



LAW JOURNAL
NEWSLETTERS

LAW FIRM PARTNERSHIP & BENEFITS *Report*®

An **ALM** Publication

Volume 20, Number 5 • July 2014

The Google Digital Footprint

By Greg Sutphin

Social networking sites have not only changed the way people interact and communicate, but also transformed the way business is done.

Social networks have also influenced service sectors — and the business of law is no exception. All social networking platforms, such as Facebook, LinkedIn, Twitter, and Google Plus are trying to establish themselves in personal as well as business niches.

GOOGLE PLUS WHAA?

What makes Google Plus different and more beneficial for marketing purposes is the fact that it is part of a company that affects the largest digital footprint and brings many Google services under one umbrella. With its unique features, Google Plus is in many ways beyond other social networks when it comes to establishing a digital footprint for attorneys.

While recent news, not directly from Google, might indicate that Google Plus is no longer trying to focus efforts to develop the next Facebook, it is still an important “social layer” (Google’s words). Whether or not a lawyer chooses to create and participate within his or her Google Plus profile, it is critical to be part of the largest and most influential digital footprint that Google encompasses.

continued on page 4

Using ‘Sharing Origination’ Credit to Motivate Partners to Develop Business

By Joel A. Rose

In today’s competitive practice environment, client origination looms large in its significance to the success of a firm’s future. Hence, strong incentives should be provided to partners for “bringing new business from potential and existing clients through the door.” Below, several kinds of Origination Credit are examined.

CLIENT ORIGINATION

At least one partner is responsible for bringing new clients through the door. Obtaining a new client is important enough that it should entitle the originating partner(s) to receive 100% of the Client Origination Credit of the dollar value of the revenue received from a new client, permanently or for a period of time.

Joint Credit for Originating a Client

Origination credit, the dollar value of the revenue received from a new client that comes to the firm as a result of multiple partners collaboratively bringing a new client through the door, will be shared among these partners. Such credit will be shared by agreement between the concerned partners. If these partners are unable to agree upon terms of sharing origination credit, the decision will be made by the Managing Partner, the Management Committee or the Compensation Committee.

Administering Origination Credit

The entitlement for the originating partner(s) to receive 100% of the origination credit, permanently or for a period of time, is presumed though not automatic, since the entitlement carries with it a responsibility to “mind” the client, at least to some degree, depending upon the circumstances, *i.e.*, whether the client’s work is within the area of expertise of the originating attorney.

It is important that the originating partner continue to receive client origination credit for some time, even if one or more other partners are significantly involved

continued on page 2

In This Issue

‘Sharing Origination’	1
The Google Digital Footprint	1
Culture Shift.....	3
Innovation	5

Origination Credit

continued from page 1

in managing and/or performing the work for that client. The firm will continue to benefit by having the originating partner retain some type of a personal or working relationship with that client. Also, the firm does not want the originating partner to believe that by assigning a client or client work to another partner, the latter partner may attempt to persuade the client to refer all future work assignments to him or her, thereby eliminating the originating partner from having a continuing relationship with that client.

Changing Origination Credits

Changing the partner allocations of origination client credit for a client is usually determined on a case-by-case basis, where appropriate, with credit-sharing a reasonable option. For example, where a client was brought in by Partner A 10 years prior, but has given no business to the firm for seven years, and then was brought back to the firm through the efforts of Partner B, it may be appropriate to give all origination credit for that matter to B, or to share the credits, depending on the circumstances. Another circumstance under which origination credit for originating a “new” client may change is if Partner A brings in a client but after a period of years, Partner B has been managing that client and is responsible for maintaining the relationship. If that happens and the partners agree that a change in the origination credit is appropriate, then it can be changed with the consent of the Managing Partner. A third circumstance where origination credit may change is if a client that was originated by Partner A leaves the firm, and after several years of not doing any business for that client, Partner B brings that cli-

Joel A. Rose, a member of this newsletter’s Board of Editors, is a certified management consultant and president of Joel A. Rose & Associates, Inc., Management Consultants to Law Offices (www.joelrose.com), in Cherry Hill, NJ.

ent back into the firm. Partner B will receive origination credit for that client. Without getting into detail on how that may come about, it will take the approval of the Managing Partner, members of the Management Committee or the Compensation Committee to approve this change in origination credit.

Obviously, the preferred means of resolving issues where more than one partner feels entitled to origination credits for a particular client, is for the partners in question to negotiate an agreed sharing. However, upon request, an issue as to relative entitlement to origination credits will be resolved by the Managing Partner, the Management Committee or the Compensation Committee.

RESPONSIBLE PARTNER

CREDIT

The *responsible partner credit* is the dollar value of the amount of revenue received as the result of the work performed by a partner who has been designated as the responsible partner in charge of managing the work performed on a client matter (that was originated by another partner.)

Once the original originating partner no longer plays a principal role in retaining the client, *i.e.*, the former delegates the client/matter to another partner and the original originating partner does not continue to either service the client or schmooze the client in a way that makes him or her the primary contact, then the original originator no longer qualifies for full origination credits for the client. To illustrate this point, following is one example of sharing responsible partner credit I have recommended to other firms.

The original originating partner who is no longer responsible for that client may remain eligible to receive 75% of the originating credit for the first two or three years, with a further reduction to 50%. In some firms, the 50% of the origination credit may remain thereafter with the original originator for a designated number of years — for two or three years or as long as that client remains a client of the firm.

continued on page 4

LAW FIRM PARTNERSHIP & BENEFITS Report®

EDITORIAL DIRECTOR Wendy Kaplan Stavinoha
MARKETING DIRECTOR Jeannine Kennedy
GRAPHIC DESIGNER Evelyn Fernandez

BOARD OF EDITORS

SHARON MEIT
ABRAHAMS Foley & Lardner LLP
Miami
SHELDON I. BANOFF Katten Muchin Rosenman LLP
Chicago
PAULA CAMPBELL Paula Campbell Legal
Technology Consultants
Chicago
WILLIAM C. COBB Cobb Consulting
Houston
LESLIE D. CORWIN Greenberg Traurig, LLP
New York
SILVIA L. COULTER LawVision Group
Boston
ROBERT W. DENNEY Robert Denney Associates, Inc.
Wayne, PA
DEBRA FORMAN Pinstripe Coaching
Toronto, Ont., Canada
CARA GREENE Outten & Golden LLP
New York
PHYLLIS WEISS HASEROT Practice Development Counsel
New York
LEONARD S. HIRSH Ernst & Young
New York
WARREN KINGSLEY Arnall Golden Gregory LLP
Atlanta
JONATHAN LINDSEY Major, Lindsey & Africa
New York
BRUCE W. MARCUS The Marcus Letter
Branford, CT
KARL NELSON Gibson, Dunn & Crutcher LLP
Dallas
WAYNE N. OUTTEN Outten & Golden LLP
New York
KIMBERLY ALFORD RICE KLA Marketing Associates
Cherry Hill, NJ
JOEL A. ROSE Joel A. Rose & Associates Inc.
Cherry Hill, NJ
LOUISE E. ROTHERY Association of Corporate
Counsel (ACC)
Northeast Region
RICHARD H. STIEGLITZ Anchin, Block & Anchin LLP
New York
RONALD W. TAYLOR Venable LLP
Baltimore
JOHN D. TUERCK Law Practice Consultants
Dedham, MA
MARCIA S. WAGNER The Wagner Law Group
Boston
PAMELA WOLDOW Edge International
Philadelphia

Law Firm Partnership & Benefits Report® (ISSN 1061-9410) is published by Law Journal Newsletters, a division of ALM. © 2014 ALM Media, LLC. All rights reserved. No reproduction of any portion of this issue is allowed without written permission from the publisher.

Telephone: (877) 256-2472
Editorial e-mail: wampolsk@alm.com
Circulation e-mail: customer-care@alm.com
Reprints: www.almreprints.com

Law Firm Partnership & Benefits Report 023147
Periodicals Postage Pending at Philadelphia, PA
POSTMASTER: Send address changes to:

ALM
120 Broadway, New York, NY 10271

Published Monthly by:
Law Journal Newsletters
1617 JFK Boulevard, Suite 1750, Philadelphia, PA 19103
www.ljonline.com



Culture Shift

A Whole-Firm Approach for Generating Greater Client Loyalty and Growing Revenue

By David H. Freeman

If you were to eavesdrop on an Executive Committee meeting in a typical law firm, you very well could hear some version of the following conversation: “*We have excellent lawyers, but the market for our services is not what it used to be. We’ve cut all we can from our overhead. How can we get our lawyers focused on developing more business?*”

One of the greatest challenges facing firm leaders is guiding lawyers to change their behaviors in ways that will maximize personal and firm-wide business development potential. Facilitating such a culture shift requires a level of institutional effort, coordination and relentless follow-through rarely found inside today’s firms.

Anyone who has tried to change a culture knows it is a monumental task. Impassioned speeches by firm leaders about increasing cross-selling, delivering better client service, finding more profitable clients and generating higher originations are never enough. True culture change requires a new breed of leaders who can encourage collaborative planning, change behaviors, revise systems, enhance skills, increase teamwork, implement supportive technology, align incentives, inspire colleagues and tirelessly drive implementation to get the right people moving in the right directions.

GETTING STARTED:

COLLABORATIVE PLANNING

If you’ve ever tried to jump-start business development within a firm,

David H. Freeman, J.D., Chief Transformation Officer at Culture-Shift®, and CEO of the David Freeman Consulting Group, has been recognized as the best law firm coach and consultant in *National Law Journal* Surveys for the past two years. He can be reached at David@LawFirmCultureShift.com, or at 949-715-0819.

you’ve probably run up against a laundry list of roadblocks — low motivation, siloed practices, dysfunctional groups, lack of trust, inefficient teams, ineffective leaders, poor communication, misaligned compensation, weak selling skills, unclear goals and measures, inconsistent client service, minimal accountability and inadequate follow-through.

Underlying many of these challenges is the need for buy-in and agreement. As you have painfully experienced, you cannot tell most lawyers what to do and expect they will automatically do it. They need facts. They must analyze, dissect, challenge and explore other approaches. Ideas must be *their* ideas, and they must act in sync with others to achieve the potential synergy that exists within your firm.

One way to generate buy-in and consensus is by putting your lawyers through a facilitated, collaborative planning process. They will work together to analyze their problems and develop joint solutions. They will develop a greater sense of ownership around achieving the outcomes they agreed were important. By using this approach, not only will you focus their attention and energy, but you will also set the stage for better implementation down the road.

MAJOR DRIVERS OF CULTURE

CHANGE

Within the planning process, you must carefully choose and blend initiatives at the right time, in the right way, to encourage a higher level of performance. While details of how and when differ for every firm, the following are key elements any firm should consider if they want to create a more powerful, self-sustaining culture of client development:

Senior Leadership Alignment and Planning

- Develop consensus on vision and goals;
- Determine strategies, tactics and priorities;
- Determine major roles and responsibilities;
- Agree on key measures;
- Adjust compensation to encourage desired behaviors; and

- Develop tracking and reporting systems.

Client Surveys and Feedback

- Prioritize clients;
- Agree on a process and frequency of feedback; and
- Develop a system for consistently acting on the feedback received.

Client and Industry Teams

- Identify high-priority targets;
- Develop team dynamics, standards, roles and enforcement;
- Obtain client feedback;
- Deliver exceptional levels of service;
- Engage in structured cross-selling;
- Increase market visibility; and
- Develop tracking and reporting systems.

Exceptional Client Service

- Develop internal standards and specific best practices;
- Provide ongoing training and refreshers;
- Create a staff service committee; and
- Provide rewards and consequences that support desired behaviors.

Cross-Selling

- Identify and overcome the common obstacles to cross-selling;
- Build key internal relationships;
- Align the compensation system to encourage desired behaviors;
- Focus on high potential clients; and
- Train group leaders how to drive the process.

Lateral Integration

- Develop a strategic acquisition plan;
- Build a structured integration process;
- Require laterals to create personal client development plans;
- Improve lateral selling skills; and
- Appoint lateral mentors who provide guidance and accountability.

Business Development Planning, Training and Coaching

- Identify and give support to high potential lawyers;
- Provide best practices, specific tactics and customized support;
- Obtain personal commitments; and

continued on page 4

Culture Shift

continued from page 3

- Develop a business-development committee of associates to build for the future

Sales Management Skills for Group Leaders

- Encourage a culture of business development;
- Provide appropriate power/authority;
- Allow input on compensation;
- Conduct group planning;
- Develop buy-in and motivation in group members;
- Drive cross-selling;
- Develop the right goals and measures of progress and success;
- Track and report on progress;
- Provide ongoing training and reminders; and
- Work with other complementary practice groups to drive cross-selling.

Origination Credit

continued from page 2

As the amount of the origination credit for the originating partner is reduced, responsibility credit will be transferred to the partner designated to serve as the responsible partner by the originating partner. Questions regarding the allocation of origination credits and responsible partner credits will be referred to the Managing Partner, the Management Committee or the Compensation Committee.

It should also be recognized that the more important the client, the more it is in the firm's interest to have multiple partners develop a significant client relationship. The Managing Partner, members of the

Google

continued from page 1

Since lawyers are slow to use social media marketing to build a

Greg Sutphin provides digital marketing consulting and online marketing advice for law firms. Reach him at 610-757-8411, greg.sutphin@getlegal.com, or at www.linkedin.com/in/gregsutphin.

IT'S ALL ABOUT IMPLEMENTATION

Simply developing a plan is never enough. The most important and often underrated part of any real change effort lies in creating a defined process for driving ongoing implementation. In a law firm setting, this requires the consent of the lawyers to be managed. They must understand their roles, develop clear action plans, adhere to specific deadlines and give their permission to be "watched."

This role of the "Watcher" can be fulfilled by a single person or group, whose job it is to remind, cajole, prod and hold people accountable for their commitments. To gain this power, include in your collaborative planning process a frank discussion of the roles and responsibilities of all players — the leaders and the led. You should also agree upon policies and procedures that give your

leaders the authority to do what is needed to get plans implemented.

CHANGE IS HARD: THE FUTURE WILL BE HARDER

Culture change is extremely demanding work. You need the trifecta of leadership, planning and process, mixed with an unprecedented level of firm-wide commitment. The Managing Partner must become the Chief Sales, Watcher, Cheerleader and Carrot-and-Stick Officer. Group Leaders must have the stamina and skills to drive sustained action in their groups. And every lawyer must become more client-focused and team-oriented.

The truth is, many firms are not ready for this kind of commitment. Those that don't, however, risk falling behind the client-focused juggernauts that will blaze the trail as the successful law firms of the future.

—❖—

Management Committee and the Compensation Committee Executive Committee should continue to be mindful of the efforts of originating attorneys to foster the development of such relationships with important clients.

It is recommended that the Managing Partner and members of the Management and Compensation Committees define what a partner needs to do to qualify for this portion of the credit. Otherwise, the policy may not be administered in a consistent manner, and those partners who do not receive responsible attorney credit when others do will feel slighted. This will be especially important as the Managing Partner and members of the Management and Compensation Committees

change. In other words, the present Managing Partner and members of the Management and Compensation Committees should set the parameters that will be used and interpreted by successor Committee members.

MATTER PROLIFERATION CREDIT

Partners should have an incentive to "proliferate" new kinds of business from existing clients, regardless of who is the originating attorney for the client.

Matter proliferation credit is the dollar value of the amount of revenue received as the result of a partner proliferating work for a *particular matter* from an existing client that was originated by another partner. (Since it is important in

continued on page 7

reputation and connect with others, Google Plus is a great platform for legal professionals to interact, engage and connect with friends, clients, potential clients and other legal professionals.

The bottom line is that social media (including blogging) increases client retentions and referrals. According to the ABA Tech Survey 2013, 39.1% have retained legal ser-

vices or a referral as a direct result of legal topic blogging.

FEATURES OF GOOGLE PLUS Hangouts

One of the most common hurdles faced by lawyers and their clients is regular communication. Google Hangouts is a secure and convenient way in which lawyers can stay in touch with their clients.

continued on page 6

Lawyers, Law Firms and Innovation

By Terri Mottershead

Innovation, learning to be innovative and knowing how to create an innovative culture, have become THE focus of keynote addresses and training courses for law firms in the “new normal.” These are important. Based on any form of business life-cycle analysis, the legal industry is a mature industry in decline. The important thing to note here is that *decline* need not mean *extinction* — provided the industry changes. And changing it is. Fueled by globalization, technology and client demands for cost-certainty, legal services are no longer being delivered in the same way, by the same people or at the same price (Susskind, 2013).

In just a handful of years, legal services have become more accessible, cheaper and, in some areas, offered by non-lawyers. So, just how important is innovation to lawyers and law firms? Does it really matter?

INNOVATION AND GOVERNANCE

The answer to these questions should be at the top of every law firm managing partner’s agenda right now. Leading a law firm has never been easy and, leading one during a time of unprecedented change requires more than any one person’s vision; it needs a critical mass of influential partners and others who dare to be different. In the best-case scenario, these champions of innovation can be found within current leadership ranks, but if your firm is like many others, that is unlikely.

The absence of “new normal” leadership knowledge, skills and competencies, those rooted in emotional intelligence (Goleman, 2004), is not a criticism of current leaders, it is simply an acknowledgement that every leader has his or her time, and times are changing! Today, part-

Terri Mottershead is the founding Principal of Mottershead Consulting – Change and Talent Development Strategists (www.mottersheadconsulting.com). Reach her at tm@mottersheadconsulting.com or 415-812 1825.

time, in-between-practice law firm leadership is giving way to full-time, fully engaged leadership and management with a difference.

In the U.S., a new, renewed or enhanced focus on “the business of law” in addition to “the practice of law” in law firms has come about mostly due to the global financial crisis and the changing expectations and demands of corporate counsel. The U.S. Association of Corporate Counsel articulated its views on the critical skills for outside counsel in its 2008 Value Challenge initiative. These skills included capabilities in: “aligning relationships, value-based fee structures — *i.e.*, not based on the ‘billable hour,’ staffing and training practices, budgeting, project management, process improvement, use of technology, data management, knowledge management, and change management.”

Overseas, the emphasis on these skills, or what is sometimes referred to as the “corporatization” of law firms, has led to significant change. In 2007, Slater and Gordon became the first law firm to float on the Australian stock exchange. In the UK and as a result of newly permitted alternative business structures (ABS) from 2012, non-lawyer investment and ownership in law firms became possible. These changes have led to different business and staffing models for the delivery of legal services.

While U.S. lawyers, law firms and the ABA are still debating the extent to which they will embrace these changes, they have nevertheless been impacted by them. Given the role and position of U.S. firms in the global legal services marketplace, this was to be expected. To take one example, while U.S. law firms generally cannot share profits with non-lawyers (except in limited circumstances in Washington, DC), most do share at least some aspects of leadership and management between their partners and a combination of C- (Chief) and D (Director)-suite professionals. This group of multi-disciplinary, non-lawyer specialists in areas like IT, HR, professional development/talent management, marketing and business

development, finance, risk and compliance, bring to their firms a rich source of tried-and-tested best practices in how to manage and operate successful businesses across many different industries.

These professionals understand what corporate clients want, and may even have been corporate clients themselves. As a group and individually, they are a source of current market intelligence and data every bit as important as that obtained by practising attorneys in the firm and those undertaking client secondments outside it. So, whether or not ABSs prove to be the best way forward for U.S. firms, their future success would seem to hinge on finding more ways to bring their attorneys and specialists together and engage them in developing new ideas and different solutions to old problems. Training in how to facilitate communication, collaborate effectively, problem-solve and build relationships as well as lead, build and contribute to highly effective multi-disciplinary teams, needs to be a priority for every law firm leader and manager right now.

INNOVATION, ENVIRONMENT AND CULTURE

Creating and leveraging opportunities for innovation is essential for the growth of every business and profession. Law firms are no different, but they do have some unique challenges. Change never comes easily and that is especially true where the industry, like the legal industry, is founded on precedent, conservatism, law, rules and regulations. Innovation and change are much less about “who did it before us” and more about “let’s be the first to do it.” Law firms do not have research and development departments. They do not invest in ventures that might fail. Yet, every other industry that pushes the boundaries, pushes forward, and innovates, invests with priority in these initiatives. While it is true that law firms do not make widgets and that it is more difficult to innovate in a mature industry, it is equally true that this creates the “perfect storm” for innovation. Just

continued on page 6

Innovation

continued from page 5

think diversity and inclusion and innovation will follow!

Much has been written about the several-generation law firm and the many and varied differences between Baby Boomers, Gen X and Gen Y (Ursula Furi-Perry, 2012). Similarly much has been written about the absence of diversity and inclusion in law firm leadership (*NALP Bulletin*, April 2014). Innovation evolves from diversity — diversity of view, diversity of background, diversity of approach and diversity of opinion. Innovation cannot happen if the same voices are heard on the same topics wherever leadership is performed or decisions are made in a firm. Different people, with different ideas and approaches, are a critical part of this equation. People innovate, organizations do not!

Innovation will happen in any place where there is an opportunity for different opinions to be heard. Listening is critical here. Listening is not telling, fixing or critiquing. Training people how to listen well and be open to constructive feedback is the key. Innovation will thrive in any place where it is encouraged and acted on.

There are many different ways to encourage thoughtful input, starting with something as easy as a virtual (social media-supported) suggestion box and it moves on from there. Others include holding monthly key client or practice-area matter debriefings; converting monthly firm-wide meetings to town halls or open fora that encourage new ideas from everyone; roundtables between firm leadership and senior professional staff to collaborate on solving the big challenges for the firm; roundtables with clients so you really understand their problems and their market/where your next job will

come from; asking Gen Ys to sit on a board or committee; creating time and space for brainstorming at meetings; or making a firm-wide decision to break the glass ceiling for women and minorities rather than watching them chip away at it year after year. It is these things, simple but significant, and through these actions, that innovation happens, work environments change, and a culture of creative excellence is borne.

INNOVATION AND RECRUITMENT

Innovation comes from talent within and outside. It probably won't be found in an academic transcript, but it might be uncovered in almost everything else an applicant has done. Recruit for adaptability, flexibility, resilience, sociability, collaboration, calculated risk-taking, independent thinking, creative problem-solving, instigators of process or system improvements (Boyd and Goldenberg, 2011) and yes, for your attorneys, legal writing, legal knowledge and research skills too. Use behavioral interviewing and, if you need to, undertake training so you can be sure you do it well.

Psychometric testing — emerging as a tool for use in partnership-selection — is worth investigating so you can identify key personality characteristics, behavioral styles, abilities or aptitudes most likely to support the qualities noted earlier.

Look at, analyze and understand all that data you have collected about who, what, how and why attorneys and professional staff succeed at your firm. Use the data to inform recruitment processes and guide you in how to make better matches between your firm and the people who will bring your business priorities, mission, vision and values to fruition (Deloitte Consulting LLP and Bersin By Deloitte, *Global Human Capital Trends 2014 Engaging the 21st Century Workforce*, March 2014). Do not recruit the same way,

from the same law schools/universities, based on the same qualities and expect your new recruits, clones of all others who have gone before them, to be innovative where their predecessors were not.

Do recruit the same way where that has produced your entrepreneurs, visionaries, thought leaders and champions of change. Finally, if you employ someone, make sure you have an environment where those “entrepreneurship” and “innovation” core competencies you have developed can actually flourish (Manch, 2010). Also be sure that your learning programs, career development activities, performance evaluations, compensation and promotion initiatives consistently enhance, reinforce, entrench and reward these competencies.

WHERE TO FROM HERE?

For as much as it can be said that the lawyer personality is hard-wired for conservatism and left-brain solutions, just as much can be said to the contrary. Lawyers already have the right stuff to innovate and, in the last few years, some outstanding innovations have emerged to prove it: from the ABSs in the UK mentioned earlier, to very different technology based operational platforms in the U.S. (Clearspire and Axiom Law), to a host of new business ventures (Riverview Law and Legal Force Bookflip), law-firm offshoots and thought-provoking public fora (ReInvent Law Laboratory and ReThink Law) in between. Lawyers involved in these initiatives have all been visionary leaders, deep thinkers, critical thinkers, idea generators, creative problem-solvers, great researchers, trend-spotters, trend-setters, creators of deep analytics and intelligent risk-takers (Boyd and Goldenberg, 2011). This is their time, their place and their “new normal” to lead — is this your time too?

—❖—

Google

continued from page 4

Video chat by Google Hangouts allows an attorney to talk to a client face-to-face anytime. That means

every time you schedule a meeting, you do not have to visit the client or call him or her to your office; you can organize a video chat instead. It not only saves times and effort, but is a great, flexible way for face-to-face interaction that several clients

might appreciate. As we all know, legal discussions can involve more than two people. This makes Hangouts even more important, as you can create a group chat that includes

continued on page 8

Origination Credit

continued from page 4

many cases to know exactly what/who was pivotal in expanding existing client business, if the concerned partners are unable to reach an agreement, the decision will be made by the Managing Partner and members of the Management and Compensation Committees.)

A partner who proliferates new business from an existing client (for whom the partner is *not* the originating attorney) should request to receive matter proliferation credit for the file created for the new matter (from the originating partner for that client).

To prevent a “disincentive” for the originating partner to keep client relationships to themselves, matter proliferation credit should not be subtracted from client origination credit. (This presumes that the ability to proliferate the new business was somehow related to the existing client relationship. Again, this type of issue should be resolved case-by-case by the partners concerned or the Managing Partner or members of the Management and Compensation Committees.)

PRODUCTION CREDIT

Production credit is the dollar value of the amount of revenue received as the result of a partner’s personal production. For example, if a partner records \$10,000 in time dollar value, which is billed and collected, he or she would receive production credit in the amount of \$10,000. If a partner is designated by the originating partner to be the responsible partner for a client or matter, the former will receive production credit for all billable hours he or she devotes to working on that client matter (during the time he or she is managing the work on that client matter.)

INHERITED CLIENTS

In many firms, a partner who inherits a client from the originating partner, whether through the retirement of the latter partner or otherwise, may receive client origination credit for that client. In other firms, a partner who inherits a client from

the originating partner will receive credits based on a responsible partner retention basis. The second partner serving as the originating attorney would share responsible partner credits, as appropriate, with other partners who have significant responsibility for managing the client or client matter, and would not have entitlement to client origination credits for that client.

DISCRETIONARY

SUBJECTIVE CREDITS

Discretionary subjective credits represent the value allocated subjectively to a partner for his or her discretionary subjective contributions to the firm. These contributions may not have any direct dollar value that may be attributed to them.

Below is a representative list of criteria that may receive discretionary subjective credit.

Seniority

Seniority should be recognized, but it must be understood that seniority should not be tenure alone, nor is it only the number of years a lawyer has been with a firm. It means the number of years the partner has spent developing and maintaining clients, building and enhancing the firm’s reputation and participating in the training and development of a cadre of lawyers who produce for the benefit of all the partners in the firm.

Firm Management And Leadership

Contribution to firm management, including efficiency and effectiveness in handling management assignments, is critical to the firm’s future and must be recognized. It also includes practice management, recruiting, marketing, etc.

COMPLIANCE WITH

FIRM POLICIES

This includes:

- a. Abiding by policies to keep time accurately, to turn in time sheets promptly, to follow policy on billing, collections, etc. The Managing Partner or members of the Management Committee and the Compensation Committee is expected to take specific note of partners’ noncompliance with firm policies.

- b. Turning over client management and other controls to other lawyers when appropriate.
- c. Contributing to the equitable and efficient distribution of work assignments and client contacts.
- d. Specializing and developing expertise in particular areas to complement other abilities in the firm.
- e. Personal relationships and teamwork. Practicing a team concept, including participation in, and cooperation on, firm committees, etc. is expected, client sharing, client introductions, and overall promotion of harmony and goodwill among firm members is critical and absolutely expected. These include:
 1. Maintaining good working relationships with both legal and non-legal personnel.
 2. Lending personal support and enthusiasm to all personnel.
 3. Respecting each lawyer’s professional and management judgments and good faith; withholding all criticism except as necessary for management decisions; and the management of that side of the process in a private setting.
 4. Respecting others’ contrasting views and respecting each partner as a person.
 5. Promoting and cross-selling other firm lawyers.
 6. Partner participation in firm activities/functions. Partners are obligated to attend firm social and professional meetings, participate in those management decisions and activities that appropriately fall upon partners, and participate fully in the “drudgery” side of the business.
 7. Lawyer development and delegation of work. Time and effort in working with younger lawyers to increase their professional skills must be rewarded. This includes the training and development of associates.
 8. Professional and community activities. Contributions that

continued on page 8

Origination Credit

continued from page 4

enhance the firm's image and prestige through maintain-

ing good relations with other lawyers, speaking at CLE programs, publishing, participating in bar activities, and assuming bar and community leadership positions must also

be recognized. These activities should be performed with the knowledge and "approval" of partners, according to a budgeted schedule, as required.

—❖—

Google

continued from page 6

up to 10 individuals. This type of video conferencing can take place without a client having to leave the comfort of his/her home or business. The only thing required is a free Google Gmail account, and the interface is fairly simple to use.

Another benefit of Hangouts is that it allows you to keep track of client-attorney interaction. When a lawyer meets a client in Hangouts, a transcript of the discussion and copy of the video interaction is available in the client-attorney dashboard on Google Plus. So, whenever any attorney needs to refer to the Hangout discussion or revisit some points that were discussed, she can access the video and transcript.

Circles

Just like Facebook has "Friends" and Twitter has "Followers," Google Plus has "Circles." These can include people with whom you want to share particular information, and you can choose followers who can view your posts.

Lawyers can create multiple circles, and categorize people based on the purpose of those circles. For instance, while you can create a circle for your personal friends, you can also create separate circles for your potential client base. You can choose which posts and status updates made by you are visible in which circle, thus allowing unified communication with a relevant group of people.

With Circles, specific content can be shared with people who will be interested in that content. The more engagement you have with your Google Plus profile, the more followers you tend to get, which is good for creating visibility and brand awareness. Interacting with

other legal professionals and following legal experts helps in creating a network and building relationships.

Google Plus One

Google Plus One is a great way to establish your brand by establishing your authority over content. This sharing feature works in a simple way and also helps people in your circles to look for relevant articles on the web. When lawyers are posting articles on their website or other sites, the G+ button below the article allows readers to share that content with their circles. When a user clicks the G+ button, it indicates he or she approves that content, and wishes to share it with others. If anyone from the lawyer's circle searches for a particular keyword, he will see the Google Plus One shared articles relevant to that keyword. The more people share, follow or comment on your content, the higher authority you gain on G+, which is an effective way of gaining trust and respect online.

Google Plus Communities

Any Google Plus user can easily create and host his/her community on the cloud. The communities can be created as public or private. There are numerous private legal communities that already exist and are broken down to specific sub-categories of the law. This venue is a great way to share ideas and ask questions among your peers in a public or private setting. A Google Community is a great tool to help build your reputation among your virtual peers with good content and substantive discussions and feedback.

Google Plus Business Page

Although not part of an individual Google Plus profile, all law firms should claim or create their free Google Plus Business Page. Why? Google includes "local listings" and Google Plus pages in search results.

Whether or not functionality of an individual G+ profile like "hangouts" or "communities" is used, a G+ business page is one of the most critical Google digital footprint pieces for any business.

Although a G+ business page may not be perceived as one of the "big 3" socials like a Facebook page, LinkedIn business and personal profile or Twitter, the opportunity to grow your business online through a G+ page has enormous potential that many law firms are not harnessing.

Google Plus business pages can be created or claimed for each office location. The page can be customized and updated. It is also the Google property that hosts Google Reviews. Keeping in mind that Google Reviews speak mostly to consumer-based areas of law, 92% of users read online reviews before selecting a business.

REVIEWS

Should reviews have any less of an influence for choosing legal services? An attorney and law firm should be aware of what clients are saying about them on the Internet. Users say they will not select a business with a poor reputation. A one-star difference in reviews results in 5%-9% change in revenue, according to the *Harvard Business Review*.

CONCLUSION

Based on the ABA Tech Survey 2013, 81% (individual attorneys) now say that they use social networks for professional purposes. Create, engage, and share using tools with the company that still has the largest digital footprint and online influence to date — Google.

—❖—

The publisher of this newsletter is not engaged in rendering legal, accounting, financial, investment advisory or other professional services, and this publication is not meant to constitute legal, accounting, financial, investment advisory or other professional advice. If legal, financial, investment advisory or other professional assistance is required, the services of a competent professional person should be sought.

To order this newsletter, call:
1-877-256-2472

On the Web at:
www.ljnonline.com