

# Tools to reset or build your practice

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There is never a bad time to assess your infrastructure. Whether you are just starting to plan to open your own firm or are celebrating your 10-year anniversary, you can always pause and assess the distance between where you are and where you want or need to be. In every area, you should regularly consider the following questions:

- What do I have?
- What do I need?
- What do I want?
- How much am I able and willing to pay?
- What is the best way to get what I want?

This paper will briefly address each of the key areas of firm infrastructure: staffing, technology, and office space. For each of these areas, I will offer some advice for those seeking to start up a new firm and for those who have an established firm and want to reassess some of the component parts.

## **GENERAL ADVICE**

Staffing, technology, and office space will be your largest expenses and the ones that are hardest to reduce. Be careful and strategic, but don't burn yourself out doing everything. Make sure that every decision you make is consistent with your values and your vision for your business, and you will be on a path to success – however you define it.

### *Know yourself and your business*

Questions about infrastructure go to the core of who you are as a business owner and how you want to run your firm. You may feel like it is a distraction from the practical questions that have to be answered but spending a day figuring out the “why” of your business and the values you want to live by is time very well spent. Knowing what you want to do and how, as well as honestly evaluating your own ability to contribute to your vision, helps you get on a shorter road to success.

You need to understand why you decided to run your own firm instead of joining an established firm. Jim Collins and Jerry Porras, who have authored several important business books, suggest the “five whys” approach to help you identify the vision or purpose of your firm:

“One powerful method for getting at purpose is the five whys. Start with the descriptive statement We make X products or We deliver X services, and then ask, Why is that important? five times. After a few whys, you’ll find that you’re getting down to the fundamental purpose of the organization.”<sup>1</sup>

After you have clarified why you want to run a business, ask yourself how you want to run it. Identifying values is helpful, both to guide your decision making as you start out or make changes, and to help you manage staff and service providers. Giving people a list of values empowers them to make decisions and act without constantly checking in with you (and thereby eliminating a lot of the benefit of hiring people to do some of the work). Collins and Porras have done great work in this area and have practical articles to support work on this (suggestions below).

Lastly, get honest about your own strengths and weaknesses. Here are some questions to answer about yourself:

- What are your favourite things to do?
- What are your least favourite things to do?
- What kinds of things do you learn easily?
- What kinds of things do you struggle to learn?
- What do you most fear or dread about running your own business?
- What excites you the most about running a business?

Once you have answered these questions, you should be starting to get a picture of the pieces of the business that you want to manage directly and the pieces you may want to outsource to others. You may also want to look at each area of the business through a risk management lens by asking these questions:

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<sup>1</sup> Jim Collins and Jerry Porras, “Building your company’s vision”, Harvard Business review (1996), online: <https://hbr.org/1996/09/building-your-companys-vision> (accessed January 28, 2022).

- What is required to run this area of the business well? (If the answer is “I don’t know” that’s a good sign that you at least need to consult with an expert.)
- What are the consequences if a mistake is made or something is missed?
- Historically, have I prioritized this kind of work or avoided it?

If you are starting a firm, going through these exercises will help you understand what you need and will provide good insights into what kinds of help you should be seeking. Knowing the values that guide your business makes it easier to find people – staff and contractors – who will make a valuable contribution to your firm. For more established firms, this exercise will help you identify where (and how) things have gotten off track, help you assess whether you have the right staff and service providers, and facilitate the creation of a roadmap for improvements.

Taking the time to identify our values and our purpose helped us choose quality service providers and hire a great team. Knowing what we are trying to do has also freed us to take some creative risks and provided a framework for saying no to certain opportunities. Starting a law firm isn’t easy, but knowing what you are trying to do and why helps keep you focused and heading in the right direction.

### *Flexibility is key when you are starting out*

As a general matter, until you understand your revenues and how your business will develop, flexibility is critical. Many IT providers require multi-year contracts with penalties if you back out before the end of the term. Staff require notice and payouts before you can eliminate their positions. Office space can lock you in for years, typically with fixed amounts of space. Look for short-term solutions if you are unsure of revenues. You may pay a higher price for a short-term solution but, if it lets you evolve your business while avoiding significant and unnecessary costs and stress, the trade-off is worthwhile.

### *If you are established, make a plan to manage change*

Making significant changes to your firm infrastructure – whether it’s space, staffing, or technology – requires a plan. Spend time defining and understanding what is working and what isn’t, identify options, and proceed with caution. Be strategic about engaging your team. Staffing changes are sensitive and gathering information about what is and isn’t working can be difficult. Changes to

your office configuration or layout can cause stress for staff who may worry about changes to their commute or working environment. Technology is not as hard, but making a bad choice in this area can make life for staff and clients difficult.

Before deciding how to engage your team in decision making and how to manage a change, you need to understand who will be impacted and how. It's helpful to identify which of the three below categories best describe your staff, clients, and others:

- People who will be substantially and directly impacted by the change. Ideally, you should engage these people from the beginning and ask them to contribute to the assessment of the current situation and selection of a new approach. Their knowledge and experience will be invaluable, and the risk of irritating them or making them feel like you don't care about their input is substantial. Staff who are not included may disengage, sabotage the change, or leave your firm.
- People who will be impacted, but only a little. You should advise these folks that a change is coming and consider whether they could provide helpful input into the assessment and selection process. It may be worthwhile to ask for volunteers to participate in a working group to look at the change or to solicit feedback and advice through a survey. For more sensitive matters, like staffing changes, you can usually avoid engaging people directly until decisions have been made, but you should take care to communicate what is happening as early as you reasonably can and position yourself as the source of information to avoid staff playing broken telephone or sharing incorrect information.
- People who will not be impacted. You can still advise people about the change, but don't feel the need to solicit feedback. Keep in mind that you may be surprised by who at the firm has insights. Also, this type of project can be attractive to any staff member looking to develop new skills.

Recognize that any change requires resources and time. If the staff involved in the change are busy, you will need to move something off their plate or defer some of their work to accommodate the change. Under-resourcing a major change to your infrastructure will only lead to delays and frustration.

*Resources to help*

- Collins and Porras have several helpful books including Good to Great and Built to Last
- Verne Harnish, Scaling Up
- Harvard Business Review, On Entrepreneurship and startups
- Mike Michalowicz has some good books, including Clockwork and Fix this next
- Emergent Strategy by adrienne maree brown suits those who prefer a less linear approach to organizational development
- Practice Pro also has some great resources to guide your thinking:
  - <https://www.practicepro.ca/2021/04/cultivate-your-innovation-mindsets-to-build-your-future-practice-today/>
  - <https://www.practicepro.ca/2018/01/ideas-for-rethinking-your-law-practice/>

## **STAFFING**

Hiring staff or contractors makes sense in a number of circumstances:

- You don't have the expertise to perform a necessary task
- Having someone else do the work will free up your time to do more profitable or satisfying work
- The volume of work requires additional support, beyond what you can dedicate to it

You can hire permanent full-time staff, contract employees, independent contractors, or look for student interns or placement opportunities. There are pros and cons to each type of support. Full-time staff provide consistency, but come with a range of obligations. Students can require significant training and typically stay for a short period of time, but tend to be eager to learn and bring up-to-date insights from their educational program. Engaging expert contractors frees you up to focus on your areas of expertise, but can be expensive.

Finding, interviewing, and hiring staff or contractors can take a significant amount of time, but

skimping on these steps is risky. Remember, the worst case scenario is being locked into a contract with someone who is not delivering results and to whom you still owe money. I am a fan of behavioral interview questions, which ask people to provide real life examples of their behaviour and skills in action. Checking references – for contractors and staff – is also an important opportunity to learn about a person’s strengths and weaknesses.

Regardless of what kind of relationship you enter into to find support for your business, resist the tendency to hire or work with people who are your carbon copy. It’s important that you share values and are able to communicate effectively, but once you have established those areas of overlap seek out people who approach problems differently, have different kinds of expertise, and are passionate about areas of the business that you find boring or difficult.

Our first two administrative hires both approach problems and think about issues differently than I do, and those differences in approach have been essential to our progress. Our first administrative hire had no legal experience but had worked in a number of different environments and was happy to tackle whatever we threw at her. Her enthusiasm and openness to trying new things was invaluable. Our second administrative hire was a legal expert with years of experience as a law clerk and legal assistant. Together, these two formed the backbone of our operations and helped us grow quickly when the opportunity arose. Our early administrative hires were dynamic, motivated, problem solvers who were eager to get exposure to different aspects of the firm and its management.

In our second and third year, we expanded to include additional lawyers and legal assistants with significant expertise. We also engaged a few people on contract to help us finish setting up the firm. As we grew, we needed less flexibility and preferred to recruit staff with significant expertise in a narrower area. We were and will continue to be attracted to staff who have worked in different top-tier firms. We benefit from their insights and past experience, and are able to take the best from what they have learned in past positions. Having the right mix of expertise and flexibility has been critical to our success and growth.

### *Resources to help*

- Harvard Business Review provides excellent insights into management, hiring, and talent

development. The “must read” series and the “20 minute manager” series are both great starting points to learn more.

- First, break all the rules provides some great insights into managing and building strong teams
- The Five Dysfunctions of a Team by Patrick Lencioni

## TECHNOLOGY

The nature of your practice will dictate how much and what kind of technology is required. Technology is expensive and finding high quality support can be challenging. In seeking expert assistance, I would focus on companies (not individuals) who have worked with law firms previously and think critically about how different technology works together. Hiring an individual has its advantages – you get direct access to the expert and can frequently build a strong and productive relationship with that person. However, if that person takes a vacation, becomes ill, or wins the lottery, you may find yourself without support. This is less of a risk if you have avoided customization or using proprietary solutions created by the individual tech expert. If you have built your firm on a platform that only one person knows how to run and update, you may be in trouble at some point.

There are a range of practice management solutions available. My best advice is to talk to a few people who have a practice like the one you are seeking to build and see what they use. Talk to them about the pros and cons of the solution and get to know what they love and hate about it. No software is perfect, but if you go in with a good sense of what the pros and cons are, you can identify complementary solutions and make choices that deliver on your priority items.

Before selecting any software, you should take time to identify your “business requirements”. Think through and write down exactly what you want the software to do for you and when you book a demonstration or meeting with a product representative, ask them to show you the specific functionality you require. Ask questions about the support that is available.

My advice is to look for integrated solutions as much as possible. When programs have to “talk” to each other and they weren’t built to do that, a lot can go wrong quickly. Microsoft, for example, provides many kinds of software and Microsoft itself works to integrate and make those programs

work together. It's not perfect, but better a large corporation is working on integrating programs than you and your IT provider. If you choose to work with smaller programs and try and make them work together yourself, you *may* get better results. If you are tech savvy and have a great provider, this can be a great approach, but if technology is not your thing, this will probably result in more headaches than solutions. The risk of working with smaller programs – especially the great ones – is that they might get bought up and integrated into another company, leaving you with a program that is not being updated or maintained.

If you have an established firm and your technology is not working optimally, there is no better time to switch than now. Change can be hard, but it's worthwhile if you choose the right product. In this case, you should consider engaging your IT provider in discussions about any change and bringing them to product demonstrations or letting them speak directly with representatives of the programs you are considering. IT experts will have many necessary questions about how to get information from your existing systems into the new systems and how to link up new technology with your other programs and software. It's important to consider the challenges associated with changing technology and to engage expert support to make sure you identify and understand the issues you'll face.

### *Resources to help*

- TLOMA has been a great resource. There are groups you can join to learn more about finance, facilities, and human resources, and the listserv is always available to answer questions about technology and other issues. The members are uniquely generous with their time and many are willing to hop on a call to discuss anything from software to where to buy chairs. Local bar associations and your own personal networks of friends and colleagues can also provide valuable assistance and insights.
- [https://www.practicepro.ca/wp-content/uploads/2021/12/SR-Update2022\\_Technology-Products-for-Lawyers-and-Law-Firms-FINAL.pdf](https://www.practicepro.ca/wp-content/uploads/2021/12/SR-Update2022_Technology-Products-for-Lawyers-and-Law-Firms-FINAL.pdf)
- [https://www.americanbar.org/groups/departments\\_offices/legal\\_technology\\_resources/](https://www.americanbar.org/groups/departments_offices/legal_technology_resources/)  
The ABA does a good job of sharing blogs and information to help law offices engage in technology. I like these resources because they consider the unique situation of lawyers and their professional obligations.



## OFFICE SPACE

COVID has sparked many discussions about office space. Ultimately, there are three choices:

- Traditional office set up with dedicated space for each employee
- Work from home with no office space available
- Hybrid – basically anything in between the above two extremes

It is becoming increasingly difficult to justify and insist on full-time, in-person work arrangements for all staff. For that reason, those who seek to impose this arrangement are running into more and more challenges hiring and retaining staff. Many people simply won't accept a job that requires them to be in the office five days a week. If your staff aren't in the office five days a week, it can be hard to justify paying for space that sits empty for a portion of the week.

A fully work from home arrangement poses different challenges. Many potential employees find this approach equally unappealing and want to know that in-person work is possible (just not required five days a week).

In either circumstance, if you are committed to either in-person or work-from-home, you will need to take steps to make that work and ensure, as part of your recruitment efforts, that you are finding people who share your commitment to that particular work style.

For the rest of us, the question is more about how you determine what form of hybrid work will support the success of your firm and your team. There is no right answer, but it can be helpful to ask yourself the following questions:

- What does my team want? What will they accept?
- What do my clients want and what kind of office space do I require to ensure great service?
- What workflows / tasks are better done in person? Who needs to be in the office how often to do those tasks? Can those tasks be changed so they can be done remotely?
- How will I mentor and manage in a virtual environment?
- What needs to change about my practice to make this successful?
- How do I convey culture and values in a remote environment?
- How do I maximize the benefits of in-person work?

We started out as a traditional law firm with the expectation that everyone worked in the office five days a week. Once COVID hit, we transitioned to fully remote and went on to onboard seven staff with almost no one setting foot in the office for over a year. We managed to almost triple in size while maintaining the same amount of office space we had in our first year.

Currently, we run a hybrid shop. We moved in July. Each member of our staff is now fully set up with a home office, and we have dedicated office space available for each member of the team. We increase our time in the office as COVID allows and move to a more home-based approach when the COVID numbers go up. Before making any change, we engage our staff to understand how their personal situations have evolved and what concerns they may have about a change to where we work. Our aim is to continue to provide excellent service while protecting the physical and mental health of our team. Most of us have yet to go back to the office more than two days a week.

What have we learned?

- Without time in the office, you have to be deliberate about conveying culture, building relationships, and bringing people together.
- Even a day or two in the office each week, makes it easier to build relationships and do collaborative work.
- People are in different circumstances and there is no one size fits all. Some of us are desperate for the social connections that in-office time brings. Others are really stressed out about caregiving obligations and how those fit with any kind of return to the office. There is no replacement for talking honestly with staff about where they are at and what they need for good mental, as well as physical, health.
- Good people do good work wherever they are. We have a great team. Everyone wants to do their best work and they know when and where that requires them to go into the office. Trust your people to work with you to ensure the work gets done well.

The best thing about the current moment is that you can launch without office space and preserve flexibility (and cash) until you are better established and have a better sense of what you need and want. Instead of renting space right away, consider working without an office or using a flexible service that lets you receive mail and possibly use meeting rooms as needed. Again, much depends on your individual circumstances. If you are launching with a full team and a roster of clients who

are coming with you, you may want to invest in space, but consider whether you should start with some meeting space and just a few offices that can be shared and or whether you want dedicated offices for each member of your team.

For more established firms, the questions can be more challenging. Reducing office space or introducing concepts like hoteling or shared space can be difficult. Staff may want to be able to work from home more without giving up dedicated office space. Engaging your staff in discussions about the trade-offs and benefits of different arrangements can be fruitful. If you put your staff and clients at the center of your decision making, engage them early, and communicate clearly, you will be best positioned to make changes to your space. This is an example of where it is important to have staff that share your values or at least understand the values of the firm. A decision that is consistent with what the staff know to be the values of the business will be better received than a decision that seems disconnected from what they know about the place they work.

#### *Resources to help*

- Tsedal Neeley's [Remote work revolution](#)
- Margaret Luciano, "4 ways managers can increase flexibility without losing productivity" (HBR, online)

## **CONCLUSION**

Whether it's part of your annual planning cycle or the focus of an offsite strategy session, critically examining your infrastructure needs is time well spent. Space, staff, and technology are usually the largest costs a law firm incurs, and aligning those expenses with your values and vision will help you strengthen your business whether you are just starting out or established and looking to improve.