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MARC WHITEHEAD & ASSOCIATES
ATTORNEYS AT LAW, LLP
A NATIONAL DISABILITY CLAIMS LAW FIRM

Vol. 9 Issue: 05

THE NEWSLETTER YOU'VE BEEN WAITING FOR...

\$uccessful Barrister



"MARKETING, MANAGEMENT & LIFE SKILLS THAT PROBABLY WON'T GET YOU DISBARRED"

And YES, it still remains the same old SPOOKY Pricing!  Price: \$199.99

happy SPOOKY HALLOWEEN!

While our last issue was focused on witching upon a star. In this **spookalicious** issue, we're creeping it real. We've reached beyond the veil to discuss the most dreadful experiences we've tried to keep mummified. Don't Trick yo' self, just keep on reading as we howl about past events and leave you with Treats on how to handle or avoid the same hauntings.

Okay, okay, no more puns. Just kidding.... We hope you have a hair-raising Halloween!

MARC WHITEHEAD
(WALTER WHITE)
BOARD CERTIFIED - PERSONAL INJURY TRIAL LAW
TEXAS BOARD OF LEGAL SPECIALIZATION
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NATIONAL BOARD OF SOCIAL SECURITY DISABILITY ADVOCACY

Navigating the Complexities of Cash Flow Within Your Law Firm

Imagine the terror of realizing you have no cash the day before your employee payroll is due. This is the nightmare that many law firm owners have experienced at one point or another. Running a law firm comes with its unique set of challenges, especially if you are a contingency fee firm like mine. Balancing between the alluring prospect of a successful lawsuit and its

The Ca\$h Flow Nightmare!

monetary rewards, while maintaining acute financial awareness, is crucial. This is true whether you are a riverboat gambler (*contingency fee lawyer*), an hourly biller or somewhere in between. This balance was brought to light when I stumbled upon the illuminating insights of **Michael E. Gerber** and **Fred G. Parrish's** book, "*The E-Myth Chief Financial Officer.*"

The cornerstone of this book is the idea that every business either employs a Chief Financial Officer (CFO) or the owner inherently assumes this role.

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NEWS FLASH!

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In essence, someone must navigate the complex waters of business finance, akin to a ship's navigator who predicts the path ahead to avoid the icebergs.

The Core Role of a CFO

I have recently explored bringing on a fractional CFO and realized I really needed to learn what the role entails before I jump off the cliff. Hence, reading this book. A CFO's role transcends mere financial oversight; it delves deep into predicting the company's trajectory. They are tasked with recognizing the key drivers of success, anticipating market fluctuations, understanding the best revenue mix (*think case type*), and spotting potential cash flow issues. Essentially, they help firms avoid the peril of navigating blindly, ensuring decisions are based on more than just educated guesses.

Unpacking the Financial Landscape: The Four Types of Money

Gerber and Parrish brilliantly categorize business money into four distinct kinds:

1 Income – Compensation for day-to-day work. Even as the firm owner, you should always pay yourself a market-based W-2 wage.

Probably equivalent to what it would cost to replace your labor on the open market.

2 Profit – The residual after efficient operations, i.e., as much revenue as you can generate with as few expenses as you can get away with.

3 Flow – The movement of money, distinguished by its dynamic nature, which can be unpredictable yet controllable. It always escapes me that repayment of loan principle or fronting

client expenses are not an expense on the P&L statement yet suck cash.

4 Equity – The perceived value of the company, directly related to the efficiency of its operational systems. What would a willing buyer pay you for your practice?

This distinction broadens the perspective on financial health. While income and flow are imperative, the true value for a business lies in establishing systems that increase profitability and, consequently, equity.

The Roadmap to Growth

Most have heard the saying, **"If you aren't growing, you are dying."** Maybe so, but the problem is that growth sucks cash! Growth means more overhead, more labor costs, more marketing expenses. This year we launched a growth plan that targets a doubling of our caseload within the next three years. We call it Project 2025. It meant tripling our marketing budget, rapidly growing our staff, and investing in improved technology. However, we didn't do it without thinking it through, especially how it was going to affect cashflow. Growth isn't merely about expanding your team or resources. **It demands:**

- 1 Clarity about the desired growth level.**
- 2 A detailed roadmap to achieve it.**
- 3 Quantifiable details and targets.**
- 4 Continuous communication of these goals.**
- 5 Efficient reporting structures and aligned compensation systems.**
- 6 Periodic evaluations and plan adjustments.**

Balancing Strategic and Tactical Work

While routine tasks provide instant gratification, the long-term vision (*strategic work*) genuinely dictates a business's path. Predicting your law firm's financial trajectory is serious



business. This is where CFO's live. This balance involves constantly asking and answering pivotal questions like the purpose of one's business, envisioning its final form, and identifying key performance indicators.

Unique Challenges in Contingency Fee Law Firms

Much like how giants like Apple and Amazon adapt to market shifts, contingency fee law firms must be equally agile. The CFO's role here is magnified, encompassing strategic resource allocation, overseeing daily operations without overshadowing big-picture planning, and evolving from mere finance handling to forward-thinking.

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"If that's true, if you don't know who I am, then maybe your best course would be to tread lightly."

– Walter White

The FRIGHTFUL FRIVOLOUS GRIEVANCE, a Barrister's Blood and Time Sucker



A speaker at my law school orientation said, "A surgeon faces many challenges in the operating room.

Being an attorney can be like a surgeon in the OR, but with another surgeon attempting to undo each stitch or incision you make." There's no getting around it, the practice of law can be challenging. It's made even more complicated by having to fight opposing counsel and judges. Sadly, sometimes the most time (AND BLOOD) sucking thing a lawyer must deal with is their own clients. A mentor once told me, "Anthony, you're not a real lawyer until you have a client file a frivolous grievance against you." Here is the spooky short story of how I became a "real lawyer."

A client I represented for a long-term disability claim and a social security disability claim.

We resolved his LTD case much to his satisfaction, but he wasn't pleased with Social Security denying his claim. He was a difficult client without the strongest case, so after losing the next appeal, I referred him to a good appellate firm. He grew upset and refused the referral. A few weeks later, he called back for the referral (after 12 firms had declined to take his case) with less than 30 days to preserve his appeal. When my paralegal messaged me about



this, I told her to send his file to the referral and inform the client. He became enraged and filed a grievance claiming that I sent his personal information to "strangers" without his authority. I've had a frivolous grievance filed before that was thrown out after the initial stage. Not this one. It made it all the way up to a panel hearing and dragged out over a year. Even though I had a solid defense, I started to sweat a little.

Fast forward to the morning of the grievance hearing. I know I'll soon face 12 panelists judging me via video call. Gulp! Before the hearing, my lawyer and I went back over the evidence and found a secretly recorded phone call, presented by the former client, in which he clearly instructed me to send his case file to the referral. I comfortably reclined in my chair and traded smiles with my attorney. The former client cited this recording in his long opening after crying about the damage I've done to his reputation. My lawyer very calmly referred to the same recording and noted the express permission given. The hearing was over in 3 minutes.

I left that hearing feeling like Henry Hill in "Goodfellas" walking out of the courtroom. Obese mob bosses swarming me with pinky ring-adorned hands pinching my cheeks. Not really, but my lawyer and mentor welcomed me to the "real attorney" familia and congratulated me on saving my bar license from, "sleeping with the fishes." ☺

SEXISM and the LAW



MADISON DONALDSON
(HERMIONE GRANGER)
MANAGING ATTORNEY
MASS TORT

What's scarier than educated, 21st century men (and even women) perpetuating sexism? Not a whole lot. Before you roll your eyes and move on let me tell you a very true story about my scary first encounter with a sexist federal judge.

The weekend before I had my first appearance before a federal judge, I ran the Houston marathon for which I had been training for months. During the race it started raining and at one point I hit a slick patch and ate it. Hard. So, I had bruises and scrapes all over my legs when I went to court Monday morning. The judge held the scheduling conference in his office and I ended up seated directly in front of his desk. The *very first thing* the judge did was take notice of my legs and asked me what happened. I tried to play it off and told him I had just fallen on a run over the weekend. The judge got very serious all of a sudden and asked him if I had been running in that race over the weekend. When I told him I had in fact participated in the marathon, he got very upset. He proceeded to tell me that as a woman, I was physically not made to run that far. My hips were set wider in order to accommodate birthing children and if I continued to run long distances my uterus could prolapse and my ability to bear children would be seriously compromised.

PAUSE. I'm just going to let you unpack that last sentence for a bit... If your jaw is hanging open, then you probably look like I did when the judge finished speaking. Want to know how I responded? I very respectfully informed him that it was inappropriate for him to be commenting about my legs and uterus while *on the record* of a judicial proceeding. It undermined my ability to adequately represent my client and, quite frankly, my health and fitness was none of his business.....

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Juuuuuust kidding. I told him he was probably right and promised to stop running right after he signed my proposed order.

Ok fine, I panicked. I was fresh out of law school and the ink was barely drying on my bar license. But honestly, there is no perfect way to respond to casual sexism, especially when dealing with men in a role of authority. Which I think is the point of this article. As women, we are put in the frustrating position of needing to stand up for ourselves and demonstrate that casual sexism is no longer appropriate but must do so in a way that we do not offend men's delicate sensibilities. Otherwise, you're just a b-word and no one wants to work with you.

"Toxic masculinity ruins the party again."

- Karen Kilgariff

While this story is a funny anecdote from my first year of practice, I really beat myself up for a while over my response, or lack thereof, to the judge's comments.

I hope that anyone dealing with any sort of marginalization feels empowered to stand up for themselves but also knows that sometimes it is absolutely ok to pick your battles. Cheers, nerds. 😊



FACING YOUR FEARS:

The Terror of the Group Interview



Don't tell Marc, but I knew this was my dream job after my first interview. The only thing standing in my way was a group interview. With 6

people: Marc, our 4 attorneys, and his senior paralegal of over 20 years.

For someone who prefers to stay out of the limelight and loathes public speaking, the sheer idea of a group interview terrified me. If you are like me, read on to see how I conquered my fear and landed the job of my dreams.

BACK TO BASICS

A group interview is just an interview on steroids. Your goal is to make the interview feel like a little fireside chat with every single person in the room.

Make eye contact.

When I responded to a question, I not only looked at the person who asked the question but also at the other interviewers. I wanted to include them so they felt like they were a part of the conversation, too.

I didn't know how the hiring decision would be made, whether Marc would make the decision himself or if, as with some management teams, one veto would remove me from consideration completely. All I knew was that in a room of seven people, I wanted to be in conversation with all of them.

Know your interviewers.

Do your research beforehand. When preparing for the interview, I looked up each interviewer, his or her background, and his or her tenure with the firm. Luckily, this information was readily available for each person on the internet.

I knew which one also went to Baylor (*Sic 'em Bears!*), which one I shared similar interests with, and more. I had a personal talking point for each person in the room, and I tried to find a way to bring that up during the interview to not only prove that I had done my research but also to get them to see the person behind the candidate.



Have a question ready.

In my tenure with the Firm, I have conducted countless interviews. This experience has only made me more adamant that a good question can seal an interview. Like a good dessert, a good question at the end of the interview can make up for an average entrée or interview.

In my group interview, I had a slate of questions ready for each person and at each interview. The questions changed based on the information I received from the prior interview and what I learned during that conversation.

DON'T LET THE HATERS GET TO YOU

I've heard it said, *"If everyone likes you, you are doing it wrong."* And while I agree that is important in leadership and in life, when you are sitting in an interview for a job you really, really want, it is hard to keep that in mind.

Of the 6 interviewers, one attorney in particular, who shall remain nameless, did not say one single word during the interview. ~~Madison~~ She sat at the corner of the conference room table and gave me *"the harshest side eye"* the whole time.

I once asked her about her reaction during the interview, and she said she was *"really worried about [me] messing up the team dynamic."* As one of the main leads for our firm transition to Litify, Madison and I worked very closely together from the moment I was hired. She and I not only have a great working relationship, but I also feel privileged to call her a friend.

All of your interviewers have something else going on in their life beyond your interview. They are bringing in their own thoughts and even agendas. Regardless of the feedback you're getting from an interviewer, stay focused and don't let their reactions distract you.

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YOU WANT ME TO DO WHAT?!



SELINA VALDEZ
(JESSIE PINKMAN)
MANAGING ATTORNEY
VETERANS DISABILITY

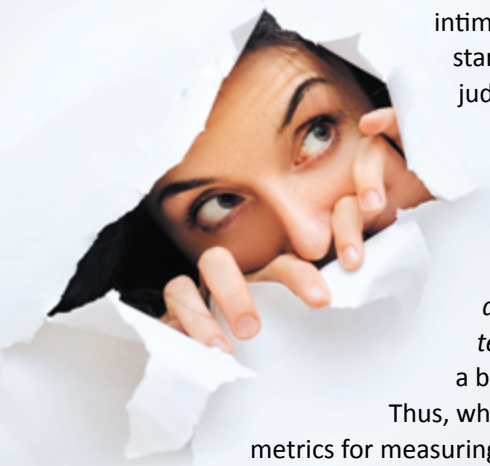
For those who didn't know, Marc promoted me to **"Managing Attorney"** this year. In my mind, I'd been doing the

work of a Managing Attorney for quite some time. Maybe Marc just finally recognized the hard work I was putting in and gave me the appropriate title to reflect what I was doing. Surely not much would change going forward.

WRONG!

With the actual role, Marc conveyed some business-related expectations he wanted me to manage. He started using terms like *"capex," "profit margins,"* and budgeting. He made me go to **SO MANY** meetings where he showed me what it costs to run a department, what he spends on marketing for that department, and all the metrics he uses to measure our performance.

"Marc, I went to law school, not business school. What do these words even mean?!"



I was more than a little intimidated. I'll take standing in front of a judge any day over having to see accounting spreadsheets and run reports about velocity (yes, that's an MWA business term). I will say Marc is a brilliant businessman.

Thus, when it comes to his metrics for measuring performance, there is no fooling him. He knows those metrics better than he can recall the names of his employees. I knew I had to learn it and understand it because there would be no bs-ing him.

I couldn't let him smell the fear or intimidation I was feeling. We all know what happens when Marc gets a whiff of your fear or apprehension – he doubles down and assigns more of the dreaded work. *Ugh.* I had to

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become an ace at the business side of practicing law. Using resources like the Harvard Business Review, miscellaneous business webinars, and *many* books – I started to gain an understanding of the gears that turned in this firm.

My background is in logistics, so processes are my love language. In my mind, every metric Marc wanted to monitor was rooted in a process. To influence the metric, I had to understand the process and how the work flowed in and out. Thus, I needed to understand what each process was and how one influenced another. Up until recently, I'd never spent time with intake or marketing – yet their processes play a dramatic role in our metrics. Little by little and with the help of many, I began to see which gears needed to be realigned, which needed some grease, and which had become obsolete.

Each quarter I focused on **no more than 2-3 objectives** and gave myself the quarter to:

- *understand what needs to be improved*
- *collect input and feedback from those surrounding the issue*
- *analyze and brainstorm an improvement plan*
- *train and implement the improvement plan*

While I was apprehensive and annoyed the first time Marc and I discussed the new additions to my role, I quickly learned how integral it is for the head of a department, whether they're a Managing Attorney or Senior Paralegal, to constantly have their pulse on this information. There is no way a machine/department can run successfully if you don't know what is under the hood. How quickly can you hone in on an issue if you don't know the pieces that make up the puzzle?

***** Marc, this is where you stop reading. Everyone else, proceed at your own risk.**

*Setting aside all the fun metaphors and knowing this will go directly to Marc's ego – Marc was right. *shivers**

My department now has one of the most comprehensive dashboards I've ever seen from a plaintiff's firm. Thanks to our in-house Litify guru (*Diana*), we have been able to digitalize the majority of the metrics Marc uses to measure the overall performance of this department. The data which we use to manage caseloads, velocity, and dare I say – **budgets.** 😊



The Ca\$h Flow Ni ghtmare!

Continued from page 2

Key questions guide the CFO's focus, including evaluating case load performances, anticipating revenue stream shifts, and identifying potential markets and practice areas in which to compete.

Transitioning to strategic thinking requires, in my opinion:

- 1 Engaging mentors or consultants familiar with the legal industry.
- 2 Employing efficient systems, including legal-specific software.
- 3 Dedicating time solely to strategic planning.
- 4 Staying rejuvenated fosters innovative thoughts.
- 5 Continuously learning from other successful firms and legal trends.

So, save yourself from the terror of poor cashflow and pick up a copy of *"The E-Myth Chief Financial Officer."* It has been instrumental in reshaping my thought process on financial strategies. It underscores the importance of not just responding to the present, but also molding the future. As we implement Project 2025, our focus is on turning these strategic insights into tangible actions. *In the intricate realm of contingency law, preparation is more than a strategy; it's an imperative. Don't screw this up!* 😊



FACING YOUR FEARS: The Terror of the Group Interview

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FACING YOUR FEAR

In doing a post-mortem with my tribe after the three-hour group interview, there were two camps. One group felt that the interview must have gone well because it lasted three hours. The other thought it was a bad sign that they couldn't make up their mind about me even after three hours.

In the end, it was weeks before I heard from Marc again. In those silent weeks, I took solace in the strength I gained from doing something I had never done before.

As I celebrate my third anniversary this Halloween month, please also don't tell Marc that the job is actually better than a dream. Face your fears, and yours can be, too. 😊

Craving more from the **\$uccessful Barrister?**

We're starting a
PODCAST
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ON AIR



Look for more details in our next issue!

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Lawyers Need a Laugh

MATCH UP!!

Despite the fact that dressing up and TRICK-OR-TREATING without kids is frowned upon, we love Halloween candy just the same.

Match the attorney with their favorite candy and email your answers to marc@marcwhitehead.com.

A sugarcoated surprise will be emailed to the first three winners.



MARC



ANTHONY



DIANA



MADISON



SELINA



White Wine

Peanut M&Ms

Candy Corn

Anything with Chocolate
Except white chocolate, that isn't real chocolate.

King Sized Snickers

DISABILITY & INSURANCE DENIALS



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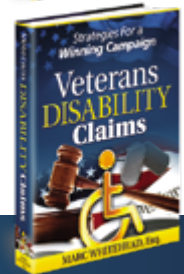
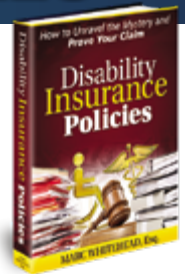
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