

Recession 2008: Ten Steps Solos Should Take Right Now

By David Leffler

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Just this past week an article on the front page of the *Wall Street Journal* reported on a global sell-off of stock amid fears of a recession in the United States. For several months now there has been a steady drumbeat of bad economic forecasts for 2008.

I don't have a crystal ball that can help me predict as I write this column in February what economic conditions will be like this year, but it does seem that a little preparation for a downturn is in order. And if by the time you read this the economy has managed an incredible turnaround, defying all of the predictions of the "experts," then I'll be happy to be proven wrong in my concerns.

Even if I am proven wrong, you'll find some useful suggestions for your solo practice in this column no matter what the economy happens to be doing. So, without further ado, here are ten steps to help soften any blow that your law practice might take if the economy does turn south.

1. Don't panic. When you panic, you become paralyzed. Panic is a response to the belief that you are helpless, and as a solo lawyer, you are far from helpless. Although you don't have the comfort of working at a law firm where you only need to do the work to collect your paycheck, as a solo attorney you definitely have some advantages over your law factory brethren when hard times hit. They have little control over whether they will be fired in a downsizing. You definitely have some room to maneuver if some of your regular business dries up. So take a deep breath and keep reading.

2. Don't stop thinking about tomorrow. Now it is more important than ever to remember that old rule of marketing: Keep marketing even when you are up to your ears in business. So don't bury your fears in keeping busy with the work that you have now; take the time to make the phone calls and follow up on leads that will get you more business when your current projects are finished. And don't buy the line that times are bad and there's no work out there. The legal market is just as inefficient in an economic slowdown, with people needing lawyers but not knowing where to find them, and lawyers looking for those clients. New client opportunities will be there for those lawyers willing to take the time to hunt them down.

3. Diversify. Should you diversify your practice? It depends. Here are three ways to do it and some thoughts about each method:

- Pick up work in those areas of law that were once part of your practice but you long ago abandoned for one reason or another. Think of the reasons why you stopped practicing in those areas and figure out if the reasons still hold true today or if you can somehow get around them.
- Expand into an area of law related to your current practice. If you have a business tax law practice, perhaps you can expand into an estate planning practice, which involves a lot of personal tax considerations. Certainly these are different fields, but learning about the new area is made easier by your familiarity with many tax law concepts. When deciding on whether to branch out into a new field, determine how much work will be involved with coming up to speed, and how likely are the opportunities for significant new business.
- Identify new areas of practice that might do well in a recession and consider whether it makes sense for you to do this kind of work. Bankruptcy is an easy one to name. But how much work will it take for you to get up to speed in this area, especially after the recent amendments to the Bankruptcy Act? Divorces tend to increase when there is economic pressure on marriages, so that might be something to consider if you have the temperament for it. Mediation or litigation also tends to do well in a recession because when resources become tighter, there tend to be more conflicts that lead to litigation.

4. Prepare a marketing plan. This will focus your efforts, making you more efficient in obtaining new business. The ABA has a number of books that can help you in this

endeavor, which can be found at www.abanet.org/genpractice/books/indexlawoffice.html. Also, just out is *Solo by Choice: How to Be the Lawyer You Always Wanted to Be* by Carolyn Elefant, which provides some great advice on marketing.

5. Spend money to generate new business. Your first impulse may be to cut back on marketing expenses. Don't. If you routinely take out an ad in the yellow pages and in the past it has brought in enough business to make it worthwhile, then keep doing it. Ditto for business cards, stationery, and nice business attire, which you can't track directly for the amount of business they generate, but which do have a positive influence on your marketing efforts. Investigate spending money on new areas of marketing as well. If you invest your marketing dollars wisely, you will be rewarded with new business, even in a recession.

6. Take some time off. Now you think I've lost it, right? Facing an economic crisis, I suggest you turn off the shop lights and go fishing. But have you ever been at an all-day CLE course and come back with some really good ideas for your law practice? This happens because you really need to get away from your day-to-day routine to come up with some good ideas about the big picture of your practice. If you can, go someplace that you can use as a retreat, a place that is cut off from your regular environment. Work on your marketing plan and bring resources that can assist you, such as a book or two on the subject.

7. Clean up your office. If you have extra time because business is slow, use it to clean up your office and get a bit more organized. How will this help? Your environment will be nicer, which will reduce your stress level, and thus help you to function better.

8. Maintain your hourly rate. Don't cut your prices in an effort to drum up more business. It won't bring in more business and it will only make you look and feel desperate. You are as good a lawyer now as you were a year ago, so there's no reason to reduce your fees.

9. Meet with fellow solo lawyers on a regular basis for support. Call solo lawyers you know in your area to arrange a meeting. SoloSez (www.solosez.net), the ABA e-mail discussion group for solo and small law firm lawyers, with more than 3,000 subscribing lawyers, has spawned many local groups that meet regularly. Also try www.meetup.com, which facilitates setting up local special interest groups across the country, to find or create a local group for solo lawyers. Your meetings should not be gripe sessions but discussions of what each lawyer is doing to succeed in a more challenging economic environment.

10. Give yourself a break. The world is not coming to an end. During the 1929 Depression (and none of the experts are saying that we're getting one of those) people threw themselves out of windows, confusing the money they lost with their self-worth. Well, they were not their money, and they still had plenty of resources in themselves and plenty to live for. On a much less dramatic scale, don't let tight times put you into a funk. Remember to hug your spouse, your kids, your dog, your potbellied pig, and whoever else is special in your life because life doesn't get any richer than that.