1. **Choose your practice area**
   When choosing an area of law to practice, consider both your ideal work environment and what will provide you with a rewarding and long-lasting career. Whenever possible, explore a field of law which is underrepresented.

2. **Name your firm**
   Whether you are starting off on your own or with a partner, there are a variety of possible naming scenarios for your business. It’s important to remember that most states do not allow lawyers to operate under a trade name, like “American Lawyers.” Generally, the name of an owner or partner must be included in the title of the firm.

3. **Obtain the necessary licenses and permits**
   Determine if your state requires you to establish your firm as a business entity and which type of entity you qualify for:
   1. Sole Proprietorship
   2. General Partnership
   3. Limited Liability Partnership
   4. Professional Service Corporation/Professional Association
   5. Professional Limited Liability Company

4. **Open Bank + Trust Accounts**
   Make sure that your business’s accounts have been correctly set up to start accepting payments. This includes ensuring you’ve lined up an attorney trust account and operating account and securing malpractice insurance, if that is required.
   - Operating Account
   - IOLTA
   - Non-IOLTA Trust Account

5. **Sign up for business insurance**
   Protect your firm’s success by verifying that you’re properly insured. Check your own state’s rules on professional liability coverage. Depending on your area of practice, you should make a reasonable decision as to whether you will be better protected by having professional liability insurance in the event of a claim. Odds are, your clients will likely be better protected as well.
   - Professional Liability
   - Workers’ Compensation
   - Health Insurance
   - Property, Casualty & Cyber Insurance

6. **Calculate costs + business expenses**
   Every lawyer needs to know how much income will be required over a given period of time to successfully cover both their personal budgetary needs and the costs of running a practice. Many studies have shown that, if you are correctly priced in your local market, an income of four hours per business day should be sufficient to successfully operate a law office. It’s most helpful to consider these variables:
   - Hourly rate/daily income
   - Anticipated overhead
   - Personal budget/living costs
   - Work schedule/bandwidth

7. **Establish your hourly rate**
   There are a few different ways to determine your hourly rate as a new lawyer. Many attorneys will put together a budget based on monthly expenses. Divide your total expenses by the amount of billable hours you can reasonably work each week to get a baseline of the effective rate you’ll charge for your services. Of course, not all hours will be considered billable hours. Every legal professional is tasked with managing collections and other administrative duties that you may want to factor in when determining your rate. You can also do some research into the rates charged by other lawyers in your area with similar levels of expertise.
8 Find an office/workspace
Decide on whether you’d like to set up a traditional brick-and-mortar office, or run your practice entirely online through legal software and teleconferencing from your home office—whichever best suits your practice needs and your clients’ needs.

9 Adopt secure legal software
Today’s law firms can be far more productive (and profitable) with modern technology, such as timekeeping, payment processing, and practice management software solutions. These are a few different types of software you may want to consider:

- Word Processing
- Time and Billing
- Conflicts Checking
- Case Management
- Accounting System

10 Choose the right payment processor
Of course, your law practice can’t be successful if you’re not getting paid regularly and on time. That’s why it’s important to choose a payment processor that prioritizes your needs and ensures your payments are reliable and secure. It’s also best to use an online payment processor designed specifically for the legal industry, like LawPay. As you process transactions, your fees will be properly separated between your trust and operating accounts and deposited accordingly. You’ll also avoid the risk of third-party transactions debiting from your IOLTA account.

11 Build a website
Your first step in creating a website should be to sit down and outline what you want your content to entail. It’s important to think about who your target audience is and what prospective clients are looking for. Once you’re ready to build your site, there are many do-it-yourself options, or you can always hire a marketing agency to build it for you.

> It’s important to note that most states require that you first apply for approval of any attorney website, so make sure you check with your own state’s regulators to find out what is required before you go live.

12 Invest in digital marketing
The evolution of the internet has drastically changed the way lawyers can market their services. That’s why it’s so important to have a professional website. You’ll also want to maintain a social media presence to stay on the radar with potential clients. Offer your content to businesses and join legal directories to get your firm’s name out there.

> Always check with your state’s regulators on any advertising to ensure your compliance, as well as to avoid headaches and possible fines.

13 Choose the right payment processor
Networking is one of the best ways to garner name recognition for your practice. Consider getting involved with your state bar associations as well as your local and specialty bar groups. Aligning yourself with reputable associations can only further instill a prospective client’s confidence in your practice.

About LawPay
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