

Starting A New Law Practice



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In summer 2010, I left a global mega-law-firm after 20 years as a partner and moved — not to another global mega-law-firm — but to my own independent law practice, Joshua Stein PLLC. As a result, I left behind a deep and well-established infrastructure, but I also left behind the constraints of a global mega-law-firm. So far it has been both a terrific adventure and sometimes a walk

on a tightrope. Most importantly, it has been both successful and very satisfying so far.

My move from mega- to mini-firm ran counter to every instinct of every sane legal professional. Lawyers devote themselves to identifying and mitigating risk, and I took a huge risk. Lawyers appreciate the structure and support of a large law firm for obvious reasons. But even though we have “good business sense,” it tends to involve someone else’s business. So this was quite a change for me.

I had no idea whether any of my clients would follow me. Under the rules of legal ethics, I couldn’t ask them in advance. So I had to walk through a door with no certainty about what waited behind that door. In fact, I had an early scare when one client responded to my new billing rates by requesting a further reduction. I said no. The client decided to stick with me anyway.

I have been gratified by the number of previous clients who have made the same decision. That includes substantial institutions that, it turns out, care more about the individual lawyer who works for them than the brand name wrapped around that person.

Clients — whether old, new, or prospective — ask three questions again and again.

First, they want to know where my office is, and can they stop by and see it. They are really saying, of course, that they don’t want me to handle their work out of my apartment. I have made everyone — including myself — comfortable by signing a direct lease for a small but comfortable suite at a great location. I don’t have the fine décor of a large law firm. No one seems to miss it.

Second, clients ask whether I have any lawyers working with me. At first, I thought my great selling proposition would consist of offering my own services in a simple and efficient way. I soon learned that clients care more about getting the job done right — with the right oversight — than about exactly who does each piece of the job. So I signed up a team of experienced lawyers who assist me hourly as needed, with outside experts on call for such things as bankruptcy and tax.

The hiring of employees turned out to be my turning point between just doing legal work out of my back pocket and managing a business. It made everything more complicated. It drove home to me just how much bureaucratic paperwork even the smallest business requires. I had never needed to deal with any of this before, but it has given me greater insight on how businesses operate, to the advantage of my clients.

Third, clients ask about billing rates, but it’s not the main event. I’ve offered a significant reduction from my previous rates, but not “bargain basement.” The clients I work with seem happy with my rates, at least happy enough to pay promptly and without grief.

Everyone I know seems to have advice for me. Just about every decision I made could have been made differently, but that doesn’t necessarily mean better. And when someone has suggestions, as much as I appreciate them, I have learned to filter them accordingly.

Early on, I decided to “do everything right.” That meant hiring a professional graphic artist. It meant buying a high-speed color laser printer and another one in case of problems. It meant installing a wired not wireless network, with ample outlets throughout my space (10 in a thousand feet).

I make maximum use of the web, with business-grade email service, my own domain name and an online document management system. I bought lots of new computers to keep up with all of this and to give my staff the technology they need.

I tried to cut a few corners, but soon learned I shouldn’t worry about spending money to do things correctly. Clients expect it, and I need proper support to do my job. My time is better spent doing legal work than doing things I know how to do really well but can pay other people to do at least as well. Saving pennies will not drive the success of my business. Delivering high-quality professional services in a professional way will.

Six months into my venture now, I doubt I could return to big firm law practice. I love the freedom and flexibility of my new life. I never need to get approval for anything. It feels right. And my work feels like “normal” commercial real estate work — not a series of random emergencies for an industry in distress — certainly a great data point for the larger market.

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