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Don't lose sight of those New Year's resolutions

PUT THE FIRM'S FINANCIAL RESOLVES BACK ON TRACK

It happens every January. The firm makes grand resolutions to improve the financial performance.

But by spring, the attorneys "get bogged down in their old habits."

It's the administrator's job to keep the attorneys focused on their financial resolves, because their abilities and interests lie far more in law than in business, says **ANDRA WATKINS, CPA**, of Positus Consulting, a Charleston, SC, consulting firm for business improvement.

Take a hard look now at what's going on financially lest the firm face the bleak money picture that too often appears at year's end.

AN A/R BIRTHDAY PARTY

Look first at the aging of the accounts receivable. Many a firm lets too much time pass before collecting on the unpaid accounts, and the outcome is often no payment at all, Watkins says. Studies show that at 90 days, a firm has only a 50% chance of collecting on a bill.

The hold-off happens to a great extent because the attorneys fear destroying the client relationship and so let large amounts go uncollected until the end of the year. Then they make a big push to collect, and the clients make a big push not to pay.

It's psychological. To the client's mind, if the attorney isn't worried enough to call about the bill, why should the client worry about paying it?

Or the client assumes there's another 90 days' grace because the firm hasn't made any earlier collection effort.

No more than 15% of the receivables should be as old as 90 days, she says, and ideally, none of them should be that old. If the firm is not at that level, take a look at what's happening with the collections.

Make sure the attorneys are getting the billing information at intake, and that includes finding out

where to send the bill, when the client cuts checks, and who the billing contact is.

Make sure they are laying out the payment requirements up front and doing it in the first person: "this is my hourly rate, and this is when I will send the bill, and this is when I expect to be paid."

Make sure too that the firm is taking a second look at any client who complains about the fee or tries to negotiate for a lower fee. "Those are the clients who will take longer to pay" and might even be clients the firm should not represent.

Evaluate the bills. They should state clearly that the payment is "due upon receipt."

Look at the billing follow-up. The firm should not

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ing. Don't expand the remark to include the person's body such as "you look great in those pants."

WHAT ABOUT ACCENTS?

What about accent? For example, can the firm take an employee off a matter because the client doesn't want to work with someone with an accent?

Rarely. The only time that's permissible is when there is a valid reason, and usually that means the client cannot understand what the employee is saying. If the request is made for any other reason, the firm should deny it, and if client presses, "lose the client," Lieber says.

She points out that accent can come into play only when there is a legitimate business reason. The firm might opt not to hire someone with, say, a thick Irish accent when the job requires communicating with people who won't understand that person. However, if the job doesn't carry that type of responsibility, the accent cannot be used as a reason not to hire.

USING RACE TO GET BUSINESS

What about assigning people of a certain race to positions where they intentionally interact with other people of that race in an effort to attract business?

That question comes up often in law firms, Lieber says. For example, what if a firm wants to assign its Hispanic attorneys to a legal section that targets a growing Hispanic market? "It can't do that."

That doesn't mean, however, that those same attorneys can't decide on their own to target the Hispanic community.

Nor does it mean the firm can't offer it to them as an option.

The telling point is that "it has to be their own choice." They must have equal opportunity in other areas where they are qualified, and there can't be any negative consequences for refusing to participate in the target program.

DIVERSITY IN RECRUITING

How can the firm recruit without fear of discrimination?

By not relying on limited searches such as word-of-mouth recruiting or listing jobs only in certain publications.

The EEOC says that in a diverse market, that is not a deep enough search. The firm needs to balance its recruiting efforts at traditionally white schools and publications with efforts at minority schools and publications.

To a great extent, that depends on geographic location, Lieber says. In an area populated mainly by Whites, a minority search may not be feasible. But if

minorities make up a great portion of the population, the firm needs to be active in minority recruitment.

EDUCATION REQUIREMENTS

Can an employer require that employees have a certain education?

Any education or degree requirement "has to be job related," Lieber says. The firm can't require, say, a receptionist or a word processor to have a college degree, because it's not necessary for the job.

The reason is that unnecessary education requirements screen out minorities, because "not as many minorities have college degrees as Caucasians do."

THE ONE-RACE-ONLY LUNCH BREAK

Can a supervisor invite the subordinates of the same race to lunch and not invite the others as well?

Probably not. The EEOC's concern is that each person have equal opportunity within the job. It could be claimed that not being invited to lunch created a loss of networking opportunity for the minorities who were not included. ❖

Staff respect can make or break a career for the administrator

Whether a new administrator or an old one, don't expect to keep the job for long without the respect of staff.

Respect is not something that comes "with a job title or a business card," says leadership management expert **MONICA WOFFORD** of Monica Wofford International, an Orlando company that provides leadership training for middle managers. It has to be earned. And for the most part, that means "treating the employees as well as or better than the clients are treated."

'WITH ME' NOT 'FOR ME'

Leadership starts with respect, and respect starts with treating staff as equals, Wofford says.

Don't term them "my employees" or "my people," or "the people who work for me." That shows an uncrossable like of demarcation.

Employees don't belong to anybody. Refer to them in a way that honors what they do, such as "my team members" or "my partners" or "the people I work