

The Sole Practice of the Future

Today's solo practice law firm is challenged by a variety of factors: New technologies, intensified competition, more demanding clients, and an inability to incorporate new services into a coherent business model. Moreover, most experts agree morale in the legal profession is at an all-time low—an astonishing number of professionals respond in surveys that, if they had to choose their career over again, they would choose another line of work. What happened? How did this once distinguished and proud profession become so beleaguered, and what relief is available?

There is relief. And promise. And hope. This course is based on Ron Baker's best-selling book (co-authored with Paul Dunn), *The Firm of the Future: A Guide for Accountants, Lawyers, and Other Professional Services*, published by John Wiley & Sons, Inc. The course confronts the conventional wisdom embodied in the Old Practice Equation, which states the way to success is by leveraging people and hours. This old theory will be replaced by a better theory—the New Practice Equation, which offers bold, proven strategies for restoring vitality and dynamism to law firms everywhere.

Objectives

- Understand the Old Practice Equation and why it prevents firms from achieving excellence and a better quality of life
- Learn the New Practice Equation and why it is a superior paradigm for a proud profession
- Restore the dignity, pride and passion in your firm, and the profession

Major Topics

- Why lawyers are knowledge workers and not service workers, and why that difference is critical
- How law firms sell Intellectual Capital (IC), and what, exactly, is IC?
- The three components of IC and how each one can be leveraged to create wealth for clients of the firm
- Why your firm's people are volunteers and not assets (or resources)
- How the focus on revenue growth and market share can seriously impair your firm's profitability, and what to do about it
- Why the traditional metrics of efficiency—which are over a century old—are no longer relevant to measuring the effectiveness of knowledge workers
- Baker's Law: Bad clients drive out good clients, and what to do about it
- The importance of client selection and the revolutionary Adaptive Capacity Model
- Since law firms are businesses, and businesses have prices (not hourly rates), the importance of Pricing on Purpose will be discussed

- Best practices from successful law firms around the world

Who Should Attend

Any attorney who is interested in being among the leaders in the profession moving away from the old paradigm of operating a professional knowledge firm, and embracing the critical success factors of the knowledge economy, will find this presentation stimulating, dynamic and thought-provoking.

Instructor/Author

Ronald J. Baker, Founder
VeraSage Institute

The Shift From Hourly Billing To Value Pricing

About This Course

This course will give you alternatives to pricing your services based on client-perceived value, rather than hours spent. By learning to avoid the deleterious consequences of hourly billing, you will communicate better with clients, be able to discover their expectations up-front, remove surprises from their invoice, involve them in establishing the scope and value of your services, speed-up accounts receivable collection, enhance your client's loyalty and retention, and increase your profitability.

Major Topics

- The future of the legal profession
- Why are we in business and what do our clients really buy?
- The genesis of hourly billing—why did lawyers begin billing by the hour?
- All clients are not created equal and the economics of price discrimination
- Why you should offer a one hundred percent money back guarantee on all your services
- Learn why hourly billing has debilitating affects on the operation of legal firms:
- Penalizes innovation, ingenuity and creativity and rewards inefficiency, hoarding work and non-effective delegation
- Emphasizes and rewards based upon volume, effort and hours rather than creativity, profitability, results and value
- Imparts a technician-like attitude among associates, rather than cultivating client service professionals
- Actually reduces revenue when investments in technology reduces the time required to perform various services
- Distorts clients perception of value as firms charge one hourly rate, regardless of the complexity, skill, experience, effectiveness, and results involved
- Leads lawyers to believe the only thing they are selling is time

Unless firms adopt new and innovative pricing, rising costs and increased competition will diminish profit margins and firms will not be able to reap the full rewards of technological and intellectual capital investments that increase value and service. Participants will be given alternative pricing methods that focus on client-perceived value and will be better equipped to deal with the death of hourly billing.

Who Should Attend

Any attorney who is interested in being among the leaders in the profession moving away from the hourly billing method to achieve a competitive differentiation, and who is tired of sacrificing profits on the altar of the almighty hour.

Author/Instructor(s)

Ronald J. Baker, Founder
VeraSage Institute

Value Pricing Graduate Seminar

About This Course

This course is for graduates of *The Shift From Hourly Billing to Value Pricing*. Now that you have learned the theory of Value Pricing, and have begun to implement it into your firms, this course is designed to advance your skills to the next level. Conducted as a graduate seminar, this course is designed to provide maximum interaction with the instructor, and fellow colleagues, on working through Value Pricing principals with real life case studies and examples.

Major Topics

- Preparing for a Fixed Price Agreement meeting
- Conducting a Fixed Price Agreement meeting
- Ascertaining client expectations
- Questions to ask the client before establishing price
- Questions to ask yourself before establishing price
- Dealing with client price psychology and how to overcome pricing emotions
- Determining when Change Orders are necessary
- Negotiating the Change Order for maximum pricing and client delight
- Establishing the profit-optimizing price for each engagement and/or service
- The critical link between Total Quality Service and premium pricing
- An introduction to Menu Pricing, as used in various firms around the world
- The importance of the Service Guarantee to command premium pricing

The billable hour is dead. The advantages of Value Pricing over hourly billing have been empirically proven in the marketplace by many law firms—and other professional firms from advertising agencies to accounting and IT—around the world. This course will further your knowledge of the most complex of the Four Ps—Price, Product, Promotion, and Place—of marketing: Price.

Who Should Attend

Any attorney interested in maximizing their profits (and the quality of their life) with the proven principals of Value Pricing, while increasing client satisfaction, loyalty, retention, and profitability.

Author/Instructor(s)

Ronald J. Baker, Founder
VeraSage Institute

Trashing the Timesheet: A Declaration of Independence

The billable hour is dead. Clients do not buy time, and thus lawyers do not sell hours, despite what Abraham Lincoln said. Do your firm's internal measurements give you a competitive advantage in the marketplace? Do they judge the success of your firm the same way your clients do? Are they leading indicators that have predictive ability, and correlate with success? If you get what you measure, what exactly, do your internal metrics get you? Too many firms measure only internal metrics that have no meaning or value to clients.

Trashing the Timesheet will explain why traditional metrics of efficiency—developed over 100 years ago for manual workers—are not relevant to the effectiveness of today's knowledge worker. Efficiency is doing things right, whereas effectiveness is doing the right thing. There is no right way to do the wrong thing, and therefore effectiveness is more important in a knowledge economy than antiquated notions of efficiency. Furthermore, Key Predictive Indicators will be presented which measure attributes of a firm that are important to clients, and provide a source of competitive advantage

Objectives

- Discuss the new tectonic shift taking place in the economy—the transition from manual and service workers to knowledge workers
- Why the traditional metrics of *efficiency*—which are over a century old—are no longer relevant to measuring the *effectiveness* of knowledge workers
- How do you increase the *effectiveness* of knowledge workers?
- Lagging, coincident, and leading Key Predictive Indicators will be shown
- How you ascertain and test the Key Predictive Indicators for your firm
- How what you measure effects the value you provide to your clients, and gives your firm a competitive advantage in the marketplace
- After Action Reviews will be presented

Who Should Attend

Any Attorney who is interested in being among the leaders in the profession moving away from the outdated business model of “we sell time,” in order to achieve a competitive differentiation and better quality of life.

Author/Instructor(s)

Ronald J. Baker, Founder
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