

**Number One** in the *Making Your Practice Work for You* series from LexisNexis®

## A Practice Owner's Hierarchy of Tasks:

12 things to stop doing to  
start driving more revenue

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Every new law firm owner starts out doing pretty much everything. Hard work and sacrifice are part of the price of starting a new business.

But there comes a time when you need to start moving past the hard-work-and-sacrifice mentality and make your practice work for you, not the other way around. That time is sooner than most think!

So how do you make the shift from working hard to working smart?

You start by making a plan to stop doing all those things that are getting in the way of your firm's profit margins and your quality of life. That plan starts with understanding the hierarchy of tasks in every law practice.

# A Practice Owner's Hierarchy of Tasks

Law firm tasks can easily be divided into high- and low-value categories. As a practice owner working to maximize firm revenue, you only have one goal: Spend less time on lower-value tasks as quickly as possible so you can begin devoting more of your time to the highest-value tasks. After all, *doing everything limits the amount of time you have to do the most important things.*

## Low-Value (Office help)

- 1 Bookkeeping
- 2 Opening mail and email
- 3 Answering telephones
- 4 Organizing your office and desk
- 5 Maintaining office supplies
- 6 Clerical tasks

## Middle-Value (Legal Secretaries, Paralegals)

- 7 Office management
- 8 Systems documentation (shared with associates)
- 9 Client service (with associates)
- 10 Technical legal skills (with associates)

## High-Value (Associates)

- 11 Middle-level legal skills
- 12 High-level legal skills

## Highest Value (You)

- Marketing and client development
- Client relationships
- Strategic planning
- Strategic management
- Highest-level legal skills  
(See "Defining your highest-level legal skills," next)

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Every task  
is important,  
but not every  
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value ladder.

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Notice that I categorize tasks by *value*, not *importance*. Every task is *important*, but not every one carries equal weight on the *value* ladder. The goal is to quantify the value of your time, not to make judgments about importance. More about that in “Monetizing the value of your time.”

**Defining your  
highest-value  
legal skills:  
What are you  
better at  
than almost  
anyone?**

**Highest-value legal skills are those skills that you're better at performing than almost anyone. These are the types of skills you can use to gain a reputation for you and your firm, in turn bringing more of the kind of clients you want into your door, along with more revenue.**

Most items on the hierarchy of tasks are pretty self-explanatory. But inevitably, whenever I do the hierarchy of tasks presentation to a group of lawyers, the question always comes up: “How do you define ‘highest-value legal skills?’”

Highest-value legal skills are those skills that you're better at performing than almost anyone. These are the types of skills you can use to gain a reputation for you and your firm, in turn bringing more of the kind of clients you want into your door, along with more revenue.

While I realize that not everyone starts their firm with those highest-value legal skills in place, you'll want to take the time you gain from getting lower-value tasks off your plate to acquire them.

Whether it's by taking CLE courses, taking on pro bono cases, spending time with another lawyer who has expertise in an area you have an interest in, or simply by focusing on something you want to do and that you can learn to do well, consider it one of your five highest-value tasks to work toward a specialty and make time accordingly.

My advice for deciding on a specialty? Make sure it's interesting to you. Make sure it's within your capabilities. And make your decision and make it right. Indecision is every lawyer's worst enemy.

# Monetizing the value of your time:

Four absolutes to guide everything you do

Let's start with the four absolutes of managing your time as a law firm owner:

- 1. There is a finite number of YOU.**
- 2. There are a finite number of working hours in a day.**
- 3. There are a finite number of days in a week.**
- 4. You can use your time for high-value OR low-value tasks (not both).**

How do I define value? It's a pretty simple equation:

$$\begin{array}{r} \text{🕒 hours spent on a task} \\ \times \text{ \$ money you earn for those hours} \\ \text{(or the money you save by performing it yourself)} \end{array}$$

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VALUE

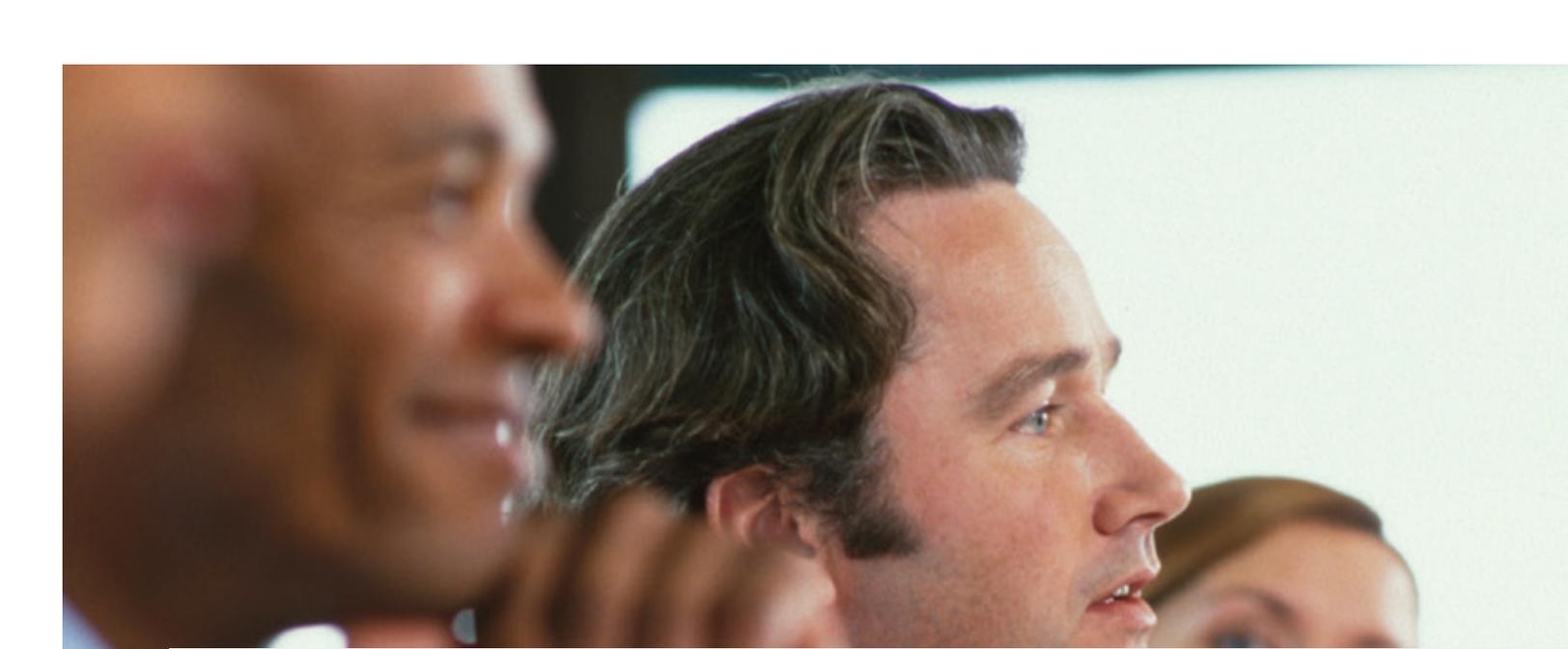
Once you realize that you're "earning" something in the area of minimum wage to perform all those lowest-value tasks yourself, it's pretty easy to make the case that earning hundreds of dollars an hour building your business or working as an attorney makes a lot more sense. Remember, time you spend on lower-value tasks is time you'll never get back to spend on high-value tasks (or to spend with family, friends or loved ones).

It's time to start taking back your time for the highest-value tasks that will lead your firm to a more profitable future.

## There is a finite number of YOU.

...working hours in a day.

...days in a week.



“ What if I don’t have any highest-value tasks on my to-do list? ”

This is a question I get a lot at hierarchy of tasks seminars – usually from small, newly established firms with owners or partners who are trying to justify the time they spend on low-value tasks. And it’s a surprisingly easy question to answer: You ALWAYS have highest-value tasks on your to-do list.

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**The process of building and marketing your practice is NEVER complete. There’s always a local Rotary Club meeting to make yourself known at, a client or more experienced lawyer in the area whom you can take to lunch, a worthy volunteer organization you can give your time to – any one of which can eventually, or even immediately, turn into new business for your firm.**

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That means almost anything you do to increase the number of people who a) know what you do, b) know you as someone who is willing to help others, and c) know you do what you say you will do, is a highest-value task. These activities are more important to the building and marketing of your firm than any low-value task.

You’re not saving money by performing your own low-value tasks. You’re delaying success. What’s more, you’re stealing from your future, and from the time you could spend with those you love, plain and simple.

# The Plan: Pick off lower-value tasks one by one

It's easy enough for me to say you should only be performing high-value tasks, but it can be overwhelming, if not impossible, to stop doing lower-value tasks overnight. As I discussed earlier, they may be lower *value*, but they are still essentially important.

So to get from where you are to where you need to be, you need a plan, the principle of which is the same as what I outline for clients who are overwhelmed by credit card debt. Simply put, take the least daunting item on your list and make some tolerable sacrifice so you can put extra money into getting that one item off your worry list.

For clients in credit card debt, that means adding an extra \$50 to the minimum payment on their lowest-balance credit card; while in your case, it means hiring a temp for, say, a few hours a week to organize emails, or a service to answer your phone calls and schedule your call-backs.

During the hours you save by hiring someone to take care of low-value tasks, make it an absolute priority to only work on one of the five highest-value tasks in your hierarchy.

Like paying off credit card debt, the revenue payback of time spent on highest-value tasks can be almost immediate. That's revenue you'll plow right back into hiring someone to help you with other low-level tasks, while you concentrate the additional time you gain on other highest-level tasks.

You start the process by picking off lowest-level tasks one by one, but you don't stop there. You keep rolling the added revenue into middle-value, then high-value tasks. As you do this, you actually have other people doing profitable work, contributing to your bottom line, further accelerating the benefits.

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You'll make more money and be in a position to hire more people, so you can bring in more revenue and, well... Suffice it to say that it's a good treadmill to be on. Because you have freed up your time to do high-value tasks, you can do more of them, which will generate even more high- and middle-level tasks.

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More profit from you.  
More profit from others in your firm.  
In less time.  
With less stress.



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## “ But I don't have time to delegate ”

Lawyers – and particularly firm owners – are notoriously controlling about taking care of things themselves, often down to the tiniest detail. While it can be a good obsession to have when you're defending a client, it's absolutely counter-productive when you're spending working hours taking care of the day-to-day minutiae of running a law office.

Three words: Delegate. Delegate. Delegate. And I don't mean delegate tasks. You don't have (or shouldn't *take*) time to delegate individual tasks. Delegate *authority* to take care of all those tasks.

By delegating authority, you will quickly learn which members of your staff are willing to *take responsibility* for doing work to your high standards. While you're delegating authority, it's important to let them know that you *trust* them to take that responsibility, while behind the scenes, you'll need to *verify* that they are taking care of things to your satisfaction.

And yes, I know trust can be difficult, but it's a skill you can learn over time. And it's one of those skills you'll have to learn in order to make your practice work for you.

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***One great way to verify that your trust is being earned is with dashboards in your practice management software. You get an easy, at-a-glance view of everything that's going on across your entire practice on one screen, so you always know exactly what's going on...***

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# The first step in making your practice work for you?

## Making your practice work *without* you.

You have to start somewhere. And the beginning is as good a place as anywhere to make that start.

From the very first day you begin working your way to the top of the hierarchy of tasks – that is, when you bring in your first temp or employee – you should begin setting up your practice to keep running smoothly, even on the days when you’re not there. In fact, your ultimate goal is to keep your practice running without you or ANY of its present players, which I realize may sound a little counter-intuitive, but bear with me; I promise I’ll make it worth your while.

But first, let’s talk about how to make your practice work *without* you.

It starts with documenting everything that happens in your firm: every system, every process, every job description and duty. But in the true spirit of making your practice work for you, you’re not going to do the documenting yourself. You’re going to delegate it.

The very first time you give instruction to an employee or temp about how to complete a task, tell him or her to write down every step of your instructions. Once that draft is done, take the time to review it, then tell them to follow those instructions *to the letter*.

If there are mistakes in the instructions they wrote, they will uncover them, then make changes until every step is perfect.

While that level of detail may sound trivial and tiresome to you now, the genius of the process is that you’re delegating the task of creating an employee manual for that position. From there, you’ll use that same process to create a manual for every type of employee at every level in your firm, from document clerk to paralegal to associate... to YOU!

Use the same process to create your firm’s manual of standard operating procedures, in which you’ll document systems and processes for running your firm at peak efficiency.

To understand how important those manuals can be to your future, keep reading the next section: “Setting yourself up to sell your practice...”

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Setting yourself  
up to sell your  
practice, from the  
very first day  
you open it

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Way back when I first started out, I bought my entire collection of law books from a very distinguished lawyer who was closing his successful practice after more than 40 years in order to retire.

It was a very good deal for me, but it's what started me down the road to thinking about how I could make my practice work for me.

After a very long and distinguished career in which he built his own practice from scratch, this top-of-his-game lawyer had nothing to sell of any real value at the end of his career. Instead of building a practice that would take care of himself and his family for many, many years down the road, this lawyer I so admired had built a collection of objects to sell off, piece by piece.

I decided then and there that that would not happen to me, and if I had anything to say about it, it wouldn't happen to lawyers like you, either.

While they may seem insignificant now, those employee and standard operating procedure manuals are one very small, but incredibly important, part of creating a practice that will not only work for you today, but will keep working for you long after it's working *without* you.

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**Create a practice that's built from the ground up to sell and keep going even after you've gone, and in time, you'll earn the chance to do whatever it is you love to do for the rest of your life, including continuing to practice law if that's your thing. Do it really well and your children can continue to watch your legacy, and their bank accounts, grow for a very long time.**

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# The essential role of practice management software in helping you move up the hierarchy

This is not intended as a challenge to anyone's competence, intelligence or least of all, ego, so please take the following statement in the spirit of helpfulness it's intended: There are certain things technology is better at than you.

Technology is better at keeping track of, remembering, and reminding you of long lists of minutiae you have no chance of being able to retrieve at will from your brain. Better still, it can allow you to free up precious thinking resources for higher-value tasks!

Clients don't pay law firms for their memory capacity. They pay them for their problem-solving skills. Taking up valuable brain cells for data storage gets in the way of the intense concentration required for that problem solving.

It's time to let technology do what it does best so you can do what you do best: drive more revenue to your firm.

No technology is a panacea. None will solve all your problems. But using the most advanced technology such as practice management software as a tool to make your practice work for you will help you get where you want to be much faster than relying on hard work and sacrifice.

Just think of your brain cells the same way you're now starting to think about all the time needed to deal with all those tasks that need to be done.

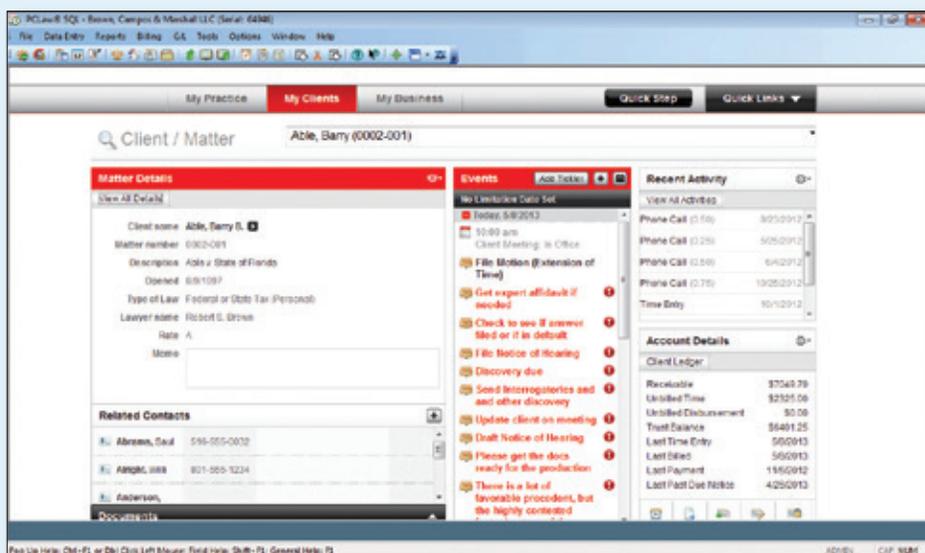


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Create a hierarchy of brain cell priorities and start reserving valuable brain cells for high-value jobs. Then you can leave all those memory-gorging administrative details to practice and financial management software such as PCLaw® or LexisNexis Firm Manager® that are unquestionably better at managing them.

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- Appointments
- Court dates
- Tasks
- Matters
- Deadlines
- Memos
- Meetings
- Contacts
- Documents
- Case information
- Messages
- Witness lists
- Client intake
- Time and expenses



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*With dashboard views such as My Practice in PCLaw, you'll get a lawyer's-eye view of everything that's really important over your first cup of coffee.*

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**Begging  
for trouble:  
Managing your  
firm without  
practice  
management  
software**

I'm amazed that there are still firms out there operating without practice management programs to keep them organized. Sticky notes on the walls, desk calendars with scribbled appointments, stacks of overfilled and coffee-stained file folders on the desk, scraps of paper with names and phone numbers (or worse, just phone numbers) scattered in piles around the phone and on the floor....

And the excuse is almost inevitably that they don't have time to learn a new program, or don't have the money to buy it, and anyway, it's their system and it's worked for all these years.

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**You don't have enough time, staff, or, most importantly, money to NOT have the most advanced legal and matter management system available.**

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And yes, it costs you infinitely more money, time and staff effort to NOT have the proper case management system than you'll ever spend on buying and learning to use a simple piece of software.

Think I'm exaggerating? Consider just a few of the real costs of running a disorganized practice:

- The loss of a client because you forgot a meeting... or a court date
- The productivity lost when a staff member has to stop doing what he or she is working on to find a file because of your disorganization
- The incredible dent in your bank account and reputation from a lost malpractice suit

# Five questions every firm owner has to know the answers to.

Without guessing. Without fail.

Every day in my former firm, we had a staff meeting. And yes, I realize that staff meetings aren't on my hierarchy of tasks list. But they are front and center at the top of my hierarchy of tasks-to-avoid-malpractice list. It's how I delegate. It's how I trust. It's how I verify. It's how I hold myself accountable.

Most importantly, those meetings allow me to free up my mind to focus on the highest-value tasks..

As a firm owner, you can be financially responsible for everything that goes on in your practice, including legal malpractice. So every day, you need to make yourself responsible for knowing what's going on with every matter and how it's going to get taken care of.

All you need are the answers to five very basic questions:

1. **What's going on and what's it about?**
2. **What is the next step?**
3. **Who's going to do it?**
4. **When does it have to be done?**
5. **How long will it take?**

The catch is that you need the answers to those five questions for every matter in your firm, no matter what. That's a lot of stuff to keep in your head.

And it's one more reason every law firm needs the most advanced practice management software available. As a practice owner, you'll have easy searchable access to every detail of every open case in your firm. For that matter, you'll have that same searchable access for every matter your firm has opened since you started using your practice management program.

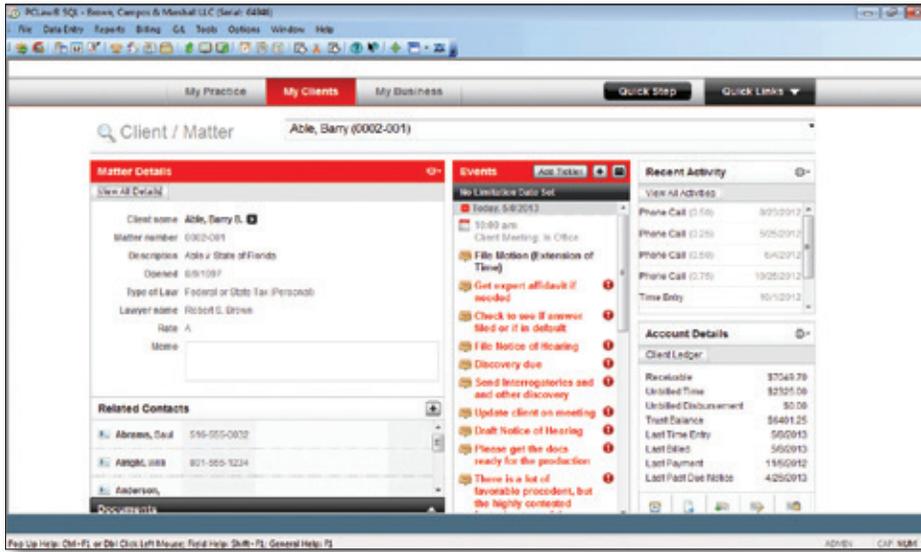
No more paper file chasing. Type a search term into your computer and everything you need to answer every question is right on your screen. If you're not at your computer, type into your smartphone or tablet and get the same results.

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The search capabilities alone are worth the price of admission for practice management programs. You'll not only save yourself or your staff a lot of time from not having to pull files; you'll also impress clients when you answer their questions right on the spot instead of having to call back after you've read the file.

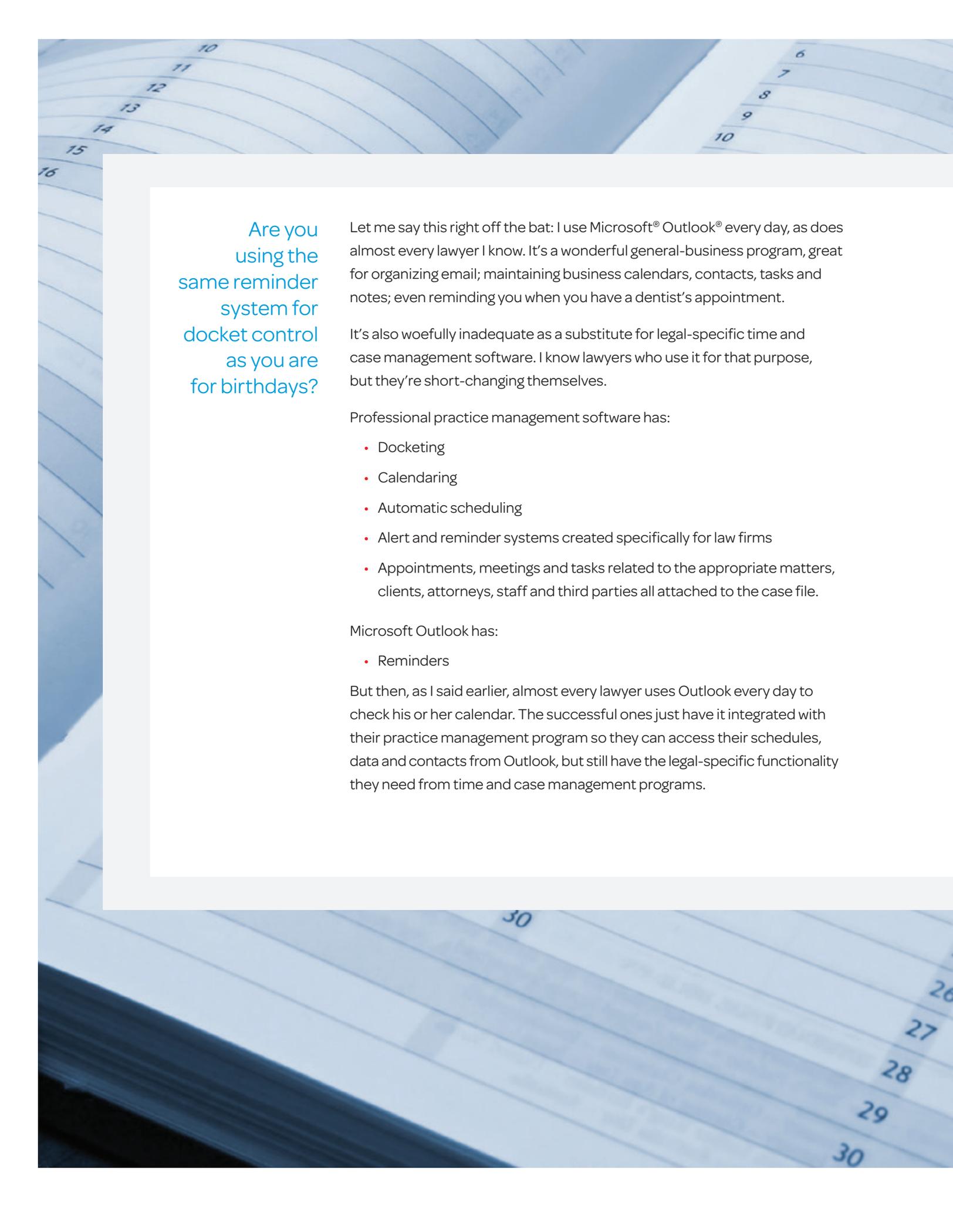
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The My Clients dashboard in PCLaw makes it easy for you to track progress on every client's matters: meetings, tasks and ticklers, emails and documents, contact details, recent activities, even account details such as the client's most recent payment.





Are you  
using the  
same reminder  
system for  
docket control  
as you are  
for birthdays?

Let me say this right off the bat: I use Microsoft® Outlook® every day, as does almost every lawyer I know. It's a wonderful general-business program, great for organizing email; maintaining business calendars, contacts, tasks and notes; even reminding you when you have a dentist's appointment.

It's also woefully inadequate as a substitute for legal-specific time and case management software. I know lawyers who use it for that purpose, but they're short-changing themselves.

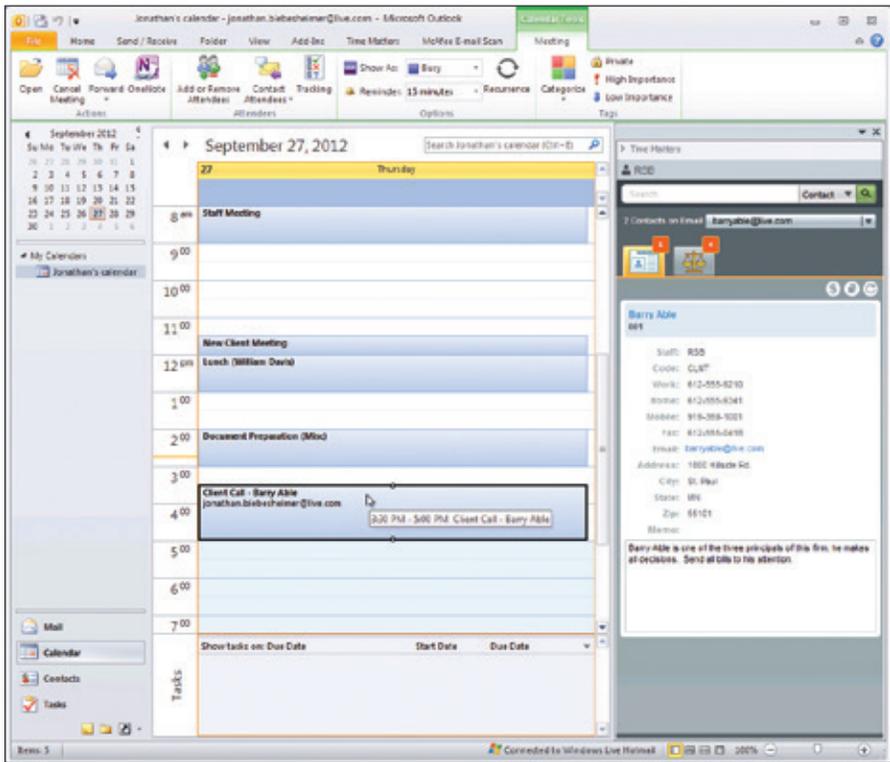
Professional practice management software has:

- Docketing
- Calendaring
- Automatic scheduling
- Alert and reminder systems created specifically for law firms
- Appointments, meetings and tasks related to the appropriate matters, clients, attorneys, staff and third parties all attached to the case file.

Microsoft Outlook has:

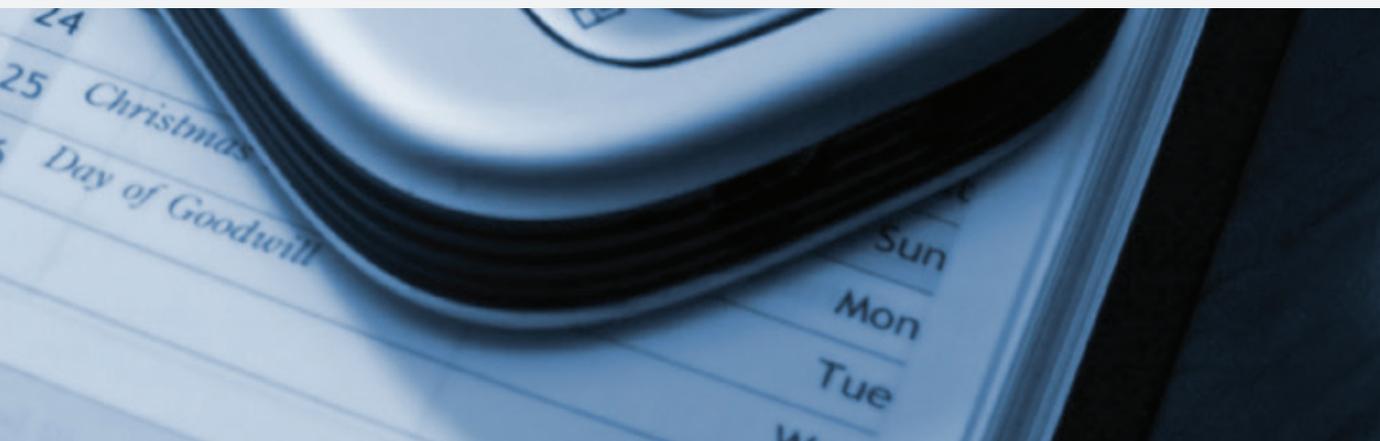
- Reminders

But then, as I said earlier, almost every lawyer uses Outlook every day to check his or her calendar. The successful ones just have it integrated with their practice management program so they can access their schedules, data and contacts from Outlook, but still have the legal-specific functionality they need from time and case management programs.



Get the best of all worlds. With Microsoft® Outlook®-integrated programs such as Time Matters®, you can easily view all your practice management data without ever leaving Outlook.

If you don't yet have practice management software, do yourself a favor and make sure that any programs you consider are well-integrated with Outlook, such as Time Matters®. You're going to use Outlook anyway. You might as well make your practice management information accessible from it so you can stop ping-ponging back and forth between programs.



# Time management:

## Scheduling every day, down to the minute

Every day when I was in the office at the law firm I managed, my schedule was divided into any or all of the following time blocks:

- Team meeting time
- Uninterruptible production time
- Open door production time
  - Tasks requiring less concentration
  - Available meeting time
- Discrete time to return calls and emails
- Administrative time

Why so structured? That's what it takes to get done what needs to get done in the hours devoted to work.

Thanks to the modern miracle of time management software, everyone's schedule (including my own) is readily viewable from every authorized desktop, smartphone or electronic device in the firm. If someone has a question, they can easily look at others' schedules and find the appropriate time to ask it.

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Every question or need is not an emergency, and setting boundaries not only gives you time for the intense focus needed to run a law firm or legal case; it gives others permission to think for themselves and occasionally even answer their own questions – an important skill for employees to develop if you're ever going to be successful at making your practice work for you.

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**Don't forget  
to schedule  
un-scheduled  
time**

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It may sound a little crazy to talk about scheduling non-scheduled time, but there is a method to the craziness.

Once your practice is well-established and successful, you'll find that it's entirely possible to spend almost every working hour responding to one "emergency" or another, to the point where it's almost impossible to get any legal work done during working hours. So the only real work that gets done happens during "non-working" hours.

That's not only setting yourself up for a lifetime of stress. That's not making your practice work for you.

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*That's why I schedule every minute of my day, especially the non-scheduled time. It doesn't mean that I'm cornering myself into structuring every minute of my off time. It means that I'm blocking time off for what I'm NOT going to be doing, which is work.*

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Whether it's time with family or friends, or a round of golf, or whatever I happen to feel like at that moment, un-scheduled time is my time and I guard it with every bit as much energy as I put into defending a client or creating a successful practice during working hours.

That decompression time will not only make you a better, more well-rounded person; in the end, it will make you a better, healthier lawyer and practice owner, too.

