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LawBiz® TIPS – Week of October 11, 2011 | www.lawbiz.com

I've just finished reading Strategy and The Fat Smoker, written by David Maister. Maister asks the question, "When we know what we should do, why don't we do it?" Why do we eat too much, bringing about the national crisis of obesity? Why do we smoke when all the credible evidence points to this as a primary cause of death? Why do we stay in toxic relationships when psychologists tell us that a strong support system enables us to perform better, feel better and live longer? Why...?

The answer is simple. We all want the long term goal, but we are unwilling to sidestep the short term temptations that always appear before us. We are unwilling to be persistent and diligent in our behavior that will achieve our long term goal. Oh, it's just this one piece of bread, or I only "cheat" once in a while, etc. We lack the focus, we lack the persistence, we are unwilling to give up the short term pleasure needed to reach the long term goal.

This seems so simple ... and yet it's so hard to internalize. Maister is well known in the world of professional services and his works (this is just his latest) are all worth reading. I'm looking forward to meeting him in person next week and hope to continue learning from him.

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Success is in the Details When Law Firms Combine

Reasons for a Merger

When law firms combine - whether it's a merger of equals or the acquisition of a smaller firm by a larger one - the goal is to make the client service capabilities of the new firm greater than the sum of its original parts. The leaders of the firms initiated the combination with an idea: Let's grow. Why? To better serve our clients/customers, to get new clients/customers who can use the services we want to provide, and to benefit from economies of scale. The search began, a candidate was found, and the merger/acquisition resulted.

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The Challenges of a Merger

Too often at this point the attitude is, "Mission Accomplished!" In fact, the real challenge has just begun. The strategic plan envisioned the economies of scale, the collaboration among organizations for enhanced product quality and even greater revenue. But, if this plan fails, it generally fails from the absence of the necessary integration. How do you combine two organizations without a great deal of tender, loving care? How do you combine two organizations without giving due attention to the fears and hopes of the people in each organization? And how do you do this "on the run," the typical approach once the top leaders shake hands on their deal?

Plan Through the Merger

The answer is quite simple: Plan, plan and plan again ... far enough in advance that the people in the organization do not panic and jump ship, looking for safer pastures. The organization might say that the people who leave are the less desirable ones anyway. But, there are too many examples of the better talent leaving because they could ... and the "others" stay because they couldn't protect themselves, they had to wait it out and hope they would remain with a job.

The Integration Process

The integration planning process should take place on two levels, individual and organizational, and communication is the essential tool for both. The starting point for what communication is needed depends on whether the combination is a merger or an acquisition. In the former, by definition, there is some accommodation and agreement that the parties approach on the basis of equality. In the latter, the acquirer has control over the arrangements and the integration process, as it is generally the larger party and has the greater financial clout. Either way, the combination can only be successful if the parties have systematic communication and integration plans.

Considerations in a Merger

People considerations are paramount in this process, but don't forget the ancillary details: marketing the new firm name, designing office space, allocating management responsibilities, assessing the technology used by both firms to ensure that hardware, software and databases work together properly and integrating the accounting systems. There is no one right way to assess and integrate all these factors, but the wrong way is to ignore them until it's too late for the combination benefits to be realized.

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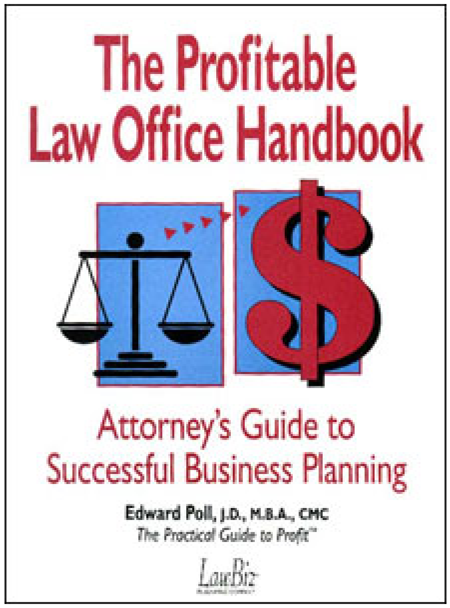
MVO
Los Angeles, CA

"I would highly recommend the services of Ed Poll to anyone in need of assistance with understanding their business, improving its operations, or valuing it for sale or transition to some other operational format."

DMG
Austin, TX



LawBiz® Management
421 Howland Canal
Venice, California 90291-4619
www.lawbiz.com
edpoll@LawBiz.com

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