

How Hiring A COO will *Dramatically Improve* Your Law Firm and Your Life

HOW TO
MANAGE
A SMALL
LAW FIRM
HAPPY LAWYERS MAKE MORE MONEY
STAGE 4



How Hiring A COO will *Dramatically Improve Your Law Firm and Your Life*

In the fourth stage of growth of every law firm the focus becomes bringing someone in to be your right hand and manage the day to day operations. This is where you bring in an in-house COO to help you truly manage this animal of a business and allow the owner to do tasks that are of the highest and best use for the owner's time and ROI. Projects like approving new marketing campaigns and engaging in strategic planning!

The fourth stage of growth has its difficulties because it often takes time to find the right kind of person who on one hand thinks like you but on the other hand has the strengths to help support your weaker areas. This is no small feat and requires you know what you are looking for and stay focused on hiring the RIGHT PERSON and not take the first warm body that comes along.

ELEMENTS FOR BUILDING A SUCCESSFUL BUSINESS TO GET PAST THE 4TH STAGE OF GROWTH

1. Revamp the Business Plan.

As a firm in the Fourth Stage of Growth, you need to have a clear business plan that states in plain English how the firm is going to continue to thrive and grow. It is imperative to have clear milestones and goals so that others on your team can help you hit those objective goals.

There are 7 working parts in every business.

1. Marketing
2. Sales

3. Production
4. People
5. Physical Plant
6. Money/Metrics
7. YOU

A business plan fleshes out each of these 7 working parts to explain in plain English ...

How you are going to get clients in the door, how you are going to convert them timely and efficiently into paying clients, the processes for getting the work done, how you are going to hire, train and make a profit with staff to get the work done, where they are going to work and what tools they need, and how we are going to know if it is all working.

A successful business must meet the Owner's financial, professional and personal needs while allowing sufficient funds to continue to build and invest in the future of the firm. A good business plan helps develop that plan to get there.

2. **Receive reports re: Day to Day Operations and learn to analyze and redirect as necessary.**

One key element to working with a full time COO is setting up the relationship to have clear reporting and insight to what is happening in the firm. The COO should meet regularly with the owner to convey the things they have taken care of and get feedback on upcoming tasks and projects that the COO wants to tackle. Another tool our Members use is our "Dashboard" that gives you a 24/7 at-a-glance view of where the firm is financially. Using this tool is a game-changer because it makes decision-making by the numbers even easier. There's one place you can look and know in an instant if you're on track to meet your goals.

3. Spend More Time Working ON THE BUSINESS than In the Business and Hold Your People Accountable.

Another key element is transitioning to working more ON the business rather than IN the business. To be the owner of a \$1.5M firm (or higher), one must step into the shoes as a leader with a clear mission and plan to take the firm to the higher level, but with checks and balances to ensure your trust team doesn't take you for a ride. This means the owner needs to spend more time ON the business strategizing, planning, organizing and authorizing the team to take action.

This is often difficult as the owner is still wearing many different hats and often falls into the trap of believing they are still the best person for the job. This pain point can ultimately choke a firm if the owner is not able to learn the art of delegation and bring in great people to execute on the great ideas.

But with developing other great individuals on the team comes the responsibility of making sure you are correctly managing your bookkeeper and CFO. Law school didn't teach us many important skills and yet managing your people, especially your bookkeeper, is such a critical skill that must be learned and honed.

ACTION PLAN:

1. Know Your Numbers.

Just like a foreign language you don't yet know, financial numbers often feel foreign until you learn how to find your numbers and read your numbers. That means going to your bookkeeper and/or CPA and **getting your 6 key financial reports and taking the time to review them.** The numbers tell you a story about the health and wealth of the firm if you take the time to see it.

At this stage of growth you should have a bookkeeper and a COO helping you gather your numbers and if you don't understand what you are looking for or what the numbers mean **GET HELP by finding a good CFO who can**

help you understand the numbers. If you choose to get that help from How To Manage A Small Law Firm, you'll also get the added benefit of the Dashboard that we've created for our Members to keep their fingers on the pulse of their numbers.

2. **Have Key Milestones and Metrics to Know Progress is being made.**

A key goal at the 4th State of Growth is to know your goal metrics and use milestones and metrics to ensure that you get there. This means analyzing your legal team and production capacity to know what they are capable of generating month over month. This means analyzing your profit margin and planning additional growth that doesn't just grow revenue equal to the growth in expenses.

This also mean **having a COO that can measure the required elements in the day to day operations of the firm** so you can know whether you are on track to hit your goals.

3. **Create a Dashboard View for Your Law Firm.**

What does this mean? As you noticed, the 1st and 2nd steps in this plan were based on numbers, metrics, and goals. But how can you see and know how you're tracking towards these goals, if you're no longer in the day-to-day operations of the firm? That's where a Dashboard comes in. A dashboard that clearly tells you and the key people on your team what the numbers are historically, and then uses that to predict future trends is what will give you freedom. Having a dashboard that aligns with your goals is the only way for you to successfully know what's going on in your firm when you're not there, pivot a plan before it's too late, and be able to make decisions based on facts rather than emotions.

4. **Execute with a Plan Forward!**

Identifying areas to improve is only part of the battle. It also requires building the plan and executing to move the firm forward. Every good plan has a hypothesis and an estimated ROI which acts as an objective measurement to

whether the plan should continue or if you need to pivot along the way.

WHO IS GOING TO HELP YOU: YOUR CEO AND YOUR COO

A CEO to a small law firm helps guide the firm in building the business plan, the budget and holding the owner accountable to do the things which will help it grow. A CEO is a blend of a mentor, a coach, an accountability partner and ass-kicker. Your CEO helps you with the big picture views and keeps you moving forward.

Your external COO is there to HELP YOU HIRE, VET and ONBOARD your internal COO. Because let's face it, when you are the owner of a growing law firm it is hard to know the nuances and details you need to be looking for and your external CFO can help you.

Your CFO is there to help you know your numbers and then strategize growth with the numbers. The CFO helps with analyzing the profitability of your team and your capacity. Your CFO helps you give you the tools to manage your bookkeeper with the use of reports and dashboards. Your CFO is there to help you make informed decisions so you can lead your firm forward.

Our proprietary law firm business dashboard is available to help you track the numbers in your law firm and know exactly what's going on and when it's happening. This tool is one-of-a-kind in the sense that it tracks towards YOUR goals, not towards objective plans that won't end up giving you the results you want from your law firm. The HTM Dashboard is available to all Members of How To Manage a Small Law Firm, and that's literally how they plan their profits.

If you are ready to get help and start taking control of your firm and grow it the way you want, [CLICK HERE](#) to schedule a discover call with someone on the **How To MANAGE A Small Law Firm Team**.

You'll be able to choose a time that works for your schedule and then when you speak to one of our team Members, you'll be able to ask all your questions and

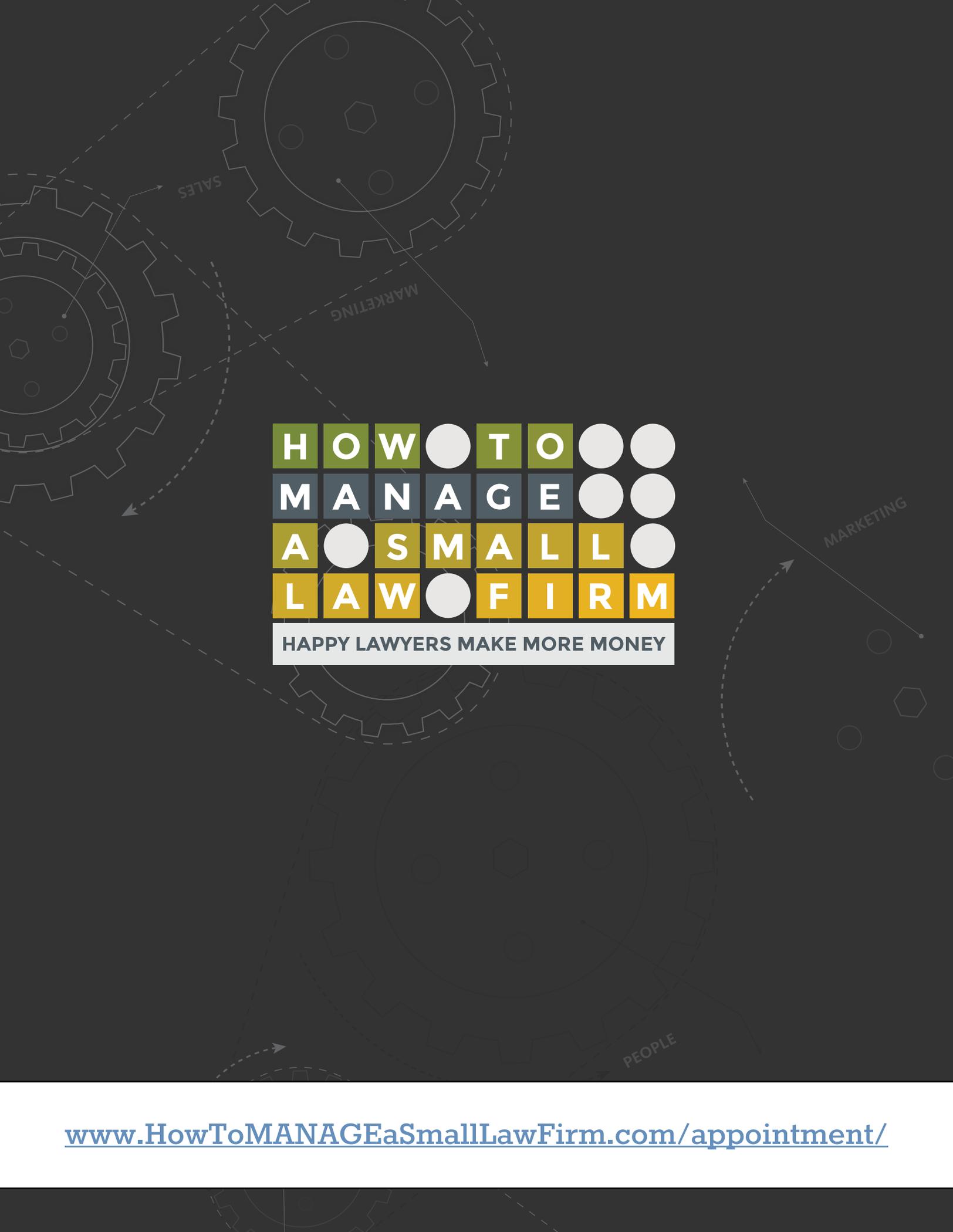
most importantly discover how you could be growing a much healthier, much more profitable firm in the next 18 months. You can and should have a firm that serves you professionally, personally, and of course financially.

Taking action sounds easy, but when you start doing it is where it gets tough. Don't reinvent the wheel. There are hundreds of successful small law firm owners who have taken the first step by scheduling an appointment and you owe it to future successful self to at least learn what options are out there to help you move forward!

SCHEDULE YOUR DISCOVERY CALL RIGHT NOW.

Dedicated to Your Success,

Team How To Manage A Small Law Firm



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