Practice Area Expansion: Everything Your Firm Should Know

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The events of 2020 and their impact on our lives will not be soon forgotten. Like other businesses, the legal industry is seeing changes to its landscape as we move forward in 2021. In general, law firms weather downturns in the economy better than most, but there is nonetheless a change in the areas where attorneys will be most needed. With some forethought, attorneys and firms can proactively prepare for the changes ahead. By combining this preparation with an intentional focus on client service, you will find success.

Practice Area Growth

While attorneys will always be needed, we have seen some areas of practice on the rise while others have suffered over the past year. Practice areas that have seen the most significant growth include:

1. **Family Law.** Many families have suffered a breakdown through the COVID crisis. Contributing factors include isolation and financial stress.

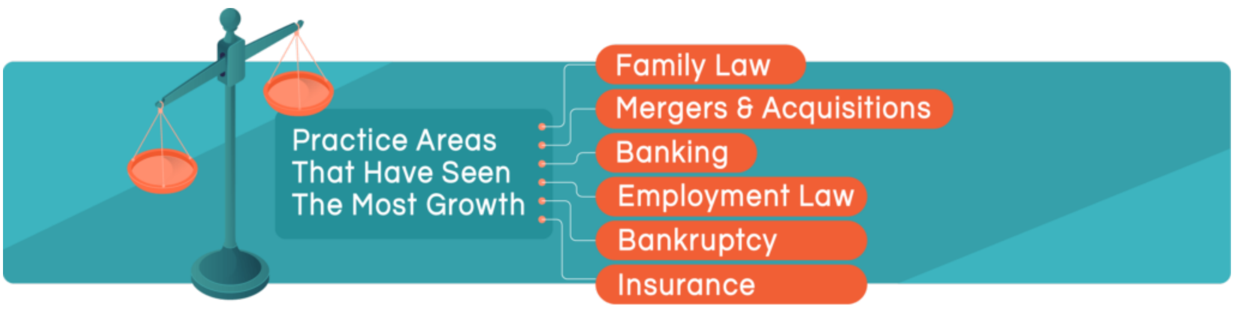
2. **Mergers & Acquisitions.** Through the financial challenges businesses have faced during the crisis, there has been an uptick in companies considering changes that they would not have considered in the past.

3. **Banking.** Through the PPP loan opportunities and later PPP investigations, banking practices have seen a significant increase.

4. **Employment Law.** As many individuals have lost their jobs due to the financial challenges businesses have experienced, there has been an increase in employment-related wrongful termination claims.

5. **Bankruptcy.** The unfortunate end result of the health crisis has been bankruptcy for many businesses and individuals.

6. **Insurance.** There has been an increase in insurance practices as a result of bad faith claims and insurance fraud committed in an attempt to make up for lost income, as well as disability claims as a result of COVID-related illnesses.



Practice Area Decline

Practices who focus on foreclosures have suffered the most during the COVID crisis. By using what they know about banking and finance, attorneys and firms that practiced in the foreclosure business previously can pivot in a natural transition to banking and bankruptcy practices.

You Have Decided to Change or Add Practice Areas. Now What?

If your firm has decided it needs to move into another practice area, you may be wondering where to start. There are many things to consider.

Know Your Why

What are you trying to accomplish by adding a new practice area to your firm? Do you have a strategic plan in place defining your one-, three-, and ten-year goals? There are many questions you may want to consider:

1. Why are you adding a new practice area?
2. Does the practice area fit into your strategic plan?
3. Do you have attorneys in place who are already experienced in the practice area?
4. How will adding the practice area impact your firm and its culture?
5. What will the timeline be for getting the new area up and running?
6. What is the projected cost for implementation and training?

Understand the Needs of the Practice Area and the Subcategories that Fall Under It

Most practice areas have a wide range of legal matters that fall under them. Consider family law, for example. There are divorce, custody, child and spousal support, settlement negotiations, litigation, premarital agreements, protective orders, and others. Some areas, such as employment and personal injury practices, typically require you to choose whether you want to be a plaintiff practice or a defense practice. You need to define the scope of matters you intend to cover once you have chosen a practice area so that your internal and external clients will understand what you do.

In addition to giving all interested parties a clear understanding of what you do, having a specific definition of the scope of your practice will help you in multiple areas. It will allow you to:

- Identify existing clients who may be potential clients for the new practice area;
- Know what potential clients to accept and which ones to refer elsewhere;
- Tailor your marketing to the appropriate audience;
- Structure your internal systems efficiently;
- Clearly define what protocols need to be added to existing procedures;
- Determine how cases or matters will be staffed;
- Identify needed training and plan for change management;
- Determine how you can use technology to your advantage.

Identify Clients In Your New Practice Area

It is important to have systems in place for internal communication so that your partners can share information for existing clients who may be served in your new practice area. It is surprising how many firms have corporate clients who are unaware that the firm offers services that the client is currently getting from another firm. In addition, knowing the scope of services you intend to offer in this new practice will allow you to train all internal stakeholders on the types of matters you will and will not accept.

Tailor Your Marketing to the Appropriate Audience

When you know who your desired clients are, you know how you need to structure your marketing plan. A plaintiff's personal injury firm is going to be marketing to an entirely different audience than a personal injury defense firm, and their marketing strategy will be very different.

Structure Your Internal Systems

Begin by identifying the similarities your new practice area has with an existing area, where procedures can follow the same protocol. Once those items have been identified, look for other processes that will take place in this new area that will be similar across all or most of the matters and create procedures, processes, and forms for those tasks. Part of this process should include identifying how each task will be staffed. By carefully identifying your legal services in each practice area and setting up procedures and protocols for each task with team members assigned appropriately, you will develop an efficient and well-oiled machine.

Identify Training Needs

Once the processes have been identified, you will need to determine where your current staff is lacking in knowledge, skills, and abilities so that you can either train existing attorneys and staff or add new hires. Bear in mind that change is scary and difficult for people, and managing change effectively will help make it easier for everyone.

Determine How You Can Use Technology To Your Advantage

You have identified processes and procedures that need to take place with your new practice area. Do you have the technology in place to make those systems work efficiently?

Technology offers us many opportunities to provide exemplary service to our clients. Using good practice management and time & billing software means that you can:

- Keep a clear and accurate record of the progress of each case;
- Effectively collaborate with the other attorneys and staff in your firm;
- Keep an effective tickler system of reminders with due dates and dates to reach out to each client so that nothing falls through the cracks;
- Provide clear, accurate, and timely billing to your clients each month.

Nothing Ventured, Nothing Gained

They say the greater the risk, the greater the reward. Whether you want to add an additional area of practice to your firm or change your practice entirely, with some careful planning you can have a successful transition, and your team will learn a lot of valuable lessons along the way.

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