

LAWYER'S Bookshelf

Reviewed by Katherine Frink-Hamlett

The Complete Guide to Contract Lawyering, 2nd Ed.

By Deborah Arron and Deborah Guyol. Niche Press, Seattle, Wash. 312 pages, \$34.95.

Jolted by the uncertainties of a volatile economy, the emergence of contract lawyering has made a transformative and permanent impact on the delivery of legal services. “The Complete Guide to Contract Lawyering” provides a how-to primer for attorneys seeking to be contract lawyers and those seeking their services. Densely packed with frequent hypotheticals illustrating the myths and realities of contract lawyering, “The Complete Guide” is a handy resource chock-full of useful tidbits and insights. Divided into two main themes, “The Complete Guide” first addresses how to be a contract lawyer with the second theme devoted to when and how contract lawyering services should be engaged.

The book first dispels the popular myth of contract attorneys as “a bunch of loser lawyers.” Ranging from the recent J.D. forced to seek her fortune in an uninviting and brutally lean economy to the experienced attorney embossed with Ivy League credentials, the contract lawyer is simply a microcosm of the existing pool of legal practitioners. “In general, lawyers choose contract work

for one of three reasons: workstyle preference, career satisfaction or transition support.”

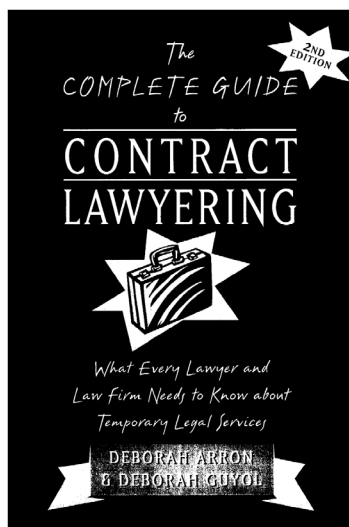
Whether you have established a successful contract practice or are a novice, the first section of “The Complete Guide” synthesizes a series of questions to help you determine whether contract lawyering is right for you and if so, how to obtain contract assignments so that you can earn a comfortable living.

- *Should you be a contract lawyer?* Whether the risks of contract lawyering are for you requires significant soul-searching and value identification. The book offers several evaluations ranging from obvious questions like “Do you work well by yourself” and “Do you consider yourself a nonconformist or an outsider?” to more esoteric criteria contained in a values-clarification exercise to help the reader assess whether contract lawyering is consistent with their overall career objectives.

- *Can you afford to render legal services on a contract basis?* Remember, you will only be

compensated for hours worked and in the majority of cases, you will not receive insurance benefits. The book offers fiscal advice on how to prepare yourself to take on contract assignments. Charts estimating your costs of doing business and living expenses also are provided to help you figure out whether you are in a financial position to take on contract assignments.

- *How much should you charge for your services?* This is where



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it gets real tricky, since the process can be extremely subjective. The authors instruct us, however, that “[t]here are no strict rules about contract-lawyer compensation. No matter what formula you use and no matter what the standard rates are for services in your area, you can make arguments to increase the rate — or to consider reducing it” in light several variables, including experience level, special expertise and rush projects.

• *How do you market your services?* The authors pinpoint key marketing approaches ranging from calling personal contacts to broadcast resume mailings that should enable you to discover available and appropriate opportunities. Ultimately, your hunt for contract assignments must be waged on several fronts and cannot be limited to one or two methods. “... [I]f you want to be successful in the contract market, you must remain visible, visible, visible.”

Shifting to the perspective of the hiring attorneys, the remainder of “The Complete Guide” sums up the case for hiring contract lawyers: “If a new practice tool could increase your profits and give you more flexibility while improving client service and enhancing your job satisfaction, would you try it?”

No matter where you go the buzz phrase is lean and mean. Pressured by declining profits and an overall stagnating economy, corporate legal department managers are scrutinizing legal bills with a keen eye. As a result, law firm managers are forced to develop innovative alternatives to conventional pricing methods in order to reduce costs and retain client relations. As the authors explain, employing contract attorneys offers a viable and meaningful solution.

In a persuasive illustration, the authors compute the math by dissecting the components of an associate’s annual salary and hours billed: collectability, direct employment costs (e.g., malpractice insurance), overhead and indirect employment costs (e.g., training and recruitment), and arrive at an annual investment of \$150,000 and an hourly cost of \$85.15. Now, compare those numbers to those of a contract attorney’s who may cost anywhere from \$35 to \$75. Typically, the contract attorney is slightly to greatly over qualified for the assignment so, dollar-for-dollar, the additional experience adds up to a significant cost benefit in addition to a very meaningful enhanced value for the firm’s clients: ‘Our clients have been happy from the beginning about getting high-quality work at considerably cheaper rates than elsewhere,’ boasts one law firm partner.

Since firms, in particular, are susceptible to over-staffing

due to false or otherwise temporary spurts in certain practice areas, savvy managers conscientious of the economic perils of adding too many, too soon, opt for moderate increases in permanent staff while supplementing their remaining needs with the services of experienced contract attorneys. “Another benefit of this type of growth management is the increased ability to nurture the potential of partnership-track associates. ...”

Once you’ve realized the benefits, you’ll need to examine methods for identifying qualified candidates. The authors, and, I agree, that tapping referrals is an excellent option. If you’re not able to identify attorneys through referrals, placement firms present a viable alternative. A few key questions that the authors suggest for selecting a placement firm include: Whether the contract attorneys are treated courteously? How long has the firm been in business placing contract lawyers (versus paralegals and secretaries)? Is the agency staffed by experienced lawyers who know the legal profession and communities in which they operate? After identifying appropriate candidates you’ll need to consider obvious discussion points like hourly rate, availability, experience level, etc. Two significant points that warrant serious consideration are malpractice coverage and any potential conflicts. As the hiring attorney, you have to screen for both and be guided by the applicable rules. Although not explicitly addressed, conflict checks may be particularly complex when staffing large-scale projects. This is especially true if the hiring process is managed by nonattorneys in the recruitment department. Law firms also must consider whether to disclose the use of contract attorneys to clients. “If you’re not practicing in a state with an ethics opinion or decision on the subject, review your state’s rules and act in accordance with them. Even if the rules do not require disclosure of the hiring of a supervised contract lawyer, client relations usually make disclosure a good idea.”

Challenging times lie ahead for all professionals who earn a living in the legal industry. Yet, despite the onslaught of rapid changes, contract lawyering offers exciting new opportunities for practitioners and legal managers alike to meet these challenges head on. “The Complete Guide” provides a reliable and straightforward explanation of the ins and outs of contract lawyering.

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