

# Legal business: a precarious balancing act

By AdvocateDaily.com Staff



While lawyers may excel at their core vocation, they're often not the best business people, Toronto personal injury lawyer **Jasmine Daya** writes in *The Lawyer's Daily*.

Skills such as managing expenses, accounts receivables, work in progress and client default rates aren't taught in law school, so without a proficient managing lawyer, some law firms may face challenges, says Daya, managing principal of **Jasmine Daya & Co.**

"Related to this is the issue of — dare I say it — succession planning. At many law firms, succession planning is never considered," she writes.

Failing to plan is planning to fail, and it also prevents lawyers from spending time to enjoy activities with friends and family or pursue outside interests, Daya says.

About a year ago, Daya bought out her practice from an "incredible litigator," who, in his later years took his focus off the firm's day-to-day management.

"When you need to rely on everyone around you to run your business, you should no longer own that business because nobody will care about your investment the way you do and once the damage is done it cannot be undone," she writes. "He did not keep close tabs on his numbers. Every month, he was spending more than he was bringing in."

Daya says stationary was overstocked, a part-time bookkeeper was being paid a full-time salary, and lawyers' compensation was not on par with the amount of work they were bringing in.

"At that point, anger, resentment, frustration, power struggles and financial issues reached a boiling point and eventually resulted in an implosion of the firm," she writes. "Unfortunately, it was not quick and painless. The Band-Aid wasn't ripped off in one fell swoop. Morale was decimated and the law office was rudderless.

"The office you have always loved because it was your 'safe place' becomes a dark, scary and miserable place due to the unknown. You're thinking: 'Who will march in today to yell at me or make demands about files and money for no reason other than their own stress and fear about the future?'"

Eventually, Daya says her anxiety reached a high point when there wasn't enough money in the account to make payroll.

"My husband was asking me what my game plan was in an effort to ease my anxiety. But I didn't have a plan and the discussion only heightened my fear," she writes.

"It's taken a year for me to open up about what actually happened because the pain from that point in my life is only just subsiding. Right-sizing the law firm to get us back on a solid financial footing was about an 18-month journey," Daya says.

From the ashes of the firm's dissolution came incredible lessons, she writes.

"I know the type of lawyer I want to be and the type of firm I want to own more clearly now. The trauma of doing things the wrong way was an incredible teacher," Daya says. "Owning a firm and practising law is like having two intense, full-time jobs that both require overtime hours without any overtime pay.

"I thrive on the intense pace but admittedly at times, I am exhausted. And inevitably it's my family that must endure my insane schedule and my never-ending stress."

Throughout the process, Daya says she discovered the importance of passions outside of work to balance her life.

"It's for that reason that I have published my first chick-lit novel, *Law Girl's Bump in the Road*, as well as published my first cookbook, *Appetizers and Chutneys*, together with a lifestyle blog, *JD in the Kitchen*," she writes. "The pleasure I derive from my hobbies and interests provides me with renewed energy that makes me a better lawyer, wife and mother."

Daya says a major lesson was that her life was about far more than her job, regardless of how rewarding it is.

"Your firm will not hold you tight at night. It will not be there to celebrate your accomplishments or to lift your spirits when you are down. It will not be there at the end.

"Wake up every morning excited to be a proud member of this honourable profession and advocate passionately but remember, your firm is not your life but rather an important component of it," she writes.