



The Private Client Law Practice



By: C. Dennis Brislawn, Jr.

Use the Recession to increase profits and monetize your practice! Smart practitioners are using this time to reexamine their business, tweak their model, and prepare for the next boom which will inevitably follow the Recession.

The financial world has been in turmoil for years, not just during this recession. Enron, Worldcom, Arthur Anderson, Madoff and similar situations produce shrill calls for reform, tighter regulation and “absolute” transparency in dealings. For wealth planning lawyers (those who integrate estate, business, and asset protection planning holistically) these concerns create an opportunity to redefine your client service model.

Most competitor colleagues are attempting to survive the slow market by unbundling or charging piecemeal or hourly rates, by emphasizing six minute increment billings, or by reducing fees. We are taking the other road by bundling services and delivering truly integrated advising to deliver greater safety, security and peace of mind to clients bloodied and exhausted by poor investment performance, fear, and uncertainty.

The goal in our practice is to thrive, not survive, in the recession and beyond. We are raising our overall fees by over 30% and are creating service “bundles.” Our entirely revised service model is called the “Private Client Practice” and it is scaled to service the budget needs of different clients. Private Client delivers access. It means deliberate and intimate relationships by design with both those we serve and serve with. Our formula offers greater access to us leveraged with integrated, interdisciplinary transparency, or $V = (A \times T) + Trust$, where value equals access times plan transparency plus Trust between involved parties.

Private Client attorney services must be immediate and personal. VAT is premised on differentiating the degree to which we serve our clients on a here and now basis. It requires proactive, integrated advising with on-demand

support. Since most advisors are only nominally a “team” at best, we take a strong lead in new engagements by reaching out to each client’s primary advisors. Often there are none, and we orchestrate “second looks” from advisors we work closely with in critical areas such as investment, retirement, tax, and liability coverage in order to identify areas of improvement. For existing clients, on a one on one basis we are building back to this same result – reviewing the advantages of an overall advisory process in which we are available at the paralegal or attorney level, providing a specified degree of on-call services, and coordinating with other key advisors on a non-hourly billable basis.

Our system of working with other advisors is twofold. First, where the client has advisors in place, we promote their service view to include regular touches between us and them, and on a scheduled basis with or about our mutual clients. Second, even when clients have one or more advisors, we selectively utilize our “Private Client Advisors Group” as our planning resource and touchstone. Members in the group meet regularly, have spent considerable time learning each others’ business models, and come from a variety of backgrounds including financial services, insurance services (life, health, property casualty), business coaching, private banking (individual and commercial), concierge medicine, high-end travel planning, etc. (In fact, we have more than one such group and each has its own personality.)

PRIVATE CLIENT RELATIONSHIP-BASED CONSULTING MODEL



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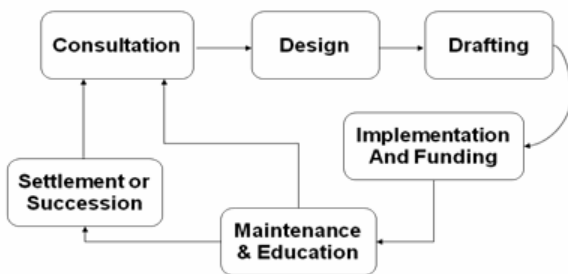
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What differentiates our Private Client Law Practice from the norm? Deliberate and programmed access is the key as it creates continuity of service... a relationship. The service provided renews itself annually as relationship is what the service is, not documents or counseling only as “needed.” These latter components, while relevant, are commonly provided by attorneys. What is uncommon is availability on demand and immediate attention to address a concern or service a matter.

Our version of PCLP is built on the concept of bundling service platforms, something far more involved than a mere client maintenance program. Once a client engages the firm, pricing is a function of a base fee enhanced by customized packages that together comprise a bundle. A high-touch maintenance program is included for the first year with bundled pricing for trust funding as required. Each new client is scheduled for a year-end review and a review of recommended ongoing services in following years. Again, a key component is bundling of funding and asset transfers which historically were a major source of client stress and billing challenges through the years. Greater client satisfaction has resulted in significantly fewer billing inquiries or complaints and higher profitability.

Positioning and pricing are key components of our model. Our firm is repositioning as a truly relationship-driven firm serving successful individuals, families, and business owners who wish to protect, preserve and share their life’s work. Our pricing system is redesigned to represent value and to de-emphasize time so that time committed is not our measuring rod.

PRIVATE CLIENT CONTINUUM OF CARE™



The process of service commences with a deliberate intake process to ferret out critical information and to prepare the client for the service to be provided. The goal of intake is to create “pull” rather than “push.” We adopted a six-step

process in conducting meetings provided by our business coach (Shirlaws, a superb international business-coaching firm) that results in clients asking for our services even prior to receiving a fee quote. In other words, the fee becomes largely irrelevant. The decision to purchase services is made before the question of money is even dealt with. The process “pulls” the client towards the result – asking how we can get started to accomplish their desires. Private Client, then, is the opposite of “educate to motivate” which is “push.”

Annual Private Client service renewals are provided on three platforms. The first year is bundled with our estate or business planning service. Our “Essential” platform is pay as you go and our Will clients are on this platform in year one since they are typically price-sensitive. Trust clients are enrolled in either Heritage or Legacy support programs as appropriate as a function of our additionally providing funding services for a flat fee based simply on the number of items to be funded. At the end of first year services in our first annual meeting we re-emphasize the need for reviews, document updates, and the fact that phone calls, “quick questions” and file retrieval or access are billable without a support program. We expect most clients to immediately select the recommended flat fee support program.

Most clients are expected to be on the paralegal-driven “Heritage” platform, key elements of which include an annual review program tailored to their plan, direct and unbilled paralegal access, certain updates without charge, Documents on Call (online depository) and other benefits. Clients desiring the ultimate level of access enroll in the “Legacy” platform which includes all Heritage benefits plus direct attorney access and regular coordination with all other primary advisors. So far in test marketing the concept, 100% of existing clients have elected to purchase Private Client support.

Another telling point is the willingness of third-party investment advisors, and even some bank trust departments, to “wrap” our fees in theirs. Any client can pay for delineated support services but third-parties could also pay for these services on his or her behalf subject to termination by any party at any time (it is an “extra” offered by the third party) and appropriate address of attorney-client ethical issues. This approach can avoid problematic attorney

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licensing as an Investment Advisor or insurance agent some attorneys gain in order to provide additional services for fees. In Private Client, an attorney is paid for the attorney advisor relationship rather than for documents or discrete advice on an ad hoc basis.

Your choice of staff is another critical factor in a successful Private Client Law Practice. Most PCLP firms are small. Each staff member needs to understand his or her positioning in the firm and that when any person contacts the firm that their needs are paramount. Processes and protocols need to be in place to produce delight – PCLP differentiates itself from other practices by providing high service for a higher price point than the competition. This means that each staff member is a manager and must see any issue through to completion either personally or by properly handing it over to another case manager. Remember that the initial staff member owes the correct result to the contact, not just the person who ultimately handles the matter. This is a very important point and results in greater client satisfaction and more touches (VAT).

Client and Advisor communications make or break a Private Client Law Practice. Two key components of success are your relationship management database and the evolution of your social media communications plan.

Since the advent of the personal computer, databases have empowered us to store data. Storing data is not the challenge, getting the data into a format allowing us to make timely, informed, and critical decisions for our business is. A well-constructed relationship management system (your database) allows you to keep track of and deliver your promises in a timely manner. It allows you to manage your productivity. It allows you to find trends and manage your profitability. The short answer is to learn to use the system you have in place or else to acquire one, then train on it. Get it in place, do not obsess over details, and use it to run processes, not to store data. Train your staff members on specific processes and tasks that leverage your relationship management system.

The use of evolving social media is a game-changer in our opinion. While beyond the scope of this article, we believe that firms that embrace certain technologies now will profit

greatly. We are developing use of emerging technologies to regularly touch advisors and clients on a personal level. For example, use Twitter as a headline generator to send contacts to your blog. Use your blog for immediate and intimate focus on subjects of interest and tie-in to your website. Use your website as a relatively static resource tool/knowledge base. Together, these tools enable you to build deep and lasting relationships with those you serve – and their relationship with you will pay dividends in terms of referrals, especially if you ask for them from time to time. This is the ultimate in “targeted marketing.” In short, you will actually have a relationship with an opportunity for personal client access on demand.

Finally, this is an approach to monetizing a practice. Cash flow, and the fair market value of the practice, becomes a function of renewals and not just the flow of new work. New work is largely derived from referrals from existing clients and private client advisors the attorney works with regularly and on purpose.

This is a Private Client Practice, and it is vastly different than what our colleagues currently provide. Will a Private Client Practice prove to be more profitable and rewarding? Time will tell; our bet is YES.

Mr. Brislawn is a partner in Brislawn Lofton, PLLC, located in Kirkland, Washington and a principal of WealthCounsel. He has a multi-disciplinary practice that includes wealth planning, estate and gift tax planning, estate and gift tax audits, asset protection, business planning, operations and succession, and charitable planning. His law practice serves primarily mid-to-high net worth clients located in the states of Washington, Oregon, and Alaska. As a former member of the U. S. armed forces, Mr. Brislawn received numerous U. S. and foreign decorations and awards, including Airborne-Ranger and French Army Commando qualifications. He hosted the Real Wealth Network and Estate and Business Planning weekly radio shows on 570 KVI Radio in Seattle for eight years. He has an undergraduate degree, with honors, from Gonzaga University and a law degree from the University of Washington.