It is necessary for solo practitioners and small firms to evaluate their assets and expenditures in order to help them survive in today’s business climate. Each of the following critical areas of inquiry must be evaluated:

1. Yourself
2. Your office inventory
3. Choices about renting or owning
4. Case selection
5. Advertising
6. Salaries

I. You

_You Are Your Firm’s Greatest Asset_

Clients that are retained by your firm are more than likely retained by you if you are a sole practitioner, or, if you are a small business, by you and your partner. Either way, the business of the law office and its survival ultimately depend on the lawyer making sure that he or she is ready to function. This includes simple little things like making sure you have enough sleep and making sure you take care of yourself (e.g., vitamins, exercise, working out, walking), so that you cut down on sick days and your inability to do your job. With the stresses that the economy and the stock market are inflicting upon you and your assets, it is important that you are able to remain in tip-top shape so you can handle these concerns.

_Knowing When to Say No_

We all have to make decisions about case selection (discussed more in section IV). We also need to make accurate assessments about what we can and cannot do. The writer of this paper is now the Immediate Past President of the New York State Trial Lawyers Association, and at the time of writing this paper, was the President. That decision necessitated a tremendous commitment to the statewide trial lawyer organization, and a concomitant decrease in time for
my law office. There are only 24 hours in the day, and I found out the hard way that, despite best intentions, hard choices had to be made. You need to know when to say no, whether it is to a speaking commitment, travel commitment, or family commitment. You need to be able to balance your life and your office around your other commitments. If you attempt to take on too much, the stress and anxiety will defeat you and cause you to fail in all of the endeavors you have undertaken.

Stress

Stress is the biggest enemy of a solo practitioner. Stresses come naturally throughout life, but the amount of stress can be reduced if you take the proper steps. As previously mentioned, it is important to keep yourself properly toned and conditioned, such as with exercise, vitamins, and sleep. A second method to alleviate stress is to plan and utilize your day efficiently. Certainly, if you are on trial, you have already planned out your day: You know which witnesses will be called in the morning, how your cross-examination is going to work, and who your witnesses are going to be in the afternoon. You have done your proposed jury request to charge, and you have probably outlined evidentiary issues that might pop up in your case. When not on trial, it is surprising how many lawyers do not plan their “office time.” We all probably have files or projects on our desks to which we are just not getting. I find that the most effective way to get to these projects is to plan your “free time” or “office time” in 20-minute intervals. 20-minute increments are ideal, because after that length of time, your attention naturally begins to wander. If you take five minutes before your day starts and work out a rough plan, you will be able to work effectively and efficiently, thereby reducing stress and actually chipping away at that pile on your desk. It also can be helpful to tell your secretary to hold your calls when you are working on something important, so your attention is not diverted and you are able to complete the task on which you are working.

II. Your Inventory

You need to take inventory of your office. Today’s challenging times demand that you do not just simply follow the status quo. You can take charge of your office in a few simple ways:

1. Take a look at your inventory, i.e., supplies.
2. Take a look at your library.
3. Take a look at what extra materials or things your office is accumulating.

Supplies

In the past, you may have had a truck deliver everything from paperclips to toilet paper. However, it can often be more cost effective to get your materials at an outlet club such as a Sam’s Club, BJ’s, or Costco, which can be significantly less expensive. As a solo practitioner or small business owner, costs that are reduced directly mean more income for you. The old
saying, “A dollar saved is a dollar earned,” is as accurate today as when it was coined centuries ago.

Library

Your library is a prime place for you to cut expenditures. It is necessary to examine the contents of your library and to ask yourself and your partners who has actually looked at each book in the last year. It is an inefficient use of funds to update a pocket part when nobody has actually looked at the book. These pocket parts sometimes cost more than it would to buy the whole book new. Moreover, most firms are now relying primarily upon online research, and the hard copies are rarely used.

Promotional Materials

If your office is buying magazines for clients to read when they sit and wait for you, ask yourself if it is important that they read *Sports Illustrated* or *Consumer Reports*, or if your money and their time could be more effectively utilized. Instead of magazines, have the client read promotional items, such as a profile of your firm, a firm brochure, newspaper articles you have been in, or papers you have written. In addition, instead of playing music when a caller is on hold, use this time to play promotional messages about your firm. Surviving in today’s economy means that you need to promote yourself, and these are inexpensive ways to do so.

III. Your Office Space

Do you rent or own your space? If you are in a big city building, you certainly are not going to be buying the building; but if you are in a small city or suburb, you might want to purchase your own office building. Decisions to rent or own should be made early in your career, but it is never too late to make an investment. If you are currently renting, in light of the economy, now might be the time for you to reevaluate your decision. There may be real estate opportunities for you and your firm that did not exist before. This is a financial decision that you and your financial advisors should discuss to determine if it makes sense for you. If you already own, you likely have equity to borrow against if need be. In addition, you can even rent out extra space or offices to non-competitive businesses, such as a CPA, lobbyist, or other professional business that can coexist in your law office environment.

IV. Case Selection

Case selection is the key to success. It is necessary to investigate not only the potential case itself, but also the potential client, when deciding whether to take the case. In New York State, there is a database in which you can run your client’s name and social security number, and it will tell you if there are any judgments against him or her and whether or not he or she has a
criminal record. The database will also give you the client’s driving records. This can be helpful, for example, if the person is telling you that he or she hurt his or her neck or back and has never been in any other car accidents, and you can look right on your computer and see whether the client is being dishonest. You will also discover whether the client has a criminal record that would adversely affect the case. With the advent of inexpensive technology at our fingertips, it is important that we take advantage of it.

V. Advertising

Advertising can swallow up all of your profits if you let that happen. As discussed previously, advertising such as firm brochures and call-waiting messages can be very effective and inexpensive ways of promoting yourself and your firm. If our current clients do not believe in us and do not bring their friends, their family, and their subsequent accidents to our offices, then we have really lost a huge market share already. So, rather than hoping to be on every national or local television station, perhaps the place to start is where you already have had contact, not only with your current clients, but also past clients. Sending out an e-mail blast once a month about the things that you and your firm are doing is a very inexpensive way to keep your firm in the thoughts of your present and past clients. There is much inexpensive advertising that can be done, and it can be done tastefully in-house, and it will contain your costs.

If you do desire to have media access, it is important that you hire a media consultant. This person will be able to coordinate the making of your commercials, whether they are on television or on radio, and can facilitate the buying of time in bulk because of his or her ability to buy it for multiple clients. Doing so will save you a lot of money in the long run.

VI. Salaries

The salaries of your staff need to be reviewed. Salaries should not just be automatically increased at every anniversary date. You need to have input with your staff and meet with them at least quarterly to make sure they are working up to your expectations and to make sure that their concerns are being heard. No one likes to work in a vacuum and feel that their efforts and toils are not being recognized or rewarded. On the other hand, as the solo practitioner or partner in a small firm, you need to be assured that your employees are competent. It is important that you recognize your staff and do something to protect and promote their retention, including an unscheduled bonus or other way of showing your appreciation. Health care costs are rising, but remember, if you start making a decision to have your employees pay a portion of their health care costs, the net result is that your employees are getting a pay decrease. Conversely, however, if you pay 100 percent of your employees’ health insurance premiums, as I do, and those premiums rise, you should be sure to make your employees aware that this is akin to a pay increase. It is important that your hardworking staff do not feel that they are being taken advantage of.
I hope that the above items give you some ideas to look at within your law firm or solo practice, and that they help you to not only survive in today’s economy, but to thrive.