

So You're A Lawyer... But Can You Run A Business?

BY RAJAN O. DHUNGANA, ESQ.

Perhaps you started working for the first firm that offered you a job, with the intention of someday hanging your own shingle. Perhaps you have dreams of building a small- to mid-size firm with your fellow law school buddies. Perhaps you took that year-long clerkship with your favorite judge. Regardless of how you got to this point, you're ready to explore building your own practice. I graduated from UNLV Boyd School of Law in 2013 and worked for a fellow Boyd graduate who built her own practice from the ground up. After passing the bar, I continued working for her, and the personal mentorship experience was invaluable to me when I eventually went out on my own in March 2014.

Setting Up Your Business

First thing you need to know is you'll need some money to spend on a few starting essentials. You should consider establishing a professional corporation, and choose your name carefully. Nevada law requires that a professional corporation contain at least one shareholder's name. However, you can always create a fictitious firm name and register a servicemark to use a different brand name altogether.

I decided to eschew the use of personal names in my fledgling firm for three reasons:

1. If I were to add shareholders/partners later, I didn't want to constantly keep changing the name of the firm to add a ton of names;

2. One day, if I want to sell my practice, it is easier to sell a brand rather than a personal name; and
3. My name is often mispronounced.

For example, the official name of the firm is "Dhungana Law Firm, P.C." per Nevada law, but my tradename is "Sahara Legal Group." I have it registered with the U.S. Patent and Trademark Office, and it is registered as a Fictitious Firm Name in every Nevada county in which I do business.

Even if you intend to have shareholder partners in the future, I would recommend a professional corporation over a general partnership or a limited liability partnership, because the corporation model will allow you to expand your practice more easily to other states and potentially add shareholders. I am a licensed attorney in Nevada, California, Colorado and Washington, and the professional corporation model works

in all of the states I regularly practice. As far as I know, all 50 states and the District of Columbia allow for lawyers to organize as a professional corporation, whereas only a handful of states allow for professional limited liability companies, and almost all states require a partnership of any sort to have more than one partner involved. Transferring shares from a professional corporation to a new shareholder partner will be easier than converting an entity into a general partnership, a limited partnership or a limited liability partnership.

Second, shop around for decent malpractice insurance. Depending on your area of practice, choose the amount of coverage you require, knowing that you can always increase your coverage as your practice grows.

Next, don't be afraid to ask for help. Other lawyers are often ready and willing to help and mentor you. Learning from another lawyer can reduce potential mistakes and teach you strategies you may not have thought about. Get a mentor (or mentors), or alternatively, get co-counsel if you have a particular case where you could use the help. Keep in mind that you have to get client consent when adding outside counsel, and in certain situations, you may not raise a client's fee when adding new counsel to the case. Working cases together with others has been invaluable to me.

Technology

Our profession is often the slowest to adopt new technology, and legal and ethical opinions are equally as slow to adopt new trends in technology. For example, law is the only profession I know where Word Perfect is still in prevalent use. No other industry I know uses it, as almost everyone has gone over to Microsoft Word or other alternatives. However, you should always strive to keep up with the latest technological trends, because your clients certainly will.

Where technology can seriously improve your practice is in communications and payment. A great many clients now prefer texting to calling. Using a good Voice Over IP (VOIP) service as your primary office

number gives you more flexibility and the option to forward to your cell phone. Make sure that the VOIP service supports texting to the number, because many of your clients will text your number. If you have a regular landline or VOIP service that doesn't support receiving texts, then it will lead to missed communications and missed opportunities for you.



Similarly, it is important to embrace other texting apps such as WhatsApp, Telegram, Viber, Skype, etc. All of these services offer an open application programming interface (API) that allows you to customize your texting experience with clients.

In my communications systems, I use Microsoft Exchange as my primary email server, and I use Twilio with programmed SMS and Whatsapp messages to send case updates to my clients. When I receive an SMS or Whatsapp message containing certain keywords such as "next court date" or "payment," the message reroutes to the appropriate assistant to call the client back, or I have an autogenerated text back that displays the next court date.

Twilio automatically suggests email templates for various scenarios as soon as a calendar event passes and triggers reminders based on how the case has progressed. When I receive a new case, Twilio autogenerates several documents for me, including the attorney-client agreement specific to the matter and location, all appropriate forms requiring the client's signature, pleading paper and standard correspondence letters with the firm's letterhead. Because I primarily deal with immigration clients, all of my attorney-client agreements are in multiple languages, and each document allows for the client to sign with his or her finger on a smartphone via Adobe Sign. In addition to the electronic signatures, a paper copy of each document is sent out for a wet signature with a prepaid envelope already included. I print my own stamps using a thermal Endicia Dymo Stamps printer, and each high-value stamp printed is cost-coded to the client for easier accounting of postage to be billed to the client.

Each set of phone numbers are attached to matter groups in my VOIP ecosystem so that all calls to opposing counsel, client, client's representatives, court, witnesses, etc. are automatically tracked for time called and duration of call, and they are logged automatically for extremely accurate billing when I'm billing hourly. Even when I'm not billing hourly, I track all time spent on a flat-fee case in the event of a fee dispute or if I need to reevaluate and readjust my future flat-fee prices after looking at the time I've spent on my past cases.

Payment and Banking

These days, most major cell phone manufacturers and carriers allow for dual-SIM phones so that you can have two phone numbers on your device. I use one for personal calls and messages, and the other one is strictly a business-use number.

It is already difficult to get clients to pay, so I made sure that every single payment option is available for my clients. LawPay allows you to direct client payments to your operating or your trust account, and it can accept payment

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by check or by credit/debit card. I deliberately chose large national banks to set up operating accounts, because I often have clients in immigration detention whose family members may be far away and who need to pay by cash. This option allows them to walk into their nearby local bank branch and initiate a payment transaction through the bank. A smaller regional bank will not have the same reach.

On a cautious note, many clients have asked if they could pay me via Venmo or Cash App. If you look at the terms of use for both payment services, they expressly prohibit business transactions to be conducted through their platforms. As with anything related to client funds and payment, please consult with the State Bar of Nevada when new payment methods

are presented. I'm anticipating the day when a potential client will offer to pay me in Bitcoin or other similar cryptocurrencies, and before I accept or decline, I'm definitely asking the state bar for an opinion on the matter.

Marketing

In the nearly five years since I've started my firm, I have not spent a single dollar on any advertising beyond printing my own business cards. I had a website until 2017, when I discovered it was hacked, and I deleted everything. Since then, I discovered that not having a website has not dampened my business. I still intend to build a website, but seeing as it is not hurting my practice at all to lack one, I have been slow to move on it, focusing more



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on internal technology that can make my firm more efficient.

That being said, I think that many people don't know the difference between advertising and marketing. The goal of advertising is to sell your product or service. The goal of marketing is to make yourself and your service known. To date, the best marketing I know is to do a good job and to let word of mouth work for you. Clients hire winners. Produce good outcomes, and you will automatically get good referrals. Know your client base, and make yourself known to them. Most people ask their friends and family first if they know of a good lawyer before turning to the internet. A recent study showed that a large percentage of potential clients hired the first attorney they called (as long as

the attorney represented he/she handled the kind of case in question). Chances are, the person who called you got your number from someone who said good things about you, so the potential client is now yours to lose.

Office Space

I saved this for last because I don't believe it's 100 percent necessary to have an office when you're just starting out. Rent can easily plough through your budget, and you'll often be locked into a lease. When I first started, I marketed myself as "the lawyer who comes to you," and I made sure to go to the client or go to the area that would be most convenient to the client. Eventually I did get office space in Artesia, California, and made extensive use of

co-working spaces such as WeWork and Regus.

Hanging your own shingle is possible with careful planning and preparation. Keep it lean in the beginning, protect yourself through a corporate structure and malpractice insurance, embrace technology, make it easy for clients to pay you, and market yourself well through word of mouth, and you'll be well on your way to starting your own firm. **NL**

To date, the best marketing I know is to do a good job and to let word of mouth work for you. Clients hire winners.



RAJAN O. DHUNGANA is the principal attorney at Sahara Legal Group. His practice focuses primarily on immigration litigation and business litigation. He is licensed to practice in Nevada, California, Washington and Colorado.



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