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Littman Krooks: To Get Business, You Have to Demonstrate the Value of Counseling That Can't Be Downloaded on an App

Mitchell Littman, managing partner of Littman Krooks, spoke to the NYLJ about the advantages and challenges of being a small law firm in a city where everything is supersized.

By Susan DeSantis | February 09, 2018

Mitchell Littman, managing partner of Littman Krooks, spoke to The New York Law Journal about the advantages and challenges of being a small law firm in a city where everything is supersized. The Q&A is part of an occasional series. Other law firm leaders participating in the series are [Ronald Shechtman of Pryor Cashman](#)



Mitchell Littman. Courtesy photo.

(<https://www.law.com/newyorklawjournal/sites/newyorklawjournal/2017/12/20/pryor-cashman-the-challenges-and-advantages-of-being-a-mid-size-law-firm-in-a-supersized-city/>), Craig Wittlin of Harter Secrest & Emery.

(<https://www.law.com/newyorklawjournal/sites/newyorklawjournal/2017/12/22/harter-secrest-emery-how-a-midsize-upstate-ny-law-firm-competes-with-big-law/>), Richard Stehl of Otterbourg

(<https://www.law.com/newyorklawjournal/sites/newyorklawjournal/2017/12/27/otterbo-stehl-how-smaller-firms-compete-in-a-supersized-market/>), David Scherl of Morrison Cohen

(<https://www.law.com/newyorklawjournal/sites/newyorklawjournal/2018/01/05/morriso-cohen-how-a-mid-sized-law-firm-makes-its-size-a-competitive-advantage/>) and Robert Creighton of Farrell Fritz.

(<https://www.law.com/newyorklawjournal/sites/newyorklawjournal/2018/01/16/farrell-fritz-how-recession-created-competitive-advantage-for-midsize-firms/>)

Q: How big is your firm, where is it located and what are its primary areas of practice and focus?

A: Littman Krooks is a 16-attorney firm with offices located in midtown Manhattan and White Plains. Our areas of practice are corporate and securities; elder law and estate planning; special-needs planning; and special-education advocacy. We have of counsel relationships for litigation, real estate, tax and hospitality regulatory matters.

Q: Please explain your firm's governance structure and compensation model.

A: Our firm is managed by our founding partners, [myself] and Bernard Krooks, with input and contribution from our other five partners. We use both objective and subjective criteria in our compensation model.

On the objective side, we take into consideration traditional factors such as number of billable hours; realization of billable time; generation of business; participation in bar associations, article writing and speaking engagements; and pro bono work on behalf

of the community at large.

With respect to the subjective side, we focus on an area that ironically many law firms seem to forget—we are in the service business. Thus, we take into consideration factors such as the feedback and level of satisfaction of our clients; referrals from existing clients; and achieving the goals for our clients in a productive and mutually respectful manner. We instill in our associates our firm philosophy that every client is our most important client.

Q: What do you view as the two biggest opportunities for your firm, and what are the two biggest threats?

A: Our founding partners left a major New York law firm in 1990 in order to establish a practice committed to the core principle that we could provide sophisticated legal counsel typically associated with large law firms in a small law firm environment. What was true then remains true today; more and more clients recognize that a large or even medium-sized firm is not required to deliver sound legal advice.

Our greatest opportunities arise from our firm's significant reputation in both the corporate and personal needs practices. Our elder law, special-needs planning and special-education advocacy department is considered to be one of the top practices in New York State; Bernie Krooks is the past-president of the National Academy of Elder Law Attorneys and the past president of the Elder Law and Special Needs Planning Section of the New York State Bar Association, and has developed a national reputation in this field.

Our results-oriented corporate department continues to work on name-brand transactions and deals typically associated with much larger firms. We are often referred corporate matters from larger firms due to conflicts of interest or the size of the deal, or from other smaller firms that do not have a deep bench for sophisticated corporate deals. Our transactional-based approach has, in turn, led to increased corporate work in the hospitality, sports, branding and entertainment industries. We

focus on staffing our matters with a “Goldilocks” approach: not too big, not too little, just the right size. Thus, leveraging our reputation after nearly 28 years of practice is our greatest asset and opportunity.

Threats to our practice are not unique; the practice of law has become both very expensive and very competitive. We are not immune to the growing cost of maintaining and retaining an experienced staff in areas of law in which deep knowledge is often required.

In addition, the growing use of technology in our areas of law continues to pose threats to our practice. Why hire a lawyer when I can form a limited liability company with LegalZoom? Can't I download a power-of-attorney form from the web and use that for critical health and family crisis matters? In our view, it is ultimately a mistake of the legal professional to either ignore or discount these issues; rather, it is an opportunity to demonstrate the value of *counseling* that is not downloaded through an app.

Q: After the recession hit, the prevailing theory was that midsize firms would start to see more work come their way from large clients who could no longer justify paying Big Law rates. What has been your experience?

Ironically, we saw a significant uptick in our elder law, trust and estate and special-needs planning practice after the recession hit; financial instability forced many clients to become much more focused on the importance and need to keep their personal matters up to date and in order. Despite issues with our economy, people continue to age and become ill, and the need for proper elder law and personal planning remains and continues to grow.

On the corporate side of our practice, we likewise saw an increase in deal flow from clients that would typically use larger firms, particularly with respect to merger-and-acquisition work. Our goal then and our goal now is to continue to offer our services to clients of that level and sophistication in both a good and bad economy.

Q: Are your clients pushing for more alternative fee arrangements, and, if so, what types? Is your firm amenable to those requests?

A: Notwithstanding the large amount of ink devoted to the dying hourly rate, we always start every fee conversation with a client on that basis; the theory being that the client should always be in control of the time and effort on their own matters. Nevertheless, when appropriate we are readily amenable to fixed cost, project cost or alternative billing arrangements in a manner that we believe is fair to both the client and the firm.

Q: There is much debate around how law firms can foster the next generation of legal talent. What advantages and disadvantages do midsize firms have in attracting and retaining young lawyers, particularly millennials?

Both of our founding partners are adjunct professors of law, and thus we believe we have our “finger on the pulse” with respect to younger lawyers, particularly millennials. We also strongly encourage our junior lawyers to join bar associations, publish articles and speak on panels and seek out their own relationships and new business for the firm. We are also not shy of exposing our younger lawyers to commercial matters of the firm, such as discussions with clients on fee collections or disputes.

One of the complaints often made by younger attorneys is that they are precluded from working on all aspects of new matters that come in; rather, they are mostly tasked with “assignments.” Midsize to smaller firms don’t have the luxury of not getting every team member involved; as a result, our younger attorneys get more hands-on experience than they would at the larger firms.

Q: Does your firm employ any nonlawyer professionals in high-level positions (e.g., COO, business development officer, chief strategy officer, etc.)? If so, why is it advantageous to have a nonlawyer in that role? If not, have you considered hiring any?

A: We implement the same lean strategy on staffing client needs within our own firm; we utilize the services of a firm administrator and one leader in our finance department to assist us with firm administration. We have been fortunate to have their assistance for many years and involve them in every aspect of our operations.

Q: What, if any, technology advancements have you made in your firm in recent years? What are the challenges in implementing tech changes?

A: Technology, of course, is a double-edged sword; nobody can be “on” 24 hours a day. We now live in a world of instant communication and client demands that far exceed traditional business hours. As a result, we have recently implemented a significant upgrade of our firm’s infrastructure and have increased communication mobility for our attorneys and staff in a manner where they can function seamlessly whether in or out of the physical office.

Additionally, we continue to invest in harnessing our potential online technologies to develop and grow our niche practices, by having an effective website with new content constantly being upgraded, a strong social media presence and email newsletters and blogs with evolving information.

We also moved to electronic billing and case management, a more efficient and cost-effective manner of overseeing cases in our elder law department.

Q: What would you say is the most innovative thing your firm has done recently, whether it be internal operations, how you work with clients, etc.?

A: While not necessarily new to the world of technology, our firm is, and has been for some time now, utilizing technology in innovative ways not yet embraced by the legal community at large, to make information more accessible to the populations we serve and the clients we work with, such as offering consultations via Skype and frequently producing webinars and podcasts on emerging issues.

One of the things we are most proud of as a small firm is that we not only focus on what is happening in our practice areas today, but anticipating what our clients' needs will be in the future. When the firm first started in 1990, elder law was not the known and much-needed practice area it is today. However, we were able to see at that time the need for, and opportunity to create, this niche practice, which has since grown into a large field of practice. On a similar basis, we devoted significant resources to develop our special-needs planning and special-education advocacy that few could predict would grow into the practice area it is today. As a result, our firm has been addressing the planning and educational needs of individuals with special needs well before other law firms.

On a similar note, over a decade ago, our corporate department took note of the nascent market developing in the private secondary market of technology companies (before they became "unicorns") and developed a private fund formation practice to address this growing need. To date, the firm has done close to [\$1 billion] of purchase and sales transactions in this space alone.

Q: Does your firm have a succession plan in place? If so, what challenges do you face in trying to execute that plan? If you don't currently have a plan, is it an issue your firm is thinking about?

A: Lawyers are, of course, notorious for not following the very advice they give to clients: focus on the next step, not the current step.

So while like any other law firm, whether large or small, we are focused on our current business, we are cognizant of the need to make sure that clients, particularly those who have been with us for years, if not decades, are exposed to and develop relationships with multiples lawyers within the firm, both partners and associates, to ensure continuity as the years pass. While this may not be categorized as a formal plan of succession, we believe that our reputation will continue even after the eventual retirement of our founding partners.

We have never taken in a lateral partner; we have always elected lawyers who have grown with us and adhered to our philosophy to become a partner in the firm. We take great pride in our supervision and training of our younger lawyers. We remain optimistic of continuing to provide our services for many years to come.

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