HOW TO MANAGE A SMALL LAW FIRM

HAPPY LAWYERS MAKE MORE MONEY

GROWING LAW FIRMS IS OUR BUSINESS

IRON SHARPENS IRON

2019 ISSUE 9

The Power Of The Offer

The sales meeting. To the untrained person, the sales meeting may appear to be a random, friendly conversation.

It's NOT. A sales meeting is a tightly choreographed and extremely planned session and the placement of an offer in the conversation must be controlled by the sales person.

When planning the sales meeting, among the first things you do with the prospect is **agree to a confirmed time.** There is a reason for doing this aside from the practical explanation of knowing both parties will be at the table at the same time--this way, you know exactly how the meeting will go down.

The offer should be proposed no later than about halfway into the scheduled-time for the sales meeting. At that time, you will discuss the pros and cons right about at the 30-minute mark of the sales meeting. Confirming the time and length of the meeting allows you to know precisely where the "halfway" mark is and the prospect also will understand that 30 minutes is halfway into the confirmed length of the sales meeting. Without this, your meeting and your offer are out of control.

Most attorneys never create an agenda when they sit down at their meetings. Too often they are not using a dragon or non-attorney sales person so they are sick to their stomachs about being "rejected", worried about what the "NO" means to their ego, and are fretting what this failed sale will mean to their bank account. This is part of the reason why **we propose an agenda up-front.** After the agenda is set, there is a shift in energy. Both parties are at ease because there is a road map they are committed to following. It is this powerful, yet simple concept. This is also why we, in sales, say **sales is an "inner game"**; it's all about quieting the voices banging-around in your head. Have you ever tried hard to listen yet truly hear what the prospective new client is saying and more importantly, what he or she ISN'T saying? It's virtually impossible. Listening is critical. Hearing not only WHAT they are saying but how they are saying it combined with paying attention about what is going on in their body language, what is going on in their tone of voice, and, what their pace of breathing is. All these factors--incredibly important to

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ISSUE HIGHLIGHTS

WHAT'S ON YOUR DASHBOARD?

Imagine you are in your car, driving through a city, and instantly, your dashboard completely fails. No speedometer--you have no idea the speed you are traveling. No temperature gauge-you think your vehicle is at a cool enough temperature, but is it really? No data whatsoever is available about your vehicle's levels for fuel or oil. Isn't it crazy to even consider operating a vehicle without knowing these numbers? Of course, it is. Yet, many business owners, law firm owners, are moving through their weeks without a clear understanding of critical numbers that signal hundreds, perhaps thousands, of potential challenges, even crises for a fledgling law firm. The successes are not apparent either--law firm owners have no idea when they should be celebrating or when they should be shuttering their doors.

At HTM, helping entrepreneurial attorneys begin good habits is a priority. That's why the Dashboard was created. As in most areas of life, when new things are learned, it can be a while before we actually DO the things we are told are necessary for our own good. For many HTM members, the Dashboard is one of those practices.

What you don't know can hurt you. Understanding your firm's relationship to money, it's trends for how many prospects are visiting, how many are engaging your firm, whether they are hiring now or hiring later, are just a few numbers that tell your firm's story. **When you know the truth of your firm's numbers, you can make educated decisions about where to invest more** in your marketing and when to pull back. Trends reveal themselves and your team's performance is no longer a "feeling" but data-driven reality.

Sign up for your own Dashboard account. Get your head out of the ground, or from wherever it is, and start really knowing your firm--the good and the bad.

All Members of HTM have access to their own Law Firm Business Dashboard, but if you're not yet a member you can get your free account at: HTMDashboard.com/Join & start tracking your firm's profits

HTM connect events

Introduction to Mindset Workshop
Miami, FL
March 1st-2nd, 2019

Understanding The Key Metrics in Your Law Firm Workshop
Miami, FL
March 15th-17th, 2019

Business Plan Workshop
Braselton, GA *(outside ATL)*
April 10th-11th, 2019

Strategic Planning & Calendaring Workshop
Braselton, GA *(outside ATL)*
April 10th-11th, 2019

Live Quarterly Meeting
Braselton, GA *(outside ATL)*
April 12th-14th, 2019

Train Your Dragon & Yourself To Sell Legal Services
Southern Florida
April 28th-30th, 2019

Sales Mastery Laboratory Experience
Southern Florida
May 1st-3rd, 2019

Build & Direct Your Superstar Cast
Orlando, FL
May 17th-19th, 2019

Sales Competence Workshop
Miami, FL
June 1st-3rd, 2019

Direct Response Marketing Workshop
(bonus workshop for insurance policy holders)
Miami, FL
June 7th-8th, 2019

Live Quarterly Meeting
Orlando, FL
July 19th-21st, 2019

Law Firm 500
Lake Las Vegas, NV
October 18th-19th, 2019

Live Quarterly Meeting
Lake Las Vegas, NV
October 19th-20th, 2019

Want to learn more?
www.HowToMANAGEaSmallLawFirm.com/Appointment

THE SUPERSTAR CAST WORKSHOP

Building Your Firm's Culture, One Position at a Time

by Nichole Hanscom

As a lawyer, your core strength might not be in people management and you probably don't know very much about how to attract the right talent for your firm, interview for the traits and skillsets your firm needs, and where to find the superstar you're looking for.

Sometimes our Members admit that the superstars they are looking to hire sound a lot more like purple unicorns than actual humans out in the market for hire.

But when your approach to hiring staff comes from a place that is systematized, methodical, and represents your firm's culture and personality in a positive light – Hiring staff becomes less of a pain-in-the-ass, unrealistic task... And more of a light at the end of the tunnel from which you're trying to climb out from.

Some say the best lessons are borne out of necessity, and Nichole Hanscom - Law Practice Management Advisor at HTM - believes 100% in that.

Just as HTM members struggle with understanding the delicate balance of creating the team they need exactly when they need it, Nichole burned through 10 receptionists in a 12-month period while working in the Public Defender's office.

For 10 years, Nichole learned the hard, costly and painful consequences that erupted over people afraid to be candid and to confront problems head-on.

"It still gives me goosebumps; the level of service we grew with $10-an-hour employees still amazes me," Nichole explains, "This is precisely why this matters."

People are a messy business. The truth is, you can get somewhere alone, but you cannot personally reach your growth goals on your own. That's why Nichole built out a three-day workshop last year offering it for the first-time last fall as a GET SHIT DONE opportunity.

For THREE days, a limited number of solo lawyers and their administrators dissected their law firms and asked one another the hard questions:

- What kind of culture do you want your firm to exude?
- How much do you want to make?
- What does it cost to live that life?
- How much money does your firm need to produce?
- What positions must you bring on board to get there?
- What kind of personality do you need for your receptionist? What kind of skills?
- How do you hire the right person?
- How do you NOT hire the WRONG person?
- What questions must you ask to get to the truth?
- And more...

Recruiting for your team is not far from your firm's marketing. You craft your marketing message to get the right people in front of your salesperson. We do the same thing with our employees. For the first two days, we hammer through the critical components of crafting your firm's unique job ads, interview questions, and hiring processes so that your firm's culture is established from the very first time a potential new hire sees your logo.

The best part of this workshop is not its theory, which is proven. The BEST PART of this GET SHIT DONE Workshop is it is a hard-working, deliverable-generating, Building Kit for Law Firm Teams that SLAY!

Attendees will leave their 3-day sessions with:

- Job Descriptions
- One-on-One Agendas
- KPIs
- Training and Onboarding Materials
- Scheduled Interview Sessions
- Scorecards
- Interview Forms
- And, Much, much more

Register NOW for the NEXT SESSION on Friday-Sunday, May 17th-19th - Orlando, FL

Why - Because companies with engaged teams are 202% more profitable! And, bad hires, hiring errors, or wrong team members in the wrong seats can cost you 4X more than your best employee can produce.
Become a better leader, a more powerful owner, and an engaged, in-touch boss.
Sign up today: email events@howtomanage.com

CHRIS ANDERSON AND PROFIT FIRST FOR LAWYERS

Sometimes ideas that emerge from OTHER good ideas are just too big and too important to stand in the shadows. These ideas, beg to stand alone.

Profit First for Lawyers, a new venture, is one of those ideas.

When author and serial entrepreneur Mike Michalowicz created the Profit First formula, he had already founded and sold two multimillion-dollar companies. The effective formula, embraced by small business owners all over the world, helps transform businesses from cash-inhaling hogs, to profitable, powerful enterprises. Christopher Anderson and RJon Robins routinely have their fingers to the pulse of profitable strategies, always weighing which powerful innovations will help How to Manage attorneys to advance their law firms.

ENTER PROFIT FIRST FOR LAWYERS.

With HTM's Christopher Anderson and RJon Robins partnering in the launch of Profit First for Lawyers as is an entirely new business in 2019. **Get ready, Law Firm Owner, because this is a game changer for all law firms.** You are a growth-aiming, potentially cash-strapped firm struggling to maintain profitability through growth and Profit First for Lawyers is Your Answer.

The Profit First for Lawyers program aims to help lawyers stand up in a new practice area that's never been introduced. Imagine a model that mirrors the Profit First formula with an added element: Learning to add approximately $300,000 to your law firm business in a new practice area without any new marketing or new staffing **PLUS reducing the pain of cash flow.** This innovative practice helps Law Firms understand how to dive into their list of clients to introduce endless value in a fantastic and practical service. What's more, it is a service that **bolsters the value that the law firm can offer to many of its current clients,** further cementing their ongoing relationship with the firm.

Let's take a law firm team with 50 clients that know, like and trust the firm. Consider there is typically another 50, 100 or more contacts who are former clients or referral partners that can potentially experience a life change in their business because of what you can bring to the table for them with **Profit First for Lawyers.** Lives are improved, business paths corrected, and the very best thing? The law firm wins in referrals + added revenue + community good will.

WIN. WIN. WIN.

Fundamentally, Profit First teaches that profit by its very definition is the priority of any business. A shift in business behavior, Profit First means exactly what it states: Teach business owners **to take profit first from revenue and only spend what remains on expenses.** The firm that takes on the commitment of Profit First, commits to transforming itself into a profitable cash cow by learning more about being a frugal operation that can ultimately pave the way toward efficiencies and innovations.

Profit First for Lawyers is not only about helping the firm get on profitable footing, but it also carves out a model that also becomes a profit center for the firm simply by serving as a platform to instruct small business owner clients to employ the philosophy as well.

Profit First for Lawyers aims to improve law firm profitability through better accounting and cash flow methods AND by offering the Profit First model to appropriate clients willing to shift their thinking.

PROFIT FIRST FOR LAWYERS - ALPHA TESTING

Since How to Manage offered Profit First workshops last fall, more than 25 lawyers said “Yes” to the Profit First method for their firm. Chris explains that Alpha testers were selected in October and are ramping up 1Q after LQM. A Beta testing group will be launched in 2Q.

Profit First for Lawyers has licensed rights to roll out Profit First for Lawyers to be the Profit First arm for the legal industry. Chris explains a book highlighting Profit First for Lawyers is on the horizon for 2019.

FAQS FOR PROFIT FIRST FOR LAWYERS

1. What can I expect to change in my firm when I implement Profit First For Lawyers?
Business owners can anticipate big changes in their own compensation. Furthermore, the bookkeeper keeps the bills paid. Reporting is simple and cash flow is the biggest winner.

2. Who handles the structuring for the new practice area clients?
You, as the attorney, set everything up for the other attorneys or business owners. The business goes through a setup and onboarding and the firm works with the team at the other business to set everything up. As the captain, you coach the business owner, checking in throughout the first year.

3. How do I make money?
When you take on new clients as Profit First clients, the fees alone will generate additional generous revenue. Isn’t it time for lawyers to return to what they do best? Being counselor-at-law? As the counselor to businesses under the Profit First for Lawyers moniker, the lawyer is truly restored to fulfill the true nature of being an attorney.

4. How will I learn the process of implementing Profit First for my clients?
When you sign up to Profit First for Lawyers, our team will work with you throughout a three-day training. Your practical training is hands-on in setting up your firm for Profit First--the training will, in turn, teach you how to consequently set up your new clients as well. Your staff will learn about reporting, you will learn how to train others reporting, and your entire Profit First Team will learn to implement it as well as train others.

Early forecasting for firms choosing the Profit First for Attorneys for their firm can expect upwards of $300K in additional dollars. Practice areas of all varieties can find success, says Chris, but initially targeted firms will be those practicing Business Law.

“We strongly believe Profit First for Lawyers is applicable to Estate Planning, Family Law, Intellectual Property, and Bankruptcy to name a few,” Chris points out.

Dovetailing with How to Manage a Profitable Law Firm, Profit First for Lawyers is one more way to put best practices into place and to establish and sustain a happy law firm.

IMPROVE YOUR CONVERSATIONS IN 2019

Part One -

Be Deliberate! Warm Up Your Prospects Before They Ever Arrive

At one point or another in your life, someone probably told you YOU ONLY HAVE ONE CHANCE TO MAKE AN IMPRESSION. How you present to your prospects will not only make an instant impression, it will likely be an experience they remember for a while. Or worse, the experience is so forgettable, they don't even know what firm they visited.

Building trust from the get-go is vital. You want your prospects to know exactly what to expect and why so that they will feel a sense of peace of mind and naturally want you to solve their legal problem. When you set the expectations early on, and knock it out of the park by fulfilling them, one after the other, you and your firm will birth the sense of confidence and relief every attorney wants their clients to experience.

This list of proven, deliberate tactics will help your staff prepare your prospects by inviting them into a relationship with you and your firm from the very first phone call through their first face-to-face or phone encounter. When you implement these, and check your data, before and after, your conversion rate and your referral rate from clients will increase. Consistency is one ingredient you cannot afford NOT to master in your client intake process.

1 **Control the Conversation.** Your client intake person must be able to identify the pain points in the caller's situation and collect all the relative information. That's why you must create an Intake Script. The first question is to collect their phone number immediately, this way if the call drops callback can immediately be placed. When a script upon intake is put into place, it is much simpler to assure the details needed will be collected. The information you collect will also be helpful in preparing for their visit into the office, a step addressed a little later.

2 **Tell your prospect what to bring to the appointment**, if anything, who they will meet with, what will happen at the appointment, how long the meeting should last, and then confirm the appointment with a direct mail piece if time permits, or via email with the date, time, address, map, and instructions of where to park and how to enter your office easily. Removing any risk of frustration for your prospects will help them feel comfortable, with no competing issues, and ready to learn more about how you will solve their situation. If using email, make a short video of what the prospect will see when they arrive at your office and walk them through your door and attach it to their reminder email.

3 **Prepare something that will explain to your prospects** exactly what they can expect when working with Keystone Law Firm. Whether it is a video, a pdf of your mission, vision, and core values, or a brochure, help them to know what you believe in and how your firm can deliver the best services when a few ground rules are understood.

4 **Call every prospect to remind them of their confirmed appointment**. When your client intake person calls to remind prospects, make sure they confirm that they know where to go, what to bring, and how to find the office after they arrive.

5 **Coordinate how each prospect will be greeted when they arrive at your office**. Make sure your office staff knows specific steps to take to correctly and consistently greet each person. Make sure they know to greet them with their first and last name. There is nothing better to help someone feel welcomed than to feel expected and cared for the minute they walk through the door. Have your greeter offer refreshments, inform them of the rest room locations, and explain exactly what will be happening in the next few minutes from being shown their meeting room and seat, to who they will be meeting with, and what they can expect.

By the time your prospect is seated in front of your dragon or non-attorney sales person, he or she will be hungry for what they will say. Why? Because you have built up this meeting, treated the prospect with understanding and respect, helped them feel less fearful and nervous about meeting with a law firm. **All this means is that they will trust you because everything you told them to expect, happened, and that win huge points for credibility.**

The next steps toward better conversions lie in the magic conversation that your dragon will have.

If this is something you or your law firm's salesperson is struggling with, contact us to learn how one of our programs might be a good solution for you. We constatly run sales training workshops for our Members and their staff. The next one is taking place on April 28th-30th, 2019.

Email Events@HowToManage.com for registration details.

THE POWER OF THE OFFER (CONT.)

By: RJon Robins

learning more about the potential new client--can truly only be experienced when listening becomes the primary focus in the meeting rather than attempting to “lawyer” them into engaging your firm. It’s hard to make it all about them, if you’re all caught up with what’s going on with YOU. Sales is truly a service and it’s hard to deliver that service when you fail to listen and make it all about you.

Have you ever noticed that your prospects put off the part of the discussion where they will discover how to solve the problem, until the very end? Every prospect who is left to their own devices when the sales person fails to set an agenda, will engage in small talk for the entire hour. If you allow this, the entire pace and energy of the conversation changes. The appointment will be nearly over, with no real time to talk through the challenge. Nothing of any real consequence is resolved during this kind of appointment.

When the discussion is controlled with the agenda, you have the freedom to repeat the prospect’s own words back to them and repeat again the process and how they will experience relief.

Lawyers who have not been trained in sales have a way of trying to solve the prospect’s problem in that appointment. Imagine the lawyer who uses the sales appointment to show off and get their self-esteem (that used to be me) during that 60 minutes.

Here’s what THAT appointment looks like. For 30 minutes straight after the prospect regurgitates his or her dilemma, the lawyer launches into a speech where he or she shoves so much “value” down the prospect’s throat that he or she can’t possibly make a decision because they’re choking on all legal brilliance. What’s worse, **the prospect usually does “feel” better about their situation because now they are drowning in information.** Who knows, they may even understand some of it. The residual issue is that despite feeling encouraged, that prospect still has his or her problem except that now they still do not have anyone who can help them with any sort of actual practical plan that can really solve their problem. **Information does not solve anything.**

This alone is the key to your freedom: **SALES**. Sales is the key to your freedom. It’s not the only key. But until you become competent and confident in your ability to reliably convert prospects into paying clients at a predictable rate you can’t calculate your cost of acquisition. And until you can calculate your cost of acquisition it’s like you’re driving a Ferrari but are afraid to shift it out of first gear and really open it up.

Even though I have personally sold tens of millions of dollars’ worth of professional services, I still train to improve in sales. Those great sales people who fail to continue to sharpen their skills typically fail to remain great. And, when sales is your key to freedom, as it is in owning a law firm, becoming great, and maintaining that greatness, must remain your priority.

Join us at one of our Sales Training Worshops to discover how you can improve your conversation rate and increase your profit margins. The next one is taking place on April 28th-30th, 2019.

Email Events@HowToManage.com for registration details.