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Managing the Law Office, edited by Daniel J. Cantor

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BOOK REVIEWS

MANAGING THE LAW OFFICE. Edited by Daniel J. Cantor. Mundelein, Illinois: Callaghan and Company. 1964. Pp. xii, 296. \$18.50.

Most law practices of the past were carried on in an unorganized and unsophisticated manner. Office procedures were not planned—they just happened—and few offices were as efficient as they might have been. But in most cases there was minimum economic loss because the volume was low and labor was inexpensive. Sophisticated office organization and procedures were unnecessary.

Changes in the nature of the practice and in the economic situation have dictated that serious consideration be given to the management of the law office. Lawyers have been encouraged to apply modern business methods and devices to their practices. It is axiomatic that time is a lawyer's stock in trade. As a merchant must, to provide optimum service to his customers and maximum profit for himself, maintain an adequate stock in trade and keep records so that he can determine how much to charge a customer when some of that stock is sold, so must a lawyer. The lawyer must keep the unproductive demands upon his time at a minimum so that he will have maximum time to sell to his clients and, just as important, he must account for the time so sold, in order that he might bill the client. Thus today's lawyer needs office organizations and systems that will enable him to maximize his productive time and provide a method of recording and billing it.

Lawyers have not been unaware of their need for such organization and systems. Their demand for information and ideas has produced a substantial amount of literature and developed a number of authorities on the subject. *Managing the Law Office* is a welcome addition to this literature and is ably edited by one of the foremost authorities on law office management.¹ The book does not present a single integrated plan for the organization of a law office. Rather it is a collection of original articles written by authorities on various aspects of law office management.² The authors are in general agreement as to the underlying

1. Daniel J. Cantor is head of Daniel J. Cantor and Company, Management Consultants for the Legal Profession, and editor of the *JOURNAL OF LAW OFFICE ECONOMICS AND MANAGEMENT*.

2. The article authors include Dwight G. McCarty, author of *LAW OFFICE MANAGEMENT*; Albert A. DuPont, member of the Committee on Professional Economics and Vice President of the New York State Bar Association; Morris Perkin, originator of *Lawyer's Day* and former chairman of the Professional Economics Committee of the

principles of professional economics but differ somewhat as to details.

Following a Foreword by the editor and an Introduction by Reginald Heber Smith,³ the articles are grouped into six major sections respectively entitled: The function and scope of Law Office Management, System, Bookkeeping, Internal Compensation and Cost Accounting, Fees and Billing, and Organization.

The tenor of the various articles is established with an article written by the editor and appearing in the first section in which then ten areas of professional economics and management are set forth. The ten areas are:

1. The requirement, understood by all lawyer and non-lawyer members of the office, for quality performance and timely completion of assignments.
2. Control of the client matter from the time it starts until the file is placed in permanent storage or destroyed.
3. The obtaining of adequate client volume and maintaining of sound client relations.
4. The optimum utilization of the abilities and potential of the members of the office.
5. A policy on fees, client charges and billing that is in keeping with current economics, reputation, performance and the ethics of the profession.
6. A conscious program for internal compensation, personal development and human relations for the members of the office.
7. Streamlined, but adequate, bookkeeping, system and financial control.
8. Proper office facilities, equipment and library availability.
9. Appraisal of the economic result of the efforts of the

Pennsylvania State Bar Association; Harding A. Orren, Managing Partner of Robins, Davis and Lyons and author and lecturer on law office management practices; Kline D. Strong, member of the Economics Committee of the Utah State Bar Association and author and lecturer on law office management; J. N. DeMeo, chairman of the committees on Legal Forms and Economics of Law Practice of the State Bar of California and of the American Bar Association Committee on the Economic Condition of the Bar, Section of Bar Activities; Philip S. Habermann, Executive Director, The State Bar of Wisconsin, and member of the American Bar Association's Committee on Economics of Law Practice; Warren H. Stolper, Chairman of the Economics of the Bar Committee of the State Bar of Wisconsin; Mary Ann Altman, author of *THE SELF-ADMINISTRATION TRAINING COURSE FOR LEGAL SECRETARIES* and *THE LAW OFFICE SECRETARY*, a monthly newsletter; and Orme Lewis, member of the Standing Committee on the Economics of Law Practice of the American Bar Association.

3. Mr. Smith is nationally recognized as a pioneer and authority on law office management. He was managing partner of Hall and Dorr, Boston, has been a frequent contributor to the American Bar Association Journal and has been a lecturer and author for various bar associations. He is also the author of several articles in the book.

individual and of the firm.

10. Planning for the future.⁴

Then follows articles analyzing and discussing the ten areas. The section entitled "Systems" contains a number of articles describing both basic and elaborate methods of timekeeping and time management, filing and records, retrieving work products and research notes, storing closed files, and maintaining a record of matters requiring present and future attention.

The bookkeeping articles characterize several bookkeeping systems suitable for a law practice. Sophisticated systems, like automatic data processing and pegboard bookkeeping, are explained along with simple systems for those who are ignorant of the mystics of accounting.

The articles contained in the next section deal with internal compensation and cost accounting. Several formulas for calculating the compensation of firm partners, associates, and clerical staff are depicted. Two methods of cost accounting are reviewed and said to be useful in ascertaining a lawyer or firm's hourly charge.

The first of the two articles dealing with fees and billing is entitled "The Art of Billing Clients" and discusses in depth the various factors to be considered and several methods that can be used in billing and collecting for legal services. The second article is a very interesting symposium setting forth four different viewpoints about retainers.

The last section of the book contains several articles dealing with the general organizational aspects of a law practice.

The majority of the ideas discussed are equally applicable to large and small offices and in most cases the system, procedure, or organization described has been used in the respective authors' offices.

Readers desiring further information about a particular matter are invited to submit inquiries to the respective author. Illustrations and forms are liberally used to facilitate understanding of the various ideas discussed.

This book will be of great value to the lawyer aware of the need to give serious consideration to the management of his office. It conveniently⁵ collects into one volume most of the leading ideas and thinking on the subject. Not all of the ideas presented will work in all offices. Offices and their needs will differ: No two can be organized identically, nor can they follow the same procedures. Each lawyer or managing

4. *MANAGING THE LAW OFFICE* 13 (1964).

5. Although the book is not indexed, the table of contents is comprehensive enough to enable the reader to find easily the subject for which he is looking.

partner will have to review all of the available means of accomplishing a desired result and then decide which will work best in his office. *Managing the Law Office* will aid him in this task.

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