

# **The Fool on the Hill: Management Considerations for New Law Firms**

# Considerations . . .

- **Why start your own firm?**
- **How do you prepare?**



# **MORE Considerations**

- **Office Space . . .**
- **Financial Issues. . .**
- **Data Storage Decisions . . .**
- **Timekeeping . . .**

**What we did right,  
And what we did  
wrong . . .**



# Groundwork . . .

- **Develop a Business Plan**
- **Find an IT consultant**
- **Use a Practice Coach**
- **Talk to other new firms**

# **Finance and Business Considerations**

- **Seed money – how much do you need?**
- **Should you lease or purchase office equipment?**
- **Should you use a business credit card?**
- **Should you obtain a line of credit?**

# Finance and Business Considerations

**There may be additional challenges for firms that practice multiple types of law**



# Finance and Business Considerations

## Client payment plans:

Could non-traditional payment plans work for your practice?



"Why, yes. We do have an easy payment plan. You just make one easy payment of the total amount billed."



# **Office Space: Should I own or should I rent?**

- **You may have to personally guarantee the lease or mortgage**
- **Benefits associated with ownership include rental income and equity**
- **But, if you own the space, you will likely have unexpected expenses when things break down or get damaged**
- **And, if you have partners with whom you co-own the space, you will need to develop a plan in case the partnership breaks up**

# **Office Space: Should I own or should I rent?**

- **If you rent, you have increased flexibility for the office to grow or change locations**
- **If you rent, you don't have to worry about building maintenance or upkeep**
- **But, you are not growing equity**

# Office Space: Virtual Offices



# Office Space: Virtual Offices

- **Save money**
- **Offer a convenient place for you to meet with your clients**
- **BUT BEWARE . . . You cannot be misleading**
  
- **ANOTHER OPTION: SHARING SPACE . . .**

# Data Storage



**Cloud**

**v.**

**Server**



# Data Storage

**Maybe you don't need a long term storage solution?**

**Depending on the size of your firm and practice area, consider including language in your client agreements that all documents will be destroyed if the client has not picked them up within a certain timeframe after the case is resolved**



# Timekeeping

Stu's Views

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- **Research timekeeping software**
- **Establish clear policies, and**
- **Hold yourself and your employees accountable**