

5 Essentials for New Estate Planning Attorneys

A teal-colored rectangular area featuring a background of scattered wooden blocks. Overlaid on this background is the word "insight" in a large, white, cursive script font.

insight

WealthCounsel Insight Brief



Provide a solid
foundation for
your practice to
grow on with
these essential
tasks.



5 Essentials for New Estate Planning Attorneys

Whether you are a fresh-faced law school graduate or a transitioning attorney, there are many challenges to grapple with as a newcomer to the area of trusts and estates law. Building a successful practice takes time, resources, and effort. However, there are certain essential tasks an attorney can start working on now to provide a solid foundation for their practice to grow on.

Start with your own estate plan

The first essential for new estate planners is simple—begin by drafting your own estate plan. Everyone needs an estate plan, right? Then working on your own is the place to start. This exercise allows new attorneys to apply their theoretical knowledge in a practical application. Additionally, it gives an attorney the opportunity to be both client and professional; allowing a better understanding of the estate planning process from the client's perspective.

Along with discovering legal strategies for the practical application of legal knowledge, new estate planners must also take on the tasks of locating and marketing themselves to their ideal client demographic (essential #2), staying competitive by investing in legal technology (essential #3), developing an intelligent pricing strategy (essential #4), and finding the right educational resource(s) to stay on top of industry changes (essential #5). While this may seem daunting, undertaking these tasks are crucial to setting up your practice to be successful.

Develop and execute a marketing plan

For solo practitioners and small business owners, marketing is often seen as a necessary evil. However, with the advent of do-it-yourself (DIY) legal software companies, it has become even more important to educate the public on the dangers of cookie-cutter wills and trusts. As attorneys, we know the value of our work and the difference we can make in our clients' lives.

With this perspective in mind, not only does marketing become the platform for conveying your business's identity and maximizing revenue potential, but more importantly, it can be the mechanism for establishing trust with potential

leads. Ensuring their transition into happy, satisfied clients and even brand advocates.

Building a strategic marketing plan takes time and is dependant upon your practice's goals, your personality, and the particulars of your ideal client demographic. However, there are a few things that new estate planners can start working on today that will provide a solid foundation for your practice's marketing plan.

Learning about your state's advertising rules. Since its ruling on *Bates v. State Bar of Arizona*, 433 U.S. 350 (1977), the Supreme Court decided that legal advertising can occur, albeit with potentially burdensome regulation. With numerous rules in place, inappropriate marketing efforts can lead to professional disciplinary actions and possibly even the loss of one's legal license.

Each state bar has its own ethics rules and opinions. To exemplify the variability in state rules, both in an area of focus and degree of specificity, here are a few examples:

- The Florida State Bar bans lawyers from using certain sounds in their advertisements.
- Colorado attorneys cannot use the word "expert" when describing their legal knowledge.
- Kentucky lawyers must have their client newsletters preapproved by the state bar 30 days before mailing.
- New York attorneys are forbidden from using pop-up ads on the internet.

To protect one's business from straying into murky advertising waters, attorneys must become familiar with their state's specific rules on advertising. Your marketing processes and messages should then conform to those rules in order to be compliant.

Starting a referral network. Referrals are an important source of business and can be an easy way to obtain new clients. As these relationships take time to build and maintain, they are a good starting point for attorneys new to the estate planning field.

It's important to cultivate a number of professional referral sources that stem from various fields, to maximize your referral net. Begin by researching local accountants, financial advisors, insurance professionals, and other attorneys in noncompeting fields. Then identify the sources that already have connections with your ideal client base. Finally, reach out to these sources either through

a referral letter or phone call. Introduce yourself and why you think a referral relationship would be mutually beneficial. Keep these sources in a database where you can track your relationship.

Additionally, it's important to take advantage of events where you can naturally network. Join a local Bar committee or chamber of commerce. Attend professional seminars and conferences. Once your network starts to grow, remember to follow up and keep in regular contact, so your referrals sources are sure to remember your name when a potential client comes up. Also, referral networks work best when its a reciprocal relationship, that is, remember to throw potential clients to your sources, too.

Note: Be sure to brush up on your state's and the American Bar Association rules regarding referrals. Rule 7.2 says that referrals are allowed so long as the client is aware of the professional relationship, that it is not an exclusive relationship, and that the attorney did not pay for the referral.

Invest in legal technology

Today's market brings a host of new challenges for legal professionals. According to Thompson and Reuters, some of the greatest challenges faced by small and solo practices today are:

- Business development
- Spending too much time on administrative tasks
- Controlling expenses
- Clients demanding more for less

To adapt to current market challenges, 47% of small American law firms invested in new legal technology in 2016. Law firms that successfully implemented their new technology reported an increase in workflow efficiencies, which resulted in significant revenue gains and a better work/life balance for their attorneys.

For attorneys that are new to estate planning and want to improve service quality, reduce costs, and stay competitive, choosing to invest in legal technology may solve many of the above problems. For example, a document drafting software such as Wealth Docx®, has a variety of safety nets and resources to help new estate planner draft complex estate documents

efficiently and accurately. Notable features include:

Drafting Automation. Saves attorneys precious time through its intuitive interview function. Simply input client data once, or pull the information from a previously entered client profile, answer questions regarding the client's estate and responses will automatically populate throughout the rest of the document.

Customizable Document Templates. Easily tailor each document to fit the needs of each client. Start by selecting a full or simplified document; add a standard or enhanced trust protection provision; use the add a clause feature for further customization.

Cloud-based Collaboration. Virtual collaboration allows for immediate, flexible communication with your team members from any device at any time. Changes can be seen in real-time by all team members, which means missed calls and long email chains won't slow you down.

Ditch the traditional hourly billing method

Pricing strategies have, and continue to be, a contentious topic among attorneys. While it's tempting to lump pricing strategies with other trivial administrative tasks, this would be a grave mistake. Instead, pricing should be thought of as a public statement of the value you place on your services. As stated by Ronald Baker, founding fellow of VeraSage Institute:

"Pricing is an art, not a science. It is one of the four Ps: Product, Place, Promotion, and Price of marketing, and probably the most complicated of those four. It is the only P that deals with revenue, not by creating the value your firm delivers, but rather, by capturing it...Pricing sends a distinct message into the marketplace, signaling who you are, what you do, who you serve, and ultimately, how you perceive yourself."

When deciding on a pricing strategy, attorneys must keep in mind what kind of clients they want to attract, as well as what their prices communicate about their services' value to those specific clients. Ultimately, pricing is a balancing act—too high means losing your competitive edge to cheaper DIY service providers and too cheap says you don't value your services.

If consumers are reading into what a firm's pricing structure says, then what does the traditional billing method tell clients? Well, not very much. As hourly billing cannot provide the total cost upfront, it becomes impossible for a prospective client to ascertain the value of your services. This ambiguity leads to issues with transparency—something which is highly valuable to consumers.

Hourly billing not only misses out on this marketing opportunity, but it is arguably bad for attorneys themselves, due to its potential to discourage workflow efficiency and create an unpleasant sweatshop culture.

Despite these negativities, many practices still cling to this billing model relic. Mostly because it's easier than attempting to calculate a fixed fee. While the industry is slowly transitioning to different, hybrid billing methods, new attorneys are better positioned to adopt a better method that meets clients demands for more cost predictability when it comes to their legal services.

Many estate planning attorneys will most likely use a combination of billing methods, especially since many estate planners also expand their practice to include business law. Pricing structures that new attorneys should consider are:

- **Fixed price** - The attorney provides a defined scope of legal services (such as a basic estate plan with a will, power of attorney, and health care directive) in exchange for a fixed fee. This can be the most clear and predictable billing for clients.
- **Tiered prices** - This pricing strategy builds on fixed fee by giving clients a choice, and is a take on the “good,” “better,” “best” strategies that we’ve all seen in other businesses. For example, an estate planner may have a will-based plan (“good”), a basic trust-based plan (“better”), and a comprehensive trust-based plan (“best”).
- **Subscription services** - We’re all familiar with Netflix, Amazon Subscribe and Save, and the litany of other subscriptions available today. For clients with ongoing needs, such as business owners or families with trusts, offering ongoing representation for a predictable price is a win-win for the attorney and the client.
- **Hybrid** - For attorneys who are not yet ready to abandon hourly fees, a hybrid approach may be best. In this case, some aspects of the representation use a modern billing arrangement (fixed price, subscription, etc.), whereas other aspects of the representation can remain on an hourly basis.

Whatever you decide to implement, it’s important to remember that due to their single source of revenue, estate planners are more vulnerable to market fluctuations. So, try to include pricing strategies that build urgency and repeatability of engagements.

Staying ahead of the information curve

Like all areas of law, the estate planning field is organic rather than static. As estate planning strategies are completely dependant upon current legislation and legal precedent, attorneys must stay on top of, and better yet, anticipate these developments in order to provide competent legal guidance.

To make sure attorneys keep abreast with these changes, the ABA and most state bars have deemed it necessary for attorneys to obtain continuing legal education (CLE) credits to maintain their legal license. Naturally, a legal education market developed to meet this need and what once started out as a small operation, grew into the multi-million dollar industry that it is today. Despite efforts to standardize CLE requirements, attorneys must sift through a myriad of CLE providers in order to find quality courses that are applicable to their practice.

As the legal landscape continues to change due to the recent passing of the Tax Cuts and Jobs Act, attorneys will need to find a reliable source of information to ensure their estate planning strategies evolve. New estate planners should find a trusted educational platform that provides quality information specific to their needs.

A good platform will not only provide CLE courses that emphasize practical learning but also provide information to successfully run their business, manage client relationships, market themselves, and hone their estate planning skills.

Many attorneys have turned to WealthCounsel for their comprehensive, practical education whose courses are as diverse as each attorney's needs. As a WealthCounsel member you can:

Choose your location. Learn on your own turf, attend a local WealthCounsel workshop, and learn amongst your peers at our annual Symposium conference.

Choose your class size. Learn through a peer group forum or take an intensive class on your own from the comfort of your own desk.

Choose your topics. Take a class on estate planning fundamentals. Attend a webinar on a current hot topic, or expand your practice by learning about business planning. Listen from industry leaders on how to market yourself and deepen client relationships.

The WealthCounsel Solution

WealthCounsel is the single resource new and transitioning attorneys will ever need. Stay in the know with our practical education and gain the knowledge to grow and evolve your practice in today's marketplace. Sharpen your competitive edge with Wealth Docx, the premier document drafting software. Expand your professional network and build relationships with attorneys in our own backyard, or across the country.

The WealthCounsel Solution

Shortens the Learning Curve and
Reduces the Ramp-up Time



Emphasis on practical learning with CLE courses, live virtual webinars, and a 24hr online resource library.

Boosts Drafting Confidence and
Legal Competence



Personalized membership support of professionals serving professionals.

Accelerates Profitability



Wealth Docx® streamlines legal workflows, so you can operate efficiently and cost-effectively.

Connects You with Thousands
of Colleagues



Network with our professional community, join online forums and local meet-ups.