



Going Solo: Are You Ready to Leave Your Firm & Go Out on Your Own?

By Terrie S. Wheeler, MBC

You might find yourself in one of two scenarios. You have been practicing in a large firm for many years and have developed the contacts and expertise you need to spin off and start your own practice. Or, maybe you are a recent law school graduate unable to find gainful employment as a lawyer and decide to hang your own shingle. Either way, there are many benefits of being the CEO of your practice. The latest American Bar Association data shows that nearly 80 percent of all lawyers in the United States practice in firms with fewer than five attorneys. Small firms comprise the life-blood of the legal industry. However, before you jump off the entrepreneurial cliff, there are a number of things you will want to consider:

Clients hire lawyers not law firms. Your clients are loyal to you. It's likely your clients chose you, not your law firm. To the extent you have clients you have attracted into your practice, they will follow you assuming you can show them that not only will they not suffer because of your move, but they may well benefit from a reduction in your hourly rate, and receive more personal attention.

Your overhead allocation. Many large firms have a per lawyer overhead allocation anywhere from \$150K-\$300K or more per year. You won't need this level of per attorney overhead when you start your own practice. Therefore, your practice can potentially be more profitable than it is in a law firm.

Office location. Depending on your practice, you don't necessarily need Class A office space downtown. Many lawyers

I know have national practices and rarely even meet with clients in their offices. However, if you do need swanky space, consider some of the office suites in your area. Office suites offer all the amenities of a large firm (receptionist, waiting room, conference room space, a nice office, copy, fax and secretarial services) with an affordable price tag.

"The E-Myth Attorney." The "E" in the title stands for entrepreneur. Written by entrepreneurial guru, Michael Gerber, this is a must read book for any lawyer contemplating going out on his or her own. The key concepts focus on helping you build a profitable enterprise rather than "owning a crazy job." You will learn how to manage your finances, and develop replicable processes so you don't have to work so hard. Not every lawyer is cut out to be an entrepreneur. Before you jump, make sure you are!

Choose your partners wisely. You don't have to go it alone! You may find a couple of like-minded lawyers you would like to join forces with. Before entering into a partnership agreement, make sure you refer to last month's article on "Keeping the Success in Succession Planning," paying attention to having open discussions with prospective partners. These discussions include reviewing strengths, three-to-five year goals, traits and characteristics, roles and responsibilities in the practice and more.

File transfer protocol. Before opening your doors, research the process required to transfer your client files from your existing law firm to your new firm. Focus on making the process as seamless as possible for your clients.

Create a business plan. Don't jump into your new practice with a "Ready. Fire. Aim." approach. Rather, spend time contemplating your business goals. What are your overall growth objectives? What menu of services will you offer and to whom? What are your income projections, as well as monthly expense projections? How will you manage your cash flow? How will you bring your business plan to life with marketing strategies?

Get your office in order. After you find office space, you will want to select your choice of entity and register your new business with the secretary of state's office. In addition, you will want to secure any necessary permits and licenses including your new Tax ID number. Look at innovative solutions for your office equipment, telephone and computer systems and other tools like copiers and scanners.

Create your systems. Depending on your practice area, you may want to invest in practice management or practice-specific software (for example, software made for immigration lawyers to track workflow). Also on your list will be accounting, time and billing, conflict checking and client communications software. Most of these tools are now available in the form of se-

cure online subscriptions and will not require the large cash investments lawyers had to make in the past.

Secure your website domain. Go to www.Register.com and search for your ideal website domain. See if it's available. If it is, purchase it for five years.

Develop your brand. Hire a skilled graphic designer to create the branding for your new firm. Ideally your brand will consist of a unique logo, a fresh color palette, new letterhead and business cards, a website, tailored social media sites, a blog, your email signature block, a PowerPoint template and service summary PDFs.

Integrate your marketing efforts. This is about bang for your buck. Make sure your website links to all of your social media sites, your social media sites link back to your website, your website address and LinkedIn profile are accessible through your email signature block, and all of your marketing communications link back to pages on your website.

Update your listings. Make sure your LinkedIn profile is up-to-date and includes your new contact information. Contact Martindale.com and [Super Lawyers](http://SuperLawyers.com) and update your listings. Notify your bar association and other trade associations of your new contact information. Do a Google search for yourself and identify every website that references you and update your contact information on each site. This is very important for SEO.

Plan your big marketing launch. Pick a date for your official new law firm announcement. Hopefully your new website will be up and running and will concisely convey the benefits of working with your firm. Hire a copywriter to develop your "launch communication." Send a nicely branded e-communication to all of your contacts, clients and referral sources. Post the announcement on LinkedIn, Facebook and other social media sites. Send a news release to members of the local media. Finally, after three to six months, consider hosting an open house in your new space to celebrate the opening of your new law firm.

Leaving your law firm may or may not be the best choice for you and your clients. However, if you do decide to start your own firm and implement the steps above, you will be well poised to succeed. If you have the entrepreneurial gene, take advantage of it by taking a risk, leaving the law firm politics behind, and prospering as an independent business owner.



Terrie S. Wheeler, MBC, is a marketing and business consultant in Minneapolis, Minnesota. She has successfully assisted many lawyers who have left large firms and started their own practices. Terrie holds a master's degree in business and marketing, and speaks across the country on topics including marketing ethics, succession planning for lawyers, and overall best practices in client retention and growth. She teaches marketing and client service at three Midwestern law schools, and serves on the executive committee of the Lawyers Board of Professional Responsibility in Minnesota. You can reach Terrie at (320) 358-1000 or via email at twheeler@psm-marketing.com.

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Our niche is complex business litigation. It's what sets us apart. Our decisive, business savvy trial attorneys go the distance for our clients. We succeed in court with smart strategy and creative solutions, but also have the business acumen to know when litigation isn't the best option.

Either way, we are always driven by a singular focus and determination to win.

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DO YOU KNOW SOMEONE TO NOMINATE?

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