook is a primary target.

- Legal and ethical issues related to the use of e-mail: According to the ABA Advisory Opinion 99-413: (1) there is a reasonable expectation of privacy in email, (2) lawyers need not encrypt e-mail automatically; (3) client confidences, regardless of the medium used to transmit those confidences, are susceptible to interception/disclosure; (4) Lawyers should discuss the dangers inherent in any communication and reach agreement on how to communicate. Albert Barsocchini suggests that each firm establish policies similar to the following: (1) require that all outgoing sensitive messages be sent by using a digital courier just like you would use a real courier. (2) Place confidentiality notices on all outgoing messages, as you do with faxes. (3) Insist that messages always be drafted with care and thought in lights of the business setting (4) Prohibit message forwarding, without the express permission of the sender (5) Specifically prohibit inappropriate material (6) Advise employees that the employer monitors office messaging use (7) Make sure all messaging clients are password protected to prevent unauthorized access and alteration of any third Party e-mail message (9) Encourage employees to immediately report unauthorized or inappropriate use of messaging systems by third parties (10) Mandate the use of encryption for sensitive communications and provide periodic training. Albert Barsocchini, The Lawtek Group LLC.

INTERNET: Just like your physical address for the office each person/computer on the Internet has its own address called a URL (e.g.: <http://www.DianeDrain.com>). URL is an acronym for Uniform Resource Locator. It is the technical term for what's commonly known as an "Internet address" or "Web site address."

The Internet can be used for two primary purposes: (1) accessing information from other web sites, and (2) distributing information from your own web site. The first is described further in this article under the description of a law office Library. The second is a tool for marketing your firm, organizing information, and communicating either within your office, or with the rest of the world.

In order to have access to this huge resource center you will need an access port to the Internet. This access port is called an Internet service provider "ISP". There are private ISPs and companies such as AOL. My preference is a private provider rather than a company like AOL which the sites that you can reach and the type of information that you can download. If you are concerned about your staff accessing inappropriate sites then limit their access by putting firewalls on all the computers connected to the Internet. The charge for an ISP is approximately twenty dollars a month FOR 56K service. I pay approximately \$35.00 for a DSL line. A DSL line is much faster than 56K. In addition to the legal resources, the Internet provides easy access to an international mail service called electronic mail or "e-mail". I can send mail anywhere in the world for only the monthly cost of my Internet service. For a list of ISPs see www.getconnected.com.

Firm Web Site: In order to develop your own web site you will need to have a web host. See <http://www.etrnmall.com> or www.hostsearch.com for several different hosts. Ask others who they are using. Decide what you need in a web host before setting up your web site. I have been using www.readyhosting.com (inexpensive) but also take a look at www.DellHost.com that will help you set up your site, provide free software and offer very good resources as your web site grows.

You will also need to determine what you "name" will be on the web. Once you have decided on a name you will need to register it so that no one else can use it and so that others can find you on the Internet. To register domain names: www.directnic.com (\$15 for one year); www.godaddy.com is my favorite and very inexpensive; but you can also try www.networksolutions.com, www.123domains.com, www.internic.com, (\$70 for 2 years) and many, many more. Be very careful about companies that profess to sell you a name, but only take your money. Check out www.DomainNameBuyersGuide.com as a review source.

Web Site Design: Once you have elected a host for your web site you will need to design your web pages. Please remember that your web site is a reflection of your firm. Keep the image that you want to portray to the world unified between your business cards, letterhead, brochures and web site.

One option for designing your web site is to use your word processor. If your word processor has a "Save as HTML" option then it can be used to design your web page. Microsoft Word 2000 is a good program for developing a simple web site. For other options see www.lawyers.com/fag/intro.htm or www.legaldomain.com, or www.networksolutions.com (for \$9.95 per month they will provide you with a simple web site and space on their server (note – Network Solution's tech support is very poor).

The best software specifically designed for beginners to build their own web pages is Microsoft's Front Page (www.Microsoft.com/frontpage); combined with Microsoft PhotoDraw 2000 (www.Microsoft.com/photodraw). See my web site as an example www.dianedrain.com. When I designed that web site I had no idea what I was doing. Looking back, I should have used someone with experience to set up the site and then learned to edit it. I spent over 3 weeks of late after-work hours to complete the project and will be adding to it forever. For the pros two web design packages that stand out are: Macromedia's Dreamweaver (www.macromedia.com) and Adobe's GoLive (www.adobe.com). General information: <http://www.wsabstract.com>.

OTHER WEB "STUFF: CHAT ROOMS: Want to find others with similar interests - check out www.sourcebank.com for a list of chat rooms and many other interesting technology sites. In list serves or chat rooms be very careful what you say and to whom you are talking. These chat rooms are monitored and the discussions recorded. If you are wondering what you expert has said in a chat room that discussion is discoverable. Talk to Mike Arfeld www.arkfeld.com for more information on the litigation aspect of this issue. If you want to set up your own group - try www.groups.yahoo.com/start.

KEEPING TRACK OF YOUR FAVORITES ON THE WEB: Bookmark your favorite sites in order to reduce the amount of unnecessary time spent trying to back tracking. Internet Explorer: go to Favorites, Organize Favorites, add the favorite web site – making sure to use a name that you can recognized. Netscape – go to Bookmarks, Edit, File, new folder. Which ever browser that you use make sure to set up folders for generic filing of each group of web sites. Other options: freeware and shareware to organize your favorite addresses on the Web: tucows.interwrx.com/bookmark95.html or www.urlorg.com. A third party can keep track of your favorites and your travels on the Web: <http://www.backflip.com/>. Another option is to create a customized view on your own web site of the information that you use regularly: <http://www.octopus.com/home.htm>. Want to be able to see several sites at once? Try www.Quickbrowse.com. This technology enables users to click all the links they want and then view them all at once. No more back and forth clicking between web sites.

PERSONNEL:

Employees. You need to decide whether you want the additional responsibility of having employees. Factors to consider are: (1) the training and supervision that will be necessary to get these employees to a point of being self-sufficient and profitable, (2) whether you have the space to accommodate them, (3) whether they can work full- or part-time from their homes, and (4) whether part-time employees will accommodate your needs. Your imagination is the only limit to the possibilities.

Do not forget the additional legal obligations you have as an employer, such as making payroll, paying taxes and providing a safe working environment.

Being an employer carries a new burden that you probably have not had in the past. You are responsible for their security and their happiness. Make sure that you have periodic reviews (at least annually, quarterly for new employees). After the review is complete, or whenever you have a discussion with the employee make sure that you end your discussion with three questions:

- (1) Do you feel that I heard you?
- (2) Do you feel that I understood your issues?
- (3) What else would you like to ask or say to me?

Great client service begins with your employees. You must first be good to your employees who will in turn be good to your clients. Strive to listen, understand and show your employees the respect that they deserve. In turn they will respect you and your clients.

Make the commitment to familiarize staff with the ethical rules governing all lawyers. What applies to us also applies to them - confidentiality, privacy and ethical rules.

Contract labor. There are several types of contract labor available today. Contract research assistants, legal assistants and secretaries can be used on a one-time or ongoing basis, depending on your needs. Look to your county and state bar publications for advertisements, or talk to fellow practitioners for referrals.

In addition to your office staff, it may be necessary to contract with a delivery and process servicing company. Train your staff to consolidate deliveries and other errands by having them use your delivery service. This will reduce your staff's time out of the office and make the work flow more efficient. Another option is hiring a part-time runner to handle your office administration errands, court filings and deliveries.

KNOWLEDGE MANAGEMENT: is understanding an organization's internal processes and information flow systems; and to develop approaches that facilitate them. Firms try to retain this knowledge in the event that the attorney should leave the firm. Presently firms are focusing on collaborating knowledge and sharing environments for the storage, access and distribution of that knowledge. The firm cultures are changing to online, electronic cultures with people learning how to work together and share information in this virtual world.

The Internet provides the basis for the development of this new virtual law office. Clients expect immediate access to information. Marketing expertise will either make or break today's firms. Law Firms must develop a strong knowledge management platform using the Internet. It is possible to focus on a law firm's traditional legal services and to strengthen the internal workings of the firm.

Create a team of lawyers to lead this effort to develop the Internet basis. Determine the needs of all the lawyers in the firm and design a program that will address these needs. Do the same for your clients. Remember "if you build it, they will come".

Web page - feed video, audio and transcripts combined with video and audio to anywhere in the world. This will permit anyone, anywhere to access this information. Share information in trial conferences, depositions, and/or use for demonstration to the jury. House all documents in a secure storage on your web page. Each client should have his or her own security code and access privileges.

Library. The size and type of your library is a personal choice, and is usually dictated by the availability of funds and your areas of practice. In addition to the statutes and case law, I recommend you have access to a few select treatises and formbooks focused on your primary areas of practice.

The Internet has become a very popular place for research. The Arizona Revised Statutes are on-line for no charge (<http://www.azleg.state.az.us>), Cornell University Law School allows you to access US Supreme Court cases and the Federal code, just to name a few (<http://law.cornell.edu>). I find that an Internet site: www.findlaw.com is the best place to start when searching for any legal based information. Most of this information is free and some is fee based. I recommend an ABA publication *The Lawyer's Guide to the Internet*, by Burgess Allison (312-988-5522).

Other valuable Internet resources are list serves or, what is now called user groups. There are at least 25,000 list serves sharing information on everything that you can image. Some are general discussion groups, others are specific discussion groups on limited issues. I belong to several list serves dealing with both my practice area (bankruptcy) and law office administration. You can find these groups through others and through the Internet. Mr. Allison's *Lawyer's Guide* will help. This is probably the most practical resource that I have at this time. In the bankruptcy arena there has been a bill pending before Congress for the last three sessions. My list serve permits me to monitor the current status of the bill and present substantive and procedural questions of bankruptcy law. Within a few hours of asking a question there are several replies; many with case citations, others with practical tips. Make sure to check with both the State Bar and the American Bar Association for specific user groups in your area of practice. One general list serve that you might want to look at is <http://www.llrx.com>. This site sends a weekly e-mail message that contains an index of technology and law related articles. For a good article on how a law firm uses the Internet and the resources that are available see <http://www.llrx.com/features/smart.htm>. Pay particular attention to the description of e-bots Intelligent robot software "E-Bots" which searches specific pages or sites on the Internet, watches for updates or new additions to those pages and then

notifies notify those who have subscribed to the automated notification service that there is relevant new information.

Perhaps you would like an index of all periodicals and publications related to a particular subject or listed by author and/or title: if so see <http://www.cassidycat.com/molehill.htm> as an example of on-line catalogs.

In order to have access to this huge resource center you will need an access port to the Internet. This access port is called an Internet service provider "ISP". There are private ISPs and companies such as AOL. My preference is a private provider rather than a company like AOL which the sites that you can reach and the type of information that you can download. If you are concerned about your staff accessing inappropriate sites then limit their access by putting firewalls on all the computers connected to the Internet. The charge for an ISP is approximately twenty dollars a month FOR 56K service. I pay approximately \$35.00 for my DSL line. A DSL line is much faster than 56K. In addition to the legal resources, the Internet provides easy access to an international mail service called electronic mail or "e-mail". I can send mail anywhere in the world for only the monthly cost of my Internet service. For a list of ISP see www.getconnected.com.

MARKETING/SECURITY/ENCRYPTION

1. Security, **Firewalls** and Encryption:

The following is a discussion from the Solosez listserve regarding firewalls and security: "While I do not profess to be an expert, you can find more than you may want to know at Steve Gibson's web site. Steve Gibson, the creator of SpinRight, a disk recovery program used for years, now has a free Internet security test on his website. You should check your computer at www.grc.com using the Shields Up test to determine if you have set up Windows networking properly. Gibson explains it far better than I could. But you need to make sure that your networking client is not bound to the TCP/IP protocol. If the Windows Networking Client is bound to TCP/IP on your computer, Gibson's site will tell you your name and the group you belong to. Gibson's site has an excellent discussion of how the Windows default networking installation leaves you vulnerable to hacking while connected to the Internet. (except that he tells you that IPX is unnecessary - which is not true if you connect to a Novell Network). <http://w.grc.com/su-bondage.htm> Essentially the Internet protocol, TCP/IP, should not be bound to Windows Networking Client (or the Novell Client). Windows automatically binds the networking clients to TCP/IP and will give you a misleading message when you unbind the client that may make you think it has to be bound to TCP/IP for the protocol to work, which is not true). You can print out detailed instructions on how and why you should unbind the client.

The second step you can take is to run a firewall on your computer. For personal use, ZoneAlarm is free and is available at www.zonealarm.com. Gibson recommends that at the moment and gives far more detailed reasons than I could. Gibson also has a good discussion of other firewall programs. I use BlackIce Defender on my laptop (because I bought it in November 1999 before I had heard of Zonealarm) and I use ZoneAlarm at home. He also reviews Norton and others.

I am not affiliated with Gibson in any way. However I do find his site helpful, if a little over dramatic. I can tell you that you will hear many different opinions. Mine is to run a firewall as its better to be safe than sorry." William Woods White <wwwwhite@mindspring.com>

Miscellaneous Security Suggestions:

- The airport thieves are getting more sophisticated. Consider using a tiny alarm (\$50, www.a2zsolutions.com), which emits an ear busting shriek if you are separated from your computer by more than 40 feet.
- Windows 2000 Professional is a good way to encrypt your documents so that a thief will not be able to read them. Another good encryption program is Pretty Good Privacy or Encrypted Magic Folders (\$61, www.pc-magic.com).
- James Bond look out - try Compaq's Biometrics ID device (\$179, www.compaq.com), which uses your fingerprint as your password. Uses a standard PC card slot; works with all notebooks with PC card slots.

MARKETING:

In an age when everyone is competing for clients, how do you distinguish your firm from another? WEB SITES DO BRING IN NEW BUSINESS - Dramatic new research findings released at the Legal Marketing Association conference show that in-house counsel and corporate executives do indeed use the Web to search for law firms to hire. "Here's huge news: nearly two-thirds of buyers surveyed have gone online to locate outside legal counsel. More than one-third surf the Web for legal services weekly or more often - proving that - virtually - it's a whole new marketing world out there," said Mark T. Greene, Managing Director of FGI Customer Research, who presented the results. Go to <http://www.lawmarketing.com/news/newsindex.cfm>.

CORPORATE or LAW FIRM IDENTITY: Professional appearance is almost as important as your professional credentials. When designing your web site careful consider your logo, color of the pages and typeface.

In recent years businesses have come to recognize their paper and digital image have a significant impact on the customer/client's decisions to hire a law firm. Astute firms are increasingly using these tools to attain that ever-illusory competitive edge. Logos, type style, color and tag lines all make statements to the viewer: is this firm professional, whimsical, or inexpensive? No longer is the decision regarding these components focused on just the office decor. Businesses now pay close attention to the psychology of the components when designing their web pages, brochures, business cards and letterhead.

Why is color so important?

The integration of color into business hinges on controversial psychological research demonstrating that colors stimulate the endocrine and pituitary glands, generating an emotional reaction, which subsequently impacts behavior. The goal is to accurately identify the color response in the target market, as reaction varies considerably based on several demographic variables. Be very careful about choosing colors when marketing to an international clientele. For example: in the Western Hemisphere, white is largely perceived as a positive-value color, while in China and India it is associated with mourning. At the other end of the spectrum, while in India black is an inauspicious car color; in the West it actually denotes status.

Colors are associated with specific characteristics.

- Red** is the appetizing color stimulating measurable emotional reaction; it is considered a warm and inviting color.

- Green** is associated with health and the environment.

- White and silver** both suggest cleanliness, honesty and chastity.

- Orange** communicates affordability! This color is not considered a sophisticated hue, and instead connotes ease of use and friendliness.

- Yellow** is the fastest color that the brain can process; this is the attention-getting hue and sends a message of "caution" to adults. Yellow is also associated with the sun, making it the "happy color" (Cheerios packaging).

- Blue** connotes thought and wisdom ("blue chip" ring a bell?). Like most primary colors, it appeals to younger consumers. In mature markets, blue is acceptable only when it appears congruent with the nature of the product (book covers, Web sites).

- Brown** connotes richness in flavor and earthiness (à la baked goods, cake mix and chocolate packaging).

- Black** has emerged from a traditional no-frills association to a key color denoting high-class and symbolizing expensive or quality merchandise (JPS cigarette boxes).

Typeface: Good design goes way beyond choosing typefaces. In fact, if a typeface is well chosen, you don't really even notice it because it seems natural. When you see a really scruffy typeface on VH1 it reads, well, naturally. Ornate type styles on wedding invitations are surprisingly readable. Most law firm ID's utilize typestyles that are more classic and more enduring than the creative type styles out there. Make sure to keep the type style readable.

Create a list of the qualities that you'd like to communicate about your law firm. Define the colors, images and typestyles do you like or hate. Prioritize this list and turn it over to a designer for their recommendations that will communicate these qualities. Ideally, the designer should take into account the

qualities already communicated in the logo and existing style. If you do not have a logo or style, ask that the designer develop entire firm design package at the same time.

If you're not going to a designer, then design several options of logos, type styles, images and color schemes. Show these options to trusted friends and associates. Ask them what the firm ID communicates about your company. Don't just ask them which one they prefer—you're trying to see if the qualities they come up with are similar to the ones on your list. Live with the top choices for several weeks before committing to a complete rewrite of your firm's image.

The business world has come to appreciate the marketing importance of color selection. Empirical research indicates color selection alone may impact sales by a margin of 5 to 40 percent. The competitive bar has risen over the past decade, thus the choice of a logo, color section and typestyle are key in sustaining strategic advantages. Even though the law firm is not selling cars or clothing it is still very important to recognize the affect that color has on current and potential clients. Carefully consider your firm's image in all firm communication materials, Web site design, and office décor.

Another way to distinguish your firm from all the others is to provide a unique service; offer a Client Update newsletter. You do not need to spend your time writing this letter – subscribe to a basic newsletter published by the ABA's General Practice and Solo and Small Firm Section (<http://www.abanet.org/genpractice/clientup/clientup.html>). Another option is to have a unique signature on your e-mail. Dennis Wickham's firm appends the following quote to outgoing e-mail messages (www.scwm.com):

This message was sent unencrypted. This firm has the ability to exchange encrypted email at no cost to our clients. If you are interested in obtaining this service please send email to mis@scwm.com. If you have clients who are technically sophisticated, or would LIKE to have clients who are technically sophisticated, one of the best things you can do is give them the option to use encryption. Corporate espionage is real. Sophisticated businesses know they are targets, and they are likely to be much more comfortable with a law firm that understands this and gives them the option for secure e-mail when needed.

E-Mail Confidentiality Footer/Disclaimer. Do you have disclaimers on your e-mail and on your web site? These are some examples from various web sites:

Privileged and/or confidential information may be contained in this message (including any attachments hereto). If you are not the addressee indicated in this message (or responsible for delivery of the message to such person), you may not copy or deliver this message to anyone. In such case, you should destroy and delete this message and any copies or printouts you may have made, and notify us immediately. Please note that E-Mail communication does not guarantee transferability, integrity and confidentiality of the contents hereto. If you do not or your employer does not consent to E-Mail messages of this kind, please advise us immediately. Opinions, conclusions and other information expressed in this message are not given or endorsed without subsequent written confirmation independent of this message.

This electronic mail message and any attachment is confidential and may contain privileged information. This message is intended only for the use of the individual or individuals named above. If you (the reader) are not the intended recipient or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that you may not use, copy or disclose to anyone the message or any information contained (including file attachments) in the message. If you have received this message in error, please advise the sender by reply e-mail @fclaw.com, and delete the message from your system.

OFFICE MANAGEMENT

Managing your office is a skill that can either make or break a lawyer and the firm. It is not unusual for lawyers to be ill-equipped to deal with conflicts inherent in operating a business, collecting accounts receivable, acting as referee in disagreements between staff, suppliers and/or other lawyers in the office, and all the other various daily management issues that plague every office manager or solo. Many times, the office manager or managing lawyer is in a no win situation. Decisions must be made which will affect someone in a negative manner. It is not unusual that the office manager is faced with a dilemma: a decision which must be made that will affect the financial health of some or all of the lawyers in the firm, but will mean the con-

tinued existence of the firm as a whole. The office manager may decide to take the path of least resistance (looking to protect one's job), but which, in the long run, leads to the demise of the firm. These dilemmas are found in every firm of every size.

Another dilemma that the solo or office manager is faced with is spending money on soft costs, such as the education of self and staff. Educating staff and lawyers is an obligation of the office manager/managing partner. Such education increases efficiency, evidences the firm's willingness to invest in those who are maintaining the firm, and increases pride in the person receiving the education. This expense will be returned to the firm several times over by way of loyalty and productivity.

Loyalty is a word that has been lost in much of the business world, including the practice of law. No longer are secretaries, associates, or even partners remaining with a firm for their entire career. Instead, many firms view their employees (including all lawyers) as tools for managing a business. These tools are replaceable if they become obsolete, or dysfunctional, or if a new tool is perceived to be brighter. As part of your decision on what style of law to practice, it is important that you critically analyze your principles of loyalty, respect, and honesty when it comes to others in your prospective firm. If you are contemplating setting up practice with other lawyers, then it is essential that you interview your prospective partners to determine their priorities and theories of loyalty, respect and honesty. If their principles vary greatly from yours, your relationship will likely have a short honeymoon. Most certainly, this type of relationship will be full of gusts and gales and the lawyers and staff alike will be forced to live in an environment that will be extremely unpleasant. More importantly, your clients will be affected by this negative situation. Be very careful about your choices.

Client Management: Here is the best advice I can share with you regarding client management:

Assuming most lawyers are relatively equal in legal skill and competence, the lawyer who is perceived to be superior by his or her clients will be the most successful. An important part of creating this perception is keeping your clients informed and involved. Routinely call your clients; let them know the status of their matter and what you are doing. Send copies of everything to your clients, and always ask for their comments where appropriate. It is essential that clients see the effort being made on their behalf.³

At the outset of the relationship, discuss both client and lawyer responsibilities. Define procedures you use for billing, return of phone calls, copying of documents, notification of hearings, and other attorney-client interactions. Define your expectations of clients and their responsibilities to you and their cases. Carefully define the limits of your representation for each client. Put these limits in writing.

The number one complaint from most clients is that the lawyer fails to communicate. Establish procedures for both you and your staff that will eliminate that problem. Return client calls within twelve to twenty-four hours. Or, if you are unavailable, have your staff return your calls. If you do not have staff, leave a detailed message on your voice mail informing your callers of your availability.

Provide your clients with copies of all documents that pertain to their files. Even though you may feel that everything is under control, your clients cannot read your mind and need to see evidence that work is actually being done on their files.

Most importantly, listen to your clients. Your expectations of a good result are not necessarily the same as theirs. Find out what they expect and what they believe a successful result to be. You may be surprised that their idea of successful results is not the same as yours.

Ask your clients to "grade" your performance. Attached as an addendum to this article is my template "thank you" letter and my grade card. It takes real fortitude to send something like this to your clients. I guarantee you will learn a great deal about your client's view of your office, your procedures and your performance. I recommend the use of the grade card for everyone – no matter how long you have been in practice. How about carrying this theory one step farther and ask your staff to grade the firm's attorneys?

You cannot possibly make every client happy. There are times you need to cut your losses early and get out when a relationship begins to degenerate. Learn to recognize these potential clients and say NO. If a client has totally unreasonable expectations and will not revise his or her ideas after your counsel, this client will never be happy with any results you obtain. In addition, these clients are almost always the ones that do not

pay their bills. (HINT: if the potential client shares with you his or her horror stories about several other bad lawyers they have hired in the past, he or she probably a three-time loser. The operative word here is *several* lawyers. If a client is complaining only about his or her last lawyer, that may not be a clue that this client is a problem.)⁴

Time Management - Your time is your financial security. Learn to make the best use of your time by establishing time management procedures. The following are several methods to make the best use of your time (this list is certainly not exhaustive). Try scheduling meetings during two or three days each week. Coordinate your client meetings with your other hearing dates and outside meetings, such as continuing legal education seminars and bar luncheons. You will be more productive if you are not interrupted every few hours to meet a client or go to a hearing. In addition, you will be less tempted to leave a project currently on your desk to begin working on the new client's file. Set aside at least one day each week as a workday. Do not see any clients and accept only necessary phone calls. Use this day to produce the work that demands uninterrupted privacy (usually work that is new or very complicated).

If you are both a lawyer and a secretary, then time management becomes even more crucial. As a lawyer, your work demands attention to detail, but a secretary's work demands attention to minute detail and follow-through scheduling for calendaring, docketing, notification, document production, and coordination of runners, lawyers, other staff, and clients. Until you have mastered this ability to juggle several things at once you must keep distractions to a minimum.

Telephone Management - Take control of your telephone. For one week, keep track of the time you are actually spending on the phone each day. You may be amazed at how long that three-minute call really took. To manage your time, you need to learn to manage your phone. Some of the following ideas may or may not be possible, depending on your type of practice and staffing.

If possible, designate specific time periods during the day in which you will be available to take telephone calls, perhaps three hours in the morning and two hours in the afternoon. Make all your calls during these times. Have your staff suggest to the caller that you will be re-turning calls at a specific time. Either you or your staff must make certain that those calls are returned during that specified time. I realize that not everyone has the luxury of putting their phone on do not disturb for one to two hours at a time, but if you will learn to do so, you will find that your work product is better and your stress level decreased.

When your staff takes calls, encourage them to reply to as many of the caller's inquiries as possible and that they are permitted by our ethical rules to answer (e.g., dates of events or receipt of documents). If the caller requires more information than your staff is qualified to provide, then ask the staff member to set a telephonic appointment for you and the caller. Design methods to remind you of that telephonic conference (e.g., calendar the call as though it is a meeting). Use your calendar alarm to remind you to call at the appointed time. Make sure that you and your staff document each call in the client file, including subject, date and time. This will provide you with a complete diary of all communications. Amicus Attorney will coordinate all of these in quick, simple steps.

If a call is a miscellaneous or an informational call, keep the detailed message of each call and file it for later referral. Before I found the Amicus Attorney, I used a daily desk file and sorter that is divided into alphabetical order. Every six months all the notes were re-moved, kept in alphabetical order, and placed in a file for storage. These notes allowed me to track prior referrals that had not resulted in clients, or prior calls that I did not take as clients but referred to other lawyers. This is very important when a potential client calls six months later and decides to retain you, but you do not recall your discussion or the suggestions that you gave. When meeting with clients, do not take telephone calls or allow staff to interrupt. Your clients consider this to be rude and good evidence to them that their business is not as important as your other clients, such as that telephone call you are taking in the middle of their story about their hit-and-run accident. Of course, it is appropriate to explain to your client, at the beginning of the meeting, that you are waiting for a specific call and will need to break to take that call. I use Caller ID on my office phone so that I can tell who is calling and whether I need to interrupt my meeting with the client.

Use your voice mail as a message center for both you and your callers. Encourage the caller to leave a detailed message, describing their inquiry and a good time for you to return their call. This information will give you sufficient specifics to provide a prompt and complete reply. Using this method, you will save time for both you and your client. I retrieve the calls (during my telephone periods), pull the file, find the answer to the question, and call or fax a reply. This is a very efficient use of my time and adds a sense of control to my

day. I change the message each day to reflect my current schedule. If I am going to be out of the office for more than twenty-four hours, I request that the callers leave a number where I can reach them in the evening, if their call is urgent and cannot wait until I am back in the office.

Mail Management - Organizing the mail is a task that should be designated to one individual and should be done at one or two specific times each day. This would include culling through the faxes and e-mails. All incoming mail must be date stamped. Other than letters, most original documents should be stamped on the back of the document, or on a separate "stickie" attached to the document. A "client copy" should be made of all mail pertaining to a client file and an envelope attached with the client's address. Stamp the original correspondence with "client copy sent (date)." Give the entire package to the supervising attorney for review before the documents are sent to the client.

I suggest that each person in the firm have access to Internet mail (e-mail). I have reduced my long distance bills approximately \$150 to \$200 per month by using e-mail rather than my long distance carrier. All information sent by e-mail must be controlled in the same method that you control any other type of mail. The future is near when all minute entries and pleadings will be forwarded by e-mail, therefore now is the time to establish systems that will allow everyone in the office to track this information.

The mail contains specific information that is very important to the attorney and the status of each file. If there is no procedure in place to manage that information then deadlines and hearings will be missed. Designate one person to calendar and docket all hearings, responses, replies, and deadlines. Use a yellow high lighter to indicate that the dates, times, or events have been calendared, with each highlighted area being initialed by the person making the entries. The use of this high lighter and initialing will make it easier for all other readers to be secure that the appropriate calendaring and docketing has taken place. Another option is a stamp with blanks for several items listed including calendar, docket, client copy sent, reply necessary, etc. The blanks are initialed and dated to indicate that each action has been completed.

Calendaring and Docketing Management - These are the most important tasks in managing a law office. Missing a hearing or forgetting to deliver documents to opposing counsel in a timely manner is what every attorney fears. The smaller firms will find that there is a prejudice about missing these dates. The large firm attorney's failure is seen as understandable error excused by the unwieldy size of the firm whereas, the smaller firm attorney is seen as incompetent and greedy in that he obviously has taken too many clients and is not managing his or her desk well.

Always calendar immediately upon the receipt or completion of a document that needs follow up or has a time restriction. Make certain that the person who is assigned this responsibility fully understands the importance of what may appear to be a very mundane task. Do not let your staff or lawyers become lazy about this procedure - it will be the death of your practice if you do. Always calendar expected responses from your clients and opposing counsel or the expected return of documents (orders from the court, etc.). Attorneys' offices have become so inundated with paper that it is very difficult to keep an accurate account of all documents. Learn to use your office management program to facilitate this task.

It is important that each office keeps at least two separate calendars and docketing systems. I suggest both a computer and hand-entry system. If possible, it is also important that a person other than the one whom made the original entry checks each entry. One option for calendaring and docketing is using a computer program. This may be a program that is specifically designed for law office calendaring or you may design your own program through another personal information manager. Whatever you use, make sure that each person understands how the software works and understands the program's significance to the smooth operation of the law office. If you carry your calendar with you, make sure that some procedures are followed to transfer new information from the hand calendar to the office computer calendar, and vice versa. I use blue tabs that are placed next to each new entry I make in my personal calendar. These tabs are then removed once the calendar on my office computer has been updated. At least once a month, make a copy of the time manager and keep it in a secure place until the next month. This is an extra insurance policy if your briefcase or purse containing your time manager is stolen at the same time that your office computer crashes. As additional insurance, you always have your computer tape backup.

"To do" lists should be made an integral part of your calendaring system. If a project is not completed one day, your software program should retain the project on a running "to do" list until it is completed. *Amicus Attorney* provides for allocation of priorities to the "to do" lists, including an entry for "do someday." Every morning *Amicus* also reviews each file in its database and compiles a daily list of "to do" items, printed out in order of their assigned priority. As the date for completion moves closer for that "to do", it is automatically moved up on the priority list.

A convenient tool with any good computer calendar programs is an alarm system that can be set in advance to warn you of scheduled events. You should be able to set the advance alarm for any given period of time prior to the scheduled event. The best alarm will interrupt you even when you are working on documents in another software program on your computer.

File Management - While a file is on your desk, plan all the events that need to be accomplished in order for that matter to be brought to an end, or at least to reach a specific level. Calendar (in your computer to do list) advance reminder notes for all deadlines and hearings and for anticipated responses and reminders for future work. *Amicus Attorney* has a great precedent feature which allows you to build a database of linked events so that when one event happens (the filing of a complaint), all subsequent events are automatically calendared (twenty-day answer period, default time, disclosure date, etc.). If you do not have a software program that automatically organizes this information for you, then take the necessary time to think through all the work yet to be accomplished. It is wise to do this while the particular file is still fresh in your mind. If you follow this procedure, there will be fewer mistakes, you will forget fewer items, and you will be able to close this file in a more timely manner.

Do not forget to send a thank-you letter to your client when you send the final bill at the completion of the work. Always bill timely. Clients are not impressed when they receive a bill six to eight months after the work has been completed. You will find such tardy billing is very difficult, if not impossible, to collect.

A. File setup. Before you open your doors to the first client you need to decide the type of filing system your office will use. There are a variety of filing systems. The most widely used systems usually fall within one of the following styles:

- *File by client name.* Active files are alphabetized by client name and filed using that name.
- *File by adversary name.*
- *File by number.* This is the most common method to keep track of new files. Each client is assigned a sequential master client number. Each new matter is then assigned a sub-set of the original client number, or its own unique matter number. I use the latter. Each new client is assigned a sequential master client number and, as a new matter is opened, it is assigned a unique matter number. Each matter number begins with the year the file is opened, followed by five digits. For example, the first new matter opened in 1996 was assigned matter number 9600001. This matter was for client number 222, therefore the file number assigned was 222/9600001. The 222 is the unique client number which was assigned when this client first retained our office. Client 222 could have hundreds or thousands of separate matter numbers, but the original client number will never change. Once the file is closed, it is filed sequentially by the matter number, not alphabetically. Each closed box is labeled with the matter numbers inside and a master list is kept in both the computer and at the storage site of all matter numbers and the assigned box.

Within each client file should be separate folders or backers, each labeled for that particular matter file. How should these folders or backers be labeled? I include the client name, adversary name, and client/matter number on every folder or backer, along with the name of the folder or backer (pleadings, schedules, diary, correspondence). Inevitably, you will find a misplaced file folder or backer in another file. It is obvious that this is misfiled because the client name and number is not the same as the others in that file. The number of folders or backers is a personal choice, but keeping several separate ones in each file makes handling large files much easier. You simply pull the separate file or backer, work from that information, and re-file the backer when you are finished. Should you need only part of the file at a meeting or a hearing, you can pull the separate folders or backers, attend your meeting or hearing, and re-place them when you return. Because the correct file information is on each folder or backer, it will become virtually impossible to misfile it.

Filing. A nasty job, but someone has to do it. Without exception, filing must be done every day. Using a filing box to stack documents until someone has the time to put them in their proper file will lead to lost time in searching for specific documents, lost documents and the appearance of incompetence.

Management information reports. Many clients require monthly status reports and may have specific forms that they require you to use. Inquire of each client as to his or her expectations and requirements before you establish a general procedure for that particular client. You will also find that many of these same clients have specific forms for bills. Be familiar with these requirements.

Inventory of pending matters. It is important that a general office procedure be established to ensure every file is reviewed on a periodic basis. Ideally, that would be each month, perhaps in conjunction with the billing at the end or beginning of each month. Create a list of all matters that are pending, have hearings set, have documents to be prepared, are awaiting client/adversary response, and are awaiting time limitations to run. Also create a miscellaneous category. Use your computer program to accomplish this rather time-consuming project. Amicus Attorney keeps this type of inventory with each file and can prepare reports at any time.

Maintenance of closed files. The question is always asked - How long to I have to keep my client's files? At the conclusion of your representation send all clients a letter notifying them of their right to retrieve documents that have not already been provided to them. In the same letter notify the clients of your intent to destroy the file after a given period of time. Check your state's ethics opinions to determine the required/suggested retention period. Arizona lawyers must look to ER 1.15(a) that provides for a five-year retention period after concluding representation. Also make sure that your retainer agreement sets forth your retention policies.

Despite your retention policy consider permanent retention of your retainer agreement, written correspondence notifying clients of your intention to destroy the files and an index of documents that were destroyed.

Timekeeping Management - Regardless of the type of legal services you provide, you need to design a system to keep a record of all the time you spend on each client file, separated by each particular matter. Many of my clients are on a flat fee basis, but I still keep separate time entries for all events in each file. Amicus Attorney makes this a breeze. In the days before this software program, I designed a communication log. This log was included in every file. Entries were made for all work performed and of each meeting or phone call, including a detailed description of the conversation and any future notations. There will be times when a client or the court requests an itemization of fees and costs several months after the work has been completed. Without the communication log or a good timekeeping system, I would not be able to reconstruct my time accurately.

You can use either a computer timekeeping system or a manual log. What ever method you choose, make sure each file is fully documented to its completion. Then, keep all records for a minimum of three years.

If you are still trying to practice law without the aid of a computer, you need to invest in a hand-entry time sheet. Even though hand-entry systems are still in use, they may not be very practical. Only you can decide. Make certain that the system you choose works for you, your clients and your staff.

Accounting Management - You will need an accounting system that, at the very least, includes client accounts, separate trust accounts, a general account, a payroll account, accounts payable, accounts receivable (probably your client accounts) and capital accounts. Many software accounting programs are available for this purpose: PC Law and Quicken are just a few.

The general ledger reflects all monies in and out of the general checking account. Make sure that you identify the expenditure as related to each client file and the purpose of each expenditure or deposit. Your software program should automatically post each entry to each separate client file. This will assure that each client file is properly charged for all costs related to that file. Your new software program will soon pay for itself in recapturing lost costs.

The accounts payable is a ledger of all bills you need to pay, including the names and addresses of each company. Closely scrutinize the statements that are being paid. Very creative staff has been known to create statements for fictitious companies.

In my days before PC Law, I used a simple system to keep track of most of the costs incurred on a client's behalf. Each file contained a separate backer or folder entitled Bills/Receipts. Copies of each bill or statement, including a copy of the check for payment was attached to the backer or folder. All staff in my office followed this system. Hopefully, it reduced the money lost as a result of neglecting to bill a client for advances and costs incurred on client matters.

As a matter of policy and professionalism, the following procedure was established to control spending within my firm. Whenever a client check is received, that file is pulled, a copy of the check is made and all bills related to that file are paid immediately. Then, office overhead is paid before the lawyer receives any salary.

A separate account or chart is kept for all accounts receivable. These are the fees owed by each client, costs advanced, monies received and write-offs, if any. It is very difficult for lawyers to make demand on their own clients for payment. Each lawyer must establish his or her business procedures for making such demands and follow through with the necessary collection activity. Keep in mind that many malpractice claims are brought immediately after a lawyer commences collection actions against the client. Perhaps establishing a procedure whereby the lawyer requires up-front retainers, which are replenished as they are used, is a better way to manage client's accounts receivable.

If you have employees, a payroll account will be necessary. Payroll records need to be kept for each employee, including copies of driver's licenses, and/or Social Security cards. For contract labor, you will need to file the appropriate 1099 forms at the end of the year. Therefore, you must obtain the contractor's Social Security numbers or employer tax identification numbers prior to issuing any checks.

TRUST FUNDS FOR LAW FIRMS: Pursuant to Arizona Supreme Court Rule 4, each lawyer who receives client funds in Arizona or in connection with representation of clients in Arizona must maintain an interest-bearing trust account to pool client funds of minimal amounts. These trust accounts are referred to as IOLTA accounts.

In order to set up an IOLTA account:

- Direct the bank to assign the Arizona Bar Foundation's tax identification number 95-3351710 to the account.
- Make sure that your bank realizes that all interest from this account is to be paid to the Arizona Bar Foundation.
- Complete the enrollment form that you can obtain from the Arizona State Bar Foundation.

What are the IOLTA funds used for? The Arizona Bar Foundation provides legal services to the poor and disadvantaged and assists in educating the public about the law. If you are not an Arizona lawyer, be sure to check with your state bar association regarding your trust account requirements, if any.

It will be necessary to keep a ledger that identifies all monies deposited on behalf of each client (a good computer program can accomplish this for you). You may elect to have several trust accounts, a different one for each of your larger and repetitive clients. If you overdraw a trust account the Bank will immediately notify the State Bar. Forewarned is forearmed.

ALWAYS BE WELL ORGANIZED

The organization of your files creates an image. A well-organized file makes you appear well organized in other matters. Looking organized not only creates a favorable impression, it may help you to obtain a favorable settlement because the other lawyer or party feels intimidated.⁵

Of the many valuable lessons that I learned from Phoenix attorney, John P. Frank, the one lesson that I use several times each day is to try to handle each piece of paper only once. Upon picking up any paper you have three choices: delegate, complete the work or file/trash it. He also taught me to respect the value of my time, but to find peace in doing simple things. A third lesson was to determine who has the ability to handle a project and delegate, but not to abandon.

One method to becoming organized is to anticipate any future needs both for tomorrow and next week. Decide what documents must be prepared for that hearing on Monday morning and what steps you must take to be prepared. Use your calendar or your computer to do list to remind you of items before they

become emergencies. If you have staff, establish specific levels of responsibility and procedures for follow-up communication so that the status of each file is easily determined.

Keep your desk clear of distracting work. Have three boxes for incoming mail: (1) urgent/ important, (2) normal, and (3) reading. Make a list of things to do in order of priority. Revise that list as you work through your day, adding new items and deleting completed ones. Again, your law office management software program should accomplish this for you on a daily basis.

SOME FINAL THOUGHTS:

These suggestions reflect my experience in either establishing and being part of several different sizes and styles of firms: from a solo practice to a supervising lawyer in a medium-sized firm with staff of eight to ten, to training law clerks in a firm of 100+ lawyers. The majority of these suggestions will be applicable no matter what the size of your firm

To make the most out of your time as a lawyer join as many state and county bar sections, community organizations and professional associations as you can make time for. Become very active in a select few of these organizations and build your contacts and reputation through these efforts. If you are going "solo" then meet others who are in the same situation you are in and make arrangements to cover for vacation and unforeseen double scheduling of court calendars. Do not be shy about calling people in your areas of practice and offering to exchange coverage for double calendaring. You will be pleasantly surprised about how many practitioners are willing to assist in both procedural and practical matters; all you need to do is ask. If you believe you are alone, it is only because you have chosen to be.

Most importantly, if you are contemplating leaving a current situation, then talk with everyone you know regarding whatever changes you are contemplating. Someone out there has tried every style of practice you could conceive of. Learning about their successes and failures will save you time, energy and money. Trust in yourself. If you act, look, and talk like a successful professional, you will become one.

The last and most important lesson that John P. Frank taught me was to always treat myself with respect.

ENDNOTES

1. For more detailed information on setting up a home office, or what I call an on-site office, see my article entitled *Creating an Ideal Law Practice in Conjunction with Your Home*, chapter 26, *Life, Law and the Pursuit of Balance*, Diane L. Drain, Jeffrey Simmons Editor, MCBA, 1996.

2. The office equipment and services listed are merely suggestions and do not attempt to represent more than the author's opinion. These suggestions will not be perfect for everyone in every situation. See also Chapter 15, *Life, Law, and the Pursuit of Balance*, Technology and the Quality of Life, and Chapter 16, *Life, Law, and the Pursuit of Balance. Tips for the Computerized Lawyer*, for additional suggestions on how to computerize your law practice.

3. J. Keith George, *You Can't Succeed by Winning*, in *FLYING SOLO: A SURVIVAL GUIDE FOR THE SOLO LAWYER* (Joel P. Bennett ed., 2d ed. 1994).

4. See Chapter 18, *Life, Law and the Pursuit of Balance*, Little Things Mean A Lot: Communicating Tips from a Client's Perspective, for further discussion on communication with clients.

5. Kenneth C. Wolfe, *Scare Your Opponent with Paperwork*, in *FLYING SOLO*, *supra* note 3.

THANK YOU LETTER AND GRADE CARD

«TodayDate»

«ContactName»

«ContactCompanyName»

«ContactStreet»

«ContactCity», «ContactState» «ContactZip»

REGARDING: Legal Services

OUR FILE NUMBER: «FileClientID»/«FileMatterID»

«ContactSalutation»:

Now that your case has come to a close I want to take a moment to say "thank you". I fully realize that this situation was not easy for you. It is my hope that that I was able to light your path through the morass of legal issues in such a way that you were comfortable making the decisions that I asked you to make. Certainly the situation that you just went through is one that is very difficult to prepare for ahead of time. But you handled the challenges well. I appreciate your candor and timely response to all of my requests for information. You made my job much easier.

My office policy is to keep all client files for no more than five years. At the end of that period I have your authority to destroy all documents in your file, unless you instruct otherwise. Throughout the time that I have been representing you I have been sending you copies of most of the documents, correspondence and pleadings that I received. During our time together you may have given me documents that you would now like to have returned. Please contact me to make arrangements to pick up these documents otherwise I will assume that you have no interest in preserving them.

Finally, I would appreciate your taking a few minutes and answer the following questions. I read every response on this "report card" and your replies help in establishing office policies and procedures. Please feel free to make any suggestions; especially ones that you feel will help me offer better services to my new clients. You may sign the report card, if you would like, but it is not necessary. Use the enclosed self, addressed stamped envelope to return your response. If you would like to write a more lengthy reply then feel free to send that along also.

Thank you very much for taking your time to help me be a better lawyer and counselor. As always, if you ever need any assistance please feel free to call.

Sincerely,

Diane L. Drain
Attorney and Counselor at Law

DLD/db
Enclosure

REPORT CARD

Rank the services that you received from both me and my staff from **A to F** (A - excellent and F - failure). Feel free to make any comments in response to any question. If you feel that a bad grade is earned, then please state the circumstances and what we could have done to make the situation better.)

What type of legal matter did you seek legal assistance for? _____

- 1) _____ I was comfortable that Diane understood my problem.
- 2) _____ I felt that Diane cared about my situation and really wanted to help.
- 3) _____ I felt that Diane was capable of handling the legal issues involved with my problem.
- 4) _____ If I had to make a decision I felt that I was first given an opportunity to ask questions.
- 5) _____ I felt that I could ask Diane questions and that she would take the time to answer those questions so that I fully understood the answers.
- 6) _____ I felt that I normally understood the status of my case and what to expect next.
- 7) _____ I realize that Diane was the only lawyer in her firm, but she was able to keep me informed about my case whenever I had questions.
- 8) _____ My calls were usually returned within reasonable time after leaving a phone message.
- 9) _____ I felt that I was treated professionally.
- 10) _____ I felt that I was treated with respect.
- 11) _____ I felt that my case was attended to diligently.
- 12) _____ I felt that my case was attended to ethically.
- 13) _____ I felt that the fee I paid was reasonable and I received a valuable service for that fee.
- 14) _____ I felt that I was fully informed what my fees would be before I retained Diane.
- 15) _____ I would be comfortable giving Diane's name to someone else who needs legal help.
- 16) _____ The overall grade for the help that I received from both Diane and her staff.

NOTES: _____

Again, thanks for your time in completing this report card. Your comments, both negative and positive, are very important to me and I appreciate your being as sincere as you wish.