
THE PRACTICE MANAGER

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WEEK OF July 3, 2006

Overcoming the Fear of Financial Statements (webcast) – July 12, 2006

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The Technology Roundup

Gerry Morris, J.D.

VOIP Phone Systems – They Talk a Good Game But Can They Deliver



This month I'm going to talk about voice over IP phone systems. (VOIP). Basically, a VOIP phone system converts sound to digital format, transmits the digital information over the Internet, and changes it back to analogue sound at the other end. The system may use a computer microphone and speaker as its means of input

and output (such as Skype found at www.skype.com) or it may use standard or specially adapted ordinary telephones. Systems adapted for more or less ordinary business and home use are assigned phone numbers just like ordinary land lines and cellular phones and can call out to any other telephone number whether VOIP or standard. The systems that use ordinary phones are intended to replace traditional land line phones.

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The Coach's Corner

Debra Bruce, J.D.

Business Development: Follow Up or Fall Down



Recently I celebrated a business development victory with a lawyer. I asked him what he thought was the most important ingredient in his success. "Persistence," he replied. "I just kept following up."

That's where many of us fall down. We attend networking events, give speeches, join organizations, and do other things to be at the right place to meet prospective clients. We succeed in meeting what

appear to be some good business prospects or good potential referral sources. Hooray! Now what do we do?

Some of us take their business cards back to the office, put them in our desk drawer, and that's the end of it. Perhaps we are hoping they will germinate in there. Perhaps we hope that we are so memorable and our services in such demand that the prospective client will soon call us.

Many of us manage to enter their contact information into our database and send a "nice to meet you email" before we peter out. We would do more, but we just don't know what else to do.

Some of us get bold enough to call the prospect. We exchange pleasantries, tell them about what we can do for them and offer our services. Usually that results in a polite brush-off, and that's the end of the road for us. We mark that prospect off the list.

Follow-up is one of the most crucial, yet most neglected or malpracticed business development skills. That's probably because it requires so much delayed gratification. It requires making repeated investments that may not pay off for a long time, if ever. Some of us are too impatient to make that kind of investment. We take our shot, and if we miss, we move on. Others of us get discouraged too soon, taking the lack of action by a prospect as a sign of rejection.

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VOIP for business is catching on fast. The major Internet and telecommunications players, such as AT & T and Sprint, offer sophisticated systems on plans which include providing the Internet connection as well as the phone equipment. Since the quality of the sound is largely dependent on the speed and dependability of the Internet connection, for large offices using a provider that includes ISP service is a good idea. However, there is an interesting low cost alternative for the small to mid-size office.

One VOIP vender, Packet8, (www.packet8.net) offers a system loaded with features at a reasonable price. Packet8's Virtual Office system offers something called "hosted PBX" which means that at the equipment that routes calls within the system belongs to Packet8 rather than you. Of course, that means you don't have to buy it or provide space for it. The Virtual Office system also includes the "Automated Attendant" service which is a front end caller greeting and menu system that guides the caller to the correct extension. Like other phone systems the incoming calls can also be answered by a live attendant.

The Virtual Office uses phones specially designed for VOIP. They contain all the features found on most business phones including 3-way conferencing, call forwarding, caller ID, etc. (See the web site for a full list of features). The Virtual Office system requires a minimum of three phones. There is a one time start-up cost of about \$150 and a monthly charge of about \$40 per phone. Unlimited long distance to the United States and Canada is included. Rates to other countries are relatively low. For that price you get the PBX and voicemail functions that would take thousands of dollars worth of equipment to install in your office for a traditional phone system.

Perhaps one of the more useful features of the Packet8 VOIP system is that the phone associated with a particular system can be located anywhere in the United States where there is a high speed Internet connection. For instance, you could have a phone in an office in another city or at home and the system will find it and route calls to it just like the other extensions. Each phone has a unique direct dial number as well as an assigned extension number on the system so an extension can receive outside calls directly or via transfer from another extension. Also, since the installation of a phone basically amounts to plugging it into a power outlet and into a high speed Internet connection, a phone can be easily moved from location to location.

So why would you want Packet8 VOIP as opposed to a standard telephone system? Probably the biggest reason is lower cost of ownership and service. The startup costs are a drop in the bucket compared to purchasing a traditional phone system. To the monthly charges stated above you must add in the cost of an Internet connection. However, since the quality of the sound depends on the speed of the service, a low end DSL service probably won't do. Cable ISP's offer much higher speeds both upstream and downstream. You can probably count on spending around \$100 per month to get a

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suitably fast connection. Accordingly, the total monthly charges for the basic phone system may not be much less if any than, say, four incoming standard lines. But, with VOIP, long distance is free. If you spend even \$50-\$100 per month on long distance, the savings add up. Most of us probably pay in excess of that per month for long distance.

With those savings why wouldn't you want VOIP? The knock on early VOIP was that the sound quality was roughly that of two tin cans and a string. Also, there was also a problem with "packet loss" meaning that chunks of data and therefore segments of sound simply didn't make it over the Internet to the other phone. The result was choppy sound. The technology has come a long way in recent years, but, those of us who tested it early on have reason to be skeptical. The major players in the market have addressed the quality problem by offering dedicated Internet Connections for VOIP allowing them to control the data routing to avoid bottlenecks. These services are pricey. (You'll have to call Sprint or AT & T to get a quote). With Packet8, it's up to you to select a reliable ISP. Another minor drawback with Packet8 is that, at least for now, the service doesn't support fax lines. An alternative to a traditional land line for faxes is one of the email fax services. These services (i.e. www.efax.com; www.myfax.com) assign subscribers a regular telephone number to receive faxes. (This can be a toll free number). The fax is then emailed to a designated email address in a graphics file format. Several of my colleagues that travel extensively prefer this type of service to a stand alone fax machine.

See *Tech Roundup* on page 3

As I've said before, I won't write about a product unless I've used it or know someone who has. I have a colleague who has just installed the Packet8 system in his law office. So far he is pleased. His ISP is a cable provider and the quality of the sound is excellent. His practice requires him to make quite a number of long distance calls so the savings for him are significant. He also has a staff member that works part time from home. She has an extension phone there and answers incoming calls during her work hours. She can then transfer the calls to the appropriate extension across town just as if they were in the next room. However, before I can recommend the product I'm going to follow his experience with it for six months or so. If his reports continue to be positive, Packet8 may be my next phone system.

I am interested in hearing about your experiences with VOIP phone systems. I intend to revisit this topic in the future, so drop me an email and I'll include your reports in my follow-up.

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Law Practice Management Update

We are right in the middle of our busy Summer CLE season and it's been a real treat to travel to all of the different cities, where these programs are being conducted, and meet some of you. We still have a few more programs remaining this summer, including **Perfecting Your Criminal Law Practice** and **Managing Your Personal Injury Practice with Legal Technology**. Be sure to check out the list of *Upcoming Events* on page five of this newsletter for registration information.

In addition to these programs, we're also working expanding our **Legal Support Staff Training**. We're taking our Legal Support Staff Training back to Dallas, but this time the training will focus all on technology training from Word / WordPerfect issues to the latest in case management and time & billing software. This course will give your current and new staff a good overview of the types of technology employed by law practices and how to utilize that technology to streamline the practice.

In August, we will take our **Legal Support Staff Training** to Houston. More details to come soon!

Law Practice Management Tip

All management tips are provided by State Bar of Texas and ABA Practice Management Advisors. The tips are not meant as legal advice, nor binding on the State Bar of Texas or the ABA.

Did you know that your support staff is the one asset that can really affect your firm's bottom line? In order for you to make the most out of your staff, you need to develop their skills on a daily basis. Only then will they have the know how and confidence to handle any challenges that may arise. Here are five suggestions to promote growth within your support staff.

1. Include your staff in meetings. This allows them to gain a broader perspective of what is happening in the firm and to stay abreast of future and existing projects.
2. Establish goals and state your expectations. Clearly state what needs to be accomplished and let them know not only how these goals should be accomplished but why.
3. Give continual and constructive feed back. In order for your staff to grow professionally, you need to let them know the status of their performance, whether it is positive or negative.
4. Be a mentor. Your office may have a wealth of information and resources but in the end you are the person your staff turns to for all the answers.
5. Financial Compensation. What is your staff worth to you? What value do they bring to your office? Where would you be without their help? To help determine a fair salary, look at the roles of your staff and the number of people they support. Next, get some current salary statistics. Then you can adjust the salaries accordingly with the information you have gathered resulting in strengthened performances from your staff.

Managing Your Personal Injury Practice With Legal Technology

LIVE
July 11, 2006 – Dallas
August 1, 2006 – San Antonio

2.0 MCLE Hours

Learn about the different technology available to PI lawyers that can be utilized in the office to manage client files and produce the work, and technology that can be utilized in the courtroom

For more information, visit www.TexasBarLPM.com and click on "Seminars"

Some of us are willing to make the investment, but we are afraid we will be nagging or pestering the prospect. We have all been the victims of inartful follow-up where someone did make a pest of himself.

If you found yourself in any of the above categories, here are some tips on how to make your follow-up work.

1. **Try to go beyond superficial conversation when you first meet the prospect.** Learn a little about her interests or her challenges. You will have more fodder to work with in your follow-up.
2. **Do some preparation before you follow-up.** At a minimum, check out her company's website and Google her. If you learned about some concerns she is facing, do some brief research into possible solutions.
3. **Look for ways to benefit your prospect when you follow-up.** Share some current information that might be useful to her. Offer to be a sounding board or to give her some "off the clock" advice about any of her challenges that you discovered. Offer to make an introduction that is valuable to her. Send her an article or news clipping that relates to something you discussed with her.
4. **Have a genuine interest in and curiosity about her and her business.** You can find something interesting or intriguing to you about every person and every business on this planet, if you approach them with curiosity. Expressing a desire to learn more about something specific about her experience or her opinion may be just the ticket that gets you a follow-up lunch. We are all attracted to someone who genuinely finds us interesting, aren't we?
5. **Listen for her needs or worries that you can help with.** Don't just listen for legal needs that you can address. Listen for needs that other lawyers in your firm can handle. Listen for needs that have nothing to do with the law, but for which you may be able to make a referral or provide a resource.
6. **Focus on building a relationship and filling needs.** Most unsuccessful follow-up has its focus on what you can get from the prospect, instead of what you can give. If you make yourself a good resource for your prospect, she will want to stay connected to you, and won't find your calls a bother. She will want to repay your favors with business or referrals, if she understands what you do and how you can help.
7. **Have a system for follow-up.** Don't let prospects fall through the cracks just because they don't have a need for your services at this moment. Set reminders on your calendar to touch base periodically. Months can slip by before you realize it. Perhaps you will want to

set aside a specific morning each month to review your list of prospects and dormant clients to reach out to.

8. **Track your contacts with a prospect.** Sales research shows that most salespersons make 7 to 10 sales calls before closing the sale. Many lawyers give up on a prospect after contacting them only 2 or 3 times. At least for a little while, try recording each time you have a phone call with, send an email to, have a meeting with or just bump into a prospect. You can use Outlook, your case management software, contact management software like Act! or Sales Logic, an Excel file, or even a chart on a piece of paper. When you do get some business from her, look back to see how many times you connected before you actually got the business. You may be surprised to see that even with a "hot prospect," you connected more than a dozen times. This information will give you the encouragement to persist with other prospects when progress is slow.

Armed with these tips and a giving attitude, you can confidently persist in building relationships that ultimately result in your business success.

Debra Bruce (www.lawyer-coach.com) practiced law for 18 years, before becoming a professionally trained Executive Coach for lawyers. She is Vice Chair of the Law Practice Management Committee of the State Bar of Texas, and the co-founder of Houston Coaching Network, the Houston Chapter of the International Coach Federation.

Legal Support Staff Training Series

Legal Support Staff Technology Training - Live
Dallas – July 28, 2006

Today's attorneys and their support staff have a wealth of new tools available to remain competitive in the practice of law. Find out how to implement technology and use it efficiently, learn tips and tricks, and incorporate it into your law practice.

Legal Support Staff Workflow and File Management Training – Live
Houston – August 2006

More information to come soon

For more information, visit www.TexasBarLPM.com and click on "Seminars"

Upcoming Events

Managing Your Personal Injury Practice with Legal Technology will take place live in Dallas on July 11, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6219>

Perfecting Your Criminal Law Practice will take place live in Dallas July 25, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=5631>

Legal Support Staff Technology Training will take place live in Dallas on July 28, 2006. For more information or to register, call 800-204-2222, ext. 1574.

Perfecting Your Estate Planning and Probate Practice is scheduled for video replay in San Antonio on August 1, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6181>

Managing Your Personal Injury Practice with Legal Technology will take place live in San Antonio on August 1, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6237>

Managing Your Personal Injury Practice with Legal Technology is scheduled for video playback in Houston on August 22, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6238>

Perfecting Your Estate Planning and Probate Practice is scheduled for video replay in Dallas on August 29, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6182>

Perfecting Your Criminal Law Practice is scheduled for video playback in Austin September 26, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6276>

Managing Your Personal Injury Practice with Legal Technology is scheduled for video playback in Houston on October 10, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6239>

Law Practice Management Special Offers

Books of the Month

Risk Management – Survival Tools for Law Firms

Retail - \$79.95

Sale Price - \$55.95

This book provides a detailed system for assessing quality in law practices and for identifying activities in need of improvement. The self-evaluation tools have been collected in a series of Law Firm Quality/In Control (QUIC) Surveys that are easy to administer and evaluate. This book contains specific tips that can be used immediately to improve the quality of practice and avoid professional failure.

How to Build and Manage a Personal Injury Practice

Retail - \$54.95

Sale Price – \$38.45

Written exclusively for personal injury practitioners, this indispensable resource explores everything from choosing the right office space to measuring the results of your marketing campaign. For those just starting out, this is your practice-building bible. And, for the already established solo practitioner, this book is your faithful companion to the unforeseen obstacles inherent to operating your own business.

**TO ORDER EITHER OF THESE PUBLICATIONS,
CALL 800-204-2222, EXT. 1300**

**SPECIAL THIS MONTH ONLY – NO SHIPPING
CHARGES THROUGHOUT THE MONTH OF
JULY ON ANY ORDER!**

Perfecting Your Criminal Law Practice is scheduled for video playback in Houston October 10, 2006. For more information or to register, call 800-204-2222, ext. 1574 or visit

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6277>

Law Practice Management Webcasts

Overcoming the Fear of Financial Statements will be webcast on July 12, 2006. To register, visit:

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6265>

Managing Risk in Your Law Practice will be webcast on September 27, 2006. To register, visit:

<http://www.texasbarcle.com/CLE/AABuy1.asp?sProductType=EV&IID=6263>