

THE BIZILAW NEWSLETTER

Survival Tips

March 2009

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The BiziLaw Newsletter provides you with news information and updates on practice management and community news. We hope to make the practice of law easier on the legal profession.

KEEPING AFLOAT IN A TSUNAMI A Survival Guide for Law Firms

In the current economic climate, business closures, rising unemployment and tougher credit risk tolerance from the banks means that clients are more likely to challenge your bills, request for longer payment terms or not pay you at all.



QUESTION: What is Worse Than Not Having ANY Work?
ANSWER: Doing Work and NOT Getting paid for it?

Managing Your Cash Flow to ride out these trying times is now a priority.

HOW TO PROTECT YOUR CASH FLOW

- # Communicate your fee basis clearly at the start of the engagement
- # Secure upfront payment to account whenever possible
- # Make it a practice to send Interim Bills. Bill often.
- # Track Unbilled Disbursements & Include them in your bills
- # Record Time Spent and Monitor Unbilled WIP
- # Implement a Credit Collection Policy - send 30-60-90 day Reminders
- # Make Fee Earners responsible for their billings and collections.

MARCH 2009 ISSUE

Inside this issue:

Keeping Afloat In A Tsunami - A Survival Guide for Law Firms

Debt Scenarios & How they are Overcome

Why You Should Send Interim Bills

Low Cost / No Cost Marketing for Lawyers

What's New on Open Law

International Video Conferencing Services

DON'T SWEAT THE SMALL STUFF

Preparing Bills; Monitoring Unbilled Disbursements; Issuing Bill Chasers, Keeping Track of Your Client Account - none of this is fun, yet it needs to be done .

Why not automate the processes as much as you can, so that these functions are painless, efficient, and most important of all—IT GETS DONE

LEAP ACCOUNTING will pay for itself many times over by helping you bill more, more often; bill faster and collect sooner.



Find out how LEAP can help you stay afloat in a tsunami
FAXBACK TO 6538 0703

LAW PRACTICE: _____

YOUR NAME: _____

DESIGNATION: _____

EMAIL: _____

PHONE: _____

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DEBT SCENARIOS	HOW THEY ARE OVERCOME
<p><i>"I am not billing enough, often enough..."</i> <i>"I am not collecting enough, often enough.... and it is affecting my cash flow"</i> <i>"Why does it take so long to prepare a bill?"</i> <i>"Did we forget to bill this client?"</i> <i>"Did we forget to include the disbursements in our bill again?"</i></p>	<p>IMPROVE BACK OFFICE EFFICIENCY Law Practices using LEAP spend less time on paperwork and more time on their business. With time records, disbursements and matter financials in all in ONE place, you can-</p> <ul style="list-style-type: none"> o Prepare Bills (with time records + disbursements) quickly and efficiently o Generate Reminders & Statements instantly o Monitor your Client Account & Cash Flow
<p><i>"When did we last bill?" "Why haven't we billed?"</i> <i>"How much work have we done for this client? Isn't it time we billed?"</i> <i>"I am not paying until you show me the work you have done..."</i> <i>"You should have billed me sooner..."</i> <i>"I did not realize you have done so much work on my case"</i></p>	<p>TIME RECORDING HELPS YOUR CASHFLOW The Benefits of Electronic Time Recording –</p> <ul style="list-style-type: none"> o Dramatic reduction in unrecorded attendances o You will BILL MORE, MORE OFTEN o Spend less time preparing your Bills for Taxation o Staff Motivation – Associates take more responsibility for billing and collections. o Revenue is increased as much as 20% when you time record (American Bar Association Survey)
<p><i>"I did not receive any statements – I had no idea your bill has not been paid"</i> <i>"Surely I must have already paid your bill...?"</i> <i>"You should have told me sooner..."</i></p>	<p>COLLECTING DEBT</p> <ul style="list-style-type: none"> o Shorter Debt Cycles = Less Working Capital, Larger Partner Drawings o Reduce "average debtor days" when you send routine reminders

REASONS WHY YOU SHOULD SEND INTERIM BILLS

THE GRAPH OF (IN)GRATITUDE

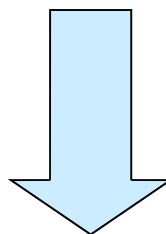
ENGAGEMENT: I don't understand this letter of engagement but its ok, he comes highly recommended

DISCOVERY: I never realized how much work is involved in litigation!

PLEADINGS: Gee, this case is more complicated than I thought. My lawyer sure is working very hard.

NIGHT BEFORE TRIAL: So glad I have my lawyer with me. He is doing a Great Job; worth every cent!

THANK GOD I'VE WON



LET THEM WAIT!

CURRENT BILL: But I WON! The other side will pay the bill. You mean I have to pay too?

30 DAY REMINDER: Did I agree to this exorbitant fee? What are all these disbursements?

60 DAY REMINDER: I had a good case... it was an easy win. Were all these hours really necessary?

90 DAY REMINDER: Let them wait! A Firm like theirs must be making lots of money!

NO COST / LOW COST MARKETING FOR LAWYERS IN DIFFICULT TIMES

These are uncertain times. Hardly a day goes by that you don't hear of layoffs and down-sizing. One thing is certain - more than ever, it pays to think more like an entrepreneur and focus on the "business". Developing a strategy for effective client development is the key to your professional survival.

Now is probably not the time to spend any serious money on wine-ing and dining; nor on expansion into risky new markets. The good news is - there is still an untapped market for professional legal services and ways to expand your reach without breaking a sweat. Here we share a few tips on low-cost / no-cost marketing for law firms.

1. Pick up the Phone

You don't need a large marketing budget or fancy equipment - all you need is your contact list and the telephone. Call your clients and your friends to find out how they are doing. Then listen; REALLY LISTEN, and you may discover opportunities for offering your expertise. During these difficult times, people are anxious and fearful. As a lawyer trained to think out of the box, you may have useful (or at least reassuring) advice - give it freely and they will surely remember you when they need a legal service. Even if you don't get new business now, some empathy will go a long way.

2. Be Found on the Internet

If you did not already know this, listen well - People go to the internet to look for information all the time, every day. Prospects who have heard your name or who have been referred to you will look you up to find out more about you - who you are, what you specialize in, the type of cases you handle... Not being found on the internet today undermines your professionalism. Why make it harder to win a prospective client than it already is?

NOTE: There is an IDA Grant available for SMEs to build an internet presence. Law Practices who create their corporate websites using our LEAP Web Builder Services qualify for the IDA Grant. But you must act quickly, as this incentive scheme is ending soon.

3. Give Freely

As a knowledge provider earning a living through knowing something that other people do not, this may be anathema to you - but welcome every opportunity to share your expertise and experience freely. Give free legal seminars, participate in the forums on Open Law... these are subtle ways of building awareness and "top of mind" recall.