

Contents

Acknowledgments	xi
About the Author	xiii
Introduction	xv
CHAPTER 1	
Who and What Is a Law Firm	1
CHAPTER 2	
Virtual Law Firms	5
CHAPTER 3	
Office-Sharing Arrangements	7
CHAPTER 4	
Referral Arrangements Outside Law Firms	11
CHAPTER 5	
The Form of a Law Firm	15
CHAPTER 6	
Law Firm Governance	17
Managing Partners	19
Problems in Law Firm Governance	21
Recent Improvements in Law Firm Governance	24

CHAPTER 7

The Career Lattice for Larger-Firm Lawyers	25
---	-----------

CHAPTER 8

Non-Partner Lawyers	29
--------------------------------------	-----------

Associates (Including Junior and Senior Associates)	29
Senior Attorneys	30
Senior Counsel	31
The “Of Counsel” Designation	32

CHAPTER 9

Partnership	35
------------------------------	-----------

Equity Partners	37
Non-Equity Partners	42
Contract Partners	43

CHAPTER 10

Temporary and Contract Attorneys	45
---	-----------

CHAPTER 11

Nonlawyers at Law Firms	47
--	-----------

Billing Nonlawyers	47
Non-Billing Employees	49

CHAPTER 12

Administrative Organizational Structures	53
---	-----------

CHAPTER 13

Interactions with Nonlawyer Staff	55
--	-----------

CHAPTER 14

Partnership at XYZ Law Partnership, LLP—Exercise #1	57
--	-----------

Part A—Who should be made equity partner?	62
Part B—Should any of the following equity partners be de-equitized?	66
Criteria for Partnership at XYZ	69

CHAPTER 15**The Market for Legal Services 71**

Client Choice and Convergence 77

Strategic Alignment 79

CHAPTER 16**Types of Law Practices 83**

Traditional General Practice Firms 84

Consumer-Focused Firms 84

Corporate-Focused Firms 86

CHAPTER 17**How Fees Are Assessed 89**

Time-Based Billing 90

Fixed (Flat) Fee Billing 96

Contingent Fees 97

Asset-Based Fees 100

Value-Based Billing 101

Noted Hybrid Arrangements 102

CHAPTER 18**Other Sources of Firm Revenue 105****CHAPTER 19****Law Firm Profitability 107**

Basics of Firm Profitability 107

Rates 107

Utilization 108

Leverage 111

Expenses 115

Speed 118

Health Versus Hygiene Factors 120

CHAPTER 20**Client and Matter Profitability 121**

CHAPTER 21

Problems with an Over-Focus on Profitability	127
---	------------

CHAPTER 22

Organizing a Practice—Exercise #2.	129
---	------------

CHAPTER 23

Law Firm Compensation	131
--	------------

Equity Partner Compensation	132
Other Traits of Equity Partner Compensation Systems	137
Eat What You Kill Systems Versus No One Starves	139
Participation in Firm Management	140
Compensation for Other Lawyers	141
Compensation and Culture	145
Compensation Review Process	145
Performance Evaluations	146

CHAPTER 24

Compensation and Culture—Exercise #3	149
---	------------

CHAPTER 25

Intake of a Client Matter	151
--	------------

Conflict Check.	153
Engagement Letters	154
Retainers	156
Prohibition on Commingling the Lawyer's and Client's Property.	158

CHAPTER 26

Time-Billing Entries	161
---------------------------------------	------------

CHAPTER 27

Managing Client Work	165
---------------------------------------	------------

CHAPTER 28**Pro Bono 169**

What Is Pro Bono—at Least to Firms and Bars? 169

Participation in Pro Bono. 170

Selection of Pro Bono Projects. 172

Other Firm Civic and Charitable Work. 172

CHAPTER 29**Business Development 175**

Background and Ethical Framework 175

CHAPTER 30**Developing Business from New Clients 179**

Self-Marketing 193

The Elevator Speech. 197

How Much Do Firms Invest in Developing New Business? . . . 197

What Works for Business Development? 198

Retaining Work from Existing Clients 192

CHAPTER 31**Retaining Work from Existing Clients 199****CHAPTER 32****Client Relationship Management 201****CHAPTER 33****Lending Clients Money 203****CHAPTER 34****Sample Business Development Checklist for Associates . . 205****CHAPTER 35****Marketing a Practice—Exercise #4 209**

CHAPTER 36**Firm Culture and Demands on Time 211**

Arrival and Departure Expectations 211

Billing Expectations 214

Where Client Work Ranks. 214

CHAPTER 37**Basics of Lawyers' Professional Liability Insurance 217**

CHAPTER 38**Dealing with Mistakes 221**

Dealing with Potential Malpractice or Third-Party Claims . . . 224

Dealing with Sanctions Motions and Disciplinary
Complaints 227**CHAPTER 39****Diversity in Law Firms 229**

CHAPTER 40**Mentoring 233**

CHAPTER 41**Supervision and Risk Management 235**

Conclusion 237

Index 239