

## Bankruptcy, Healthcare & Employment are 2010 Hot Practice Areas

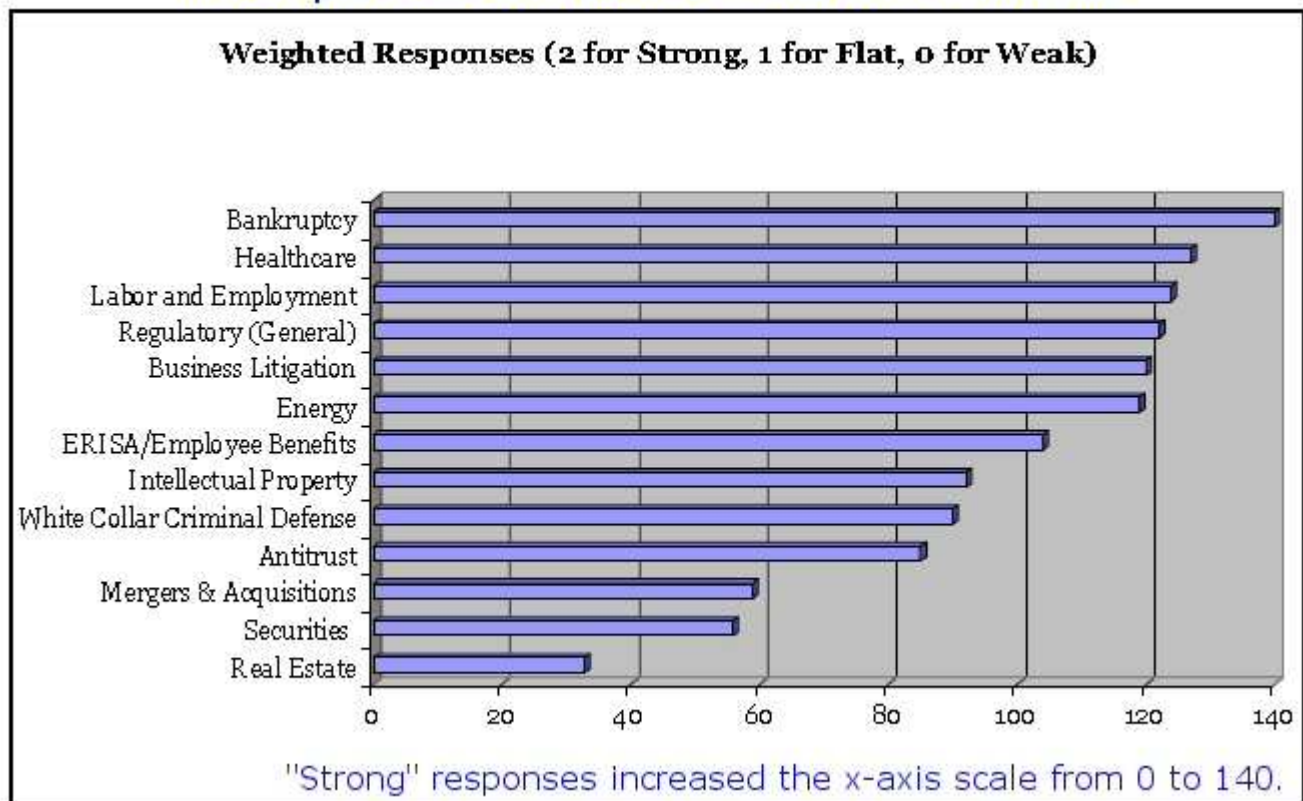
**By Larry Bodine, Esq.**, a business development advisor with offices Tucson, AZ and Glen Ellyn, IL. He has helped law firms nationwide earn millions of dollars using strategy, business development training and individual attorney coaching. Larry can be reached at 630.942.0977 and [www.larrybodine.com](http://www.larrybodine.com).



**Managers of mid-sized law firms are cautiously optimistic about profits in 2010**, according to a [survey](#) by Smock Sterling strategic management consultants of Chicago. "We asked how the respondents viewed potential/probable 2010 firm performance -- revenue and profitability -- in the context of the broader legal marketplace. As with the present market, the responses were more optimistic than we anticipated they would be. **Fully 65% expect growth (either "solid" or "some")**, **32% expect a flat year**, and **4% expect it to be down**," said John Smock, speaking on a recent [TAGLaw](#) webinar.

Not surprisingly, **bankruptcy leads the list of hot law practices – with healthcare, labor and employment, business litigation, and energy** following. Real estate received the weakest score, followed by securities and M&A.

### Which practices will be hot -- and which will not



**Four law firm marketing tips for 2010:**

- Stake out market positions that are very hard for another firm to take away from your firm.
- Don't try to take on a big firm and defeat it on the field. Go around it; find the unoccupied positions in the field and take them over.
- Doing things better and cheaper is not a strategy; it is a recipe for getting into a price war. You should instead market the things that make you different and unique.
- A firm cannot cost-cut its way to prosperity. A firm cannot forever continue to delay start dates for associates, eliminate travel, slash marketing and lay off personnel.



John Smock

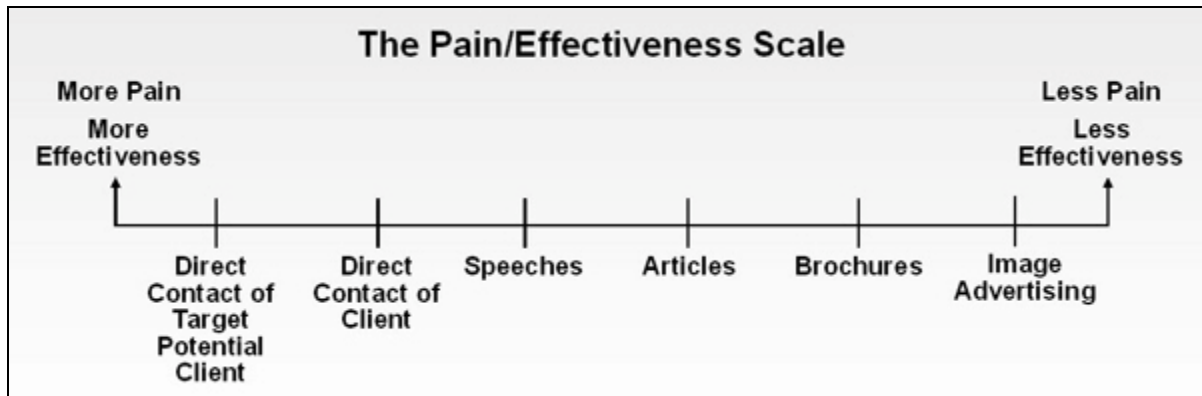
**Law firm management trends to follow instead:**

- Focusing on practice group development and holding the groups accountable for profits.
- Revising associate salary structures (and eliminating "up or out" as a career path).
- Offering alternative fees and billing.
- De-equitizing non-productive partners.

"Take a look at alternative fee approaches," he advised. "You must know your own cost structure, so that you can get beyond charging clients for time and materials. Ask your clients what motivates them to ask for an alternative fee arrangement – are at least three different motivations:

- Cost savings.
- Predictability of fees. "But avoid charging time and materials on a not-to-exceed basis. There is no upside for the law firm. You should give yourself a benefit when you're more efficient."
- Risk sharing. "Some clients want to see that you have some skin in the game – so think of success fees or an upside if a good result is obtained."

**He advised partners to get closer to clients.** This may mean getting out of one's comfort zone and visiting clients, meeting them face-to-face and giving speeches. In-person efforts involve more "pain" but are much more effective than delegating business development to a firm's marketing professionals, and having them compose advertisements and brochures.



**Now is the time to increase the velocity of sales calls**, according to Smock. "We strongly encourage law firms to take the sage advice of an experienced manufacturing executive. He had called all of his people together and said – "this is my fifth recession as CEO of this company and there is **only one tried and true way to deal with a recession – increase the velocity of sales calls** – it enables you to hold business in the downturn and increase your customer base for the recovery."

"We believe there is a lesson for law firms. Those that get their partners out of the office and have them call on present and potential clients will do considerably better (by a lot) than those that wallow in the "hunker down" mode."