

PRESIDENT'S MESSAGE

Know Your Worth, Then Add Tax

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The title to this month's president's message comes from a card I found in the "sending support" section of a greeting card aisle. I think it sends just the right message when you are doubting yourself. Frequently, that doubt finds expression in how and what you charge for your legal services. Charge too much and you may lose a client in addition to not complying with Rule 1.5 of the Nevada Rules of Professional Conduct (NRPCs). Charge too little and you will find yourself working excessive hours at the expense of your physical and mental health, in addition to your financial health.

One of the hardest conversations I had to learn to have as an attorney is how to discuss my fee. I have had several partners who excelled at these discussions. They are not arrogant or unsympathetic to the client; instead, they are calm, forthright, and thoughtful. They tell the client upfront what their billing rate is or what the charge for the service will be and, in general, the client is appreciative and forthright in their response. If the client responds by retaining the attorney and/or the law firm, the retainer letter is produced and either signed in that meeting and a retainer check is collected, or returned a few days later, signed, with a check enclosed. This process does not guarantee that the fee for subsequent work will be paid in full or without argument, but when I have seen this conversation held well, I am left in no doubt that the attorney has met his professional obligation set out in NRPC Rule 1.5.

The best conversation on fees and services that I witnessed occurred when a partner wanted to offer additional services to an existing client. The partner had a

good but short-term relationship with the company's general counsel, but had represented the company for many years prior to the general counsel starting in her position. I was invited to the lunch with the partner and the general counsel as I had a long-term relationship with the general counsel but not as an attorney. I marveled as my partner carried on a very comfortable conversation with the general counsel about sports, her vacation, and some mutual friends ... nothing about the legal services he was providing and had provided. I was on pins and needles the entire lunch, wondering when he was going to raise the topic, and then, when we were drinking coffee at the end of a very pleasant lunch, he told her about the additional services that were available, and she asked for more information. It was not rushed. It was not pushy. Just like that, I realized that the lunch wasn't about sales, it was about relationships. Candor about services and fees is an integral part of an attorney/client relationship.

Though the colleague in my example was male, I'm not sure that is why he was so good at this part of the attorney/client relationship. Indeed, I am sure that a review of the fee dispute complaints would not show any statistical difference between complaints against male or female attorneys. Talking about our fees, however, is something that all attorneys need to get comfortable with. The NRPCs demand it. Our malpractice carriers require it. Learning how to do it with grace, however, takes practice.

One of the ways to get comfortable talking about the fees we charge is to remind ourselves that the service we are willing to provide to the client has value. Ours is an honorable profession.

We are able to offer our professional services because we attended and graduated from law school, and we studied for and passed a bar exam. We were issued a license to practice law in this state, for which we pay annual fees. We agree to abide by the laws and constitution of the state and federal governments. We also agree that we will continue to educate ourselves every year. When we agree to represent a client, we are agreeing to "faithfully and honestly discharge the duties of an attorney to the best of our knowledge and ability" and for that commitment, we are entitled to charge a fee.

Sitting on my desk is a slip from a daily calendar of quotes. It says "Think twice before deciding not to charge for your work. People often don't value what they don't pay for." It is important to be proud of the work you are performing for a client. It is important to convey that pride to the client. Don't shy away from discussing your fees. If the client cannot afford to pay them or chooses not to retain you, that is a choice they will knowingly make if you provide them the information upfront. It is not a reflection on your competence or the value of your services. There are many competent professionals, and clients need to find the professional that is the best fit for them.

If you are uncomfortable talking about your fees or charging for your time, ask yourself why. It may be, as a colleague said to me recently, that this was a practice that you started long ago based on some fuzzy notion that you shouldn't charge for your initial meeting with a client. Examine that fuzzy notion. Get clarity. If you have the skill, time, and commitment to perform the legal service the client is seeking, charge for your service. Do not feel bad that you must charge for that service. You are a member of the State Bar of Nevada. Your service is worth charging for. Know your worth.