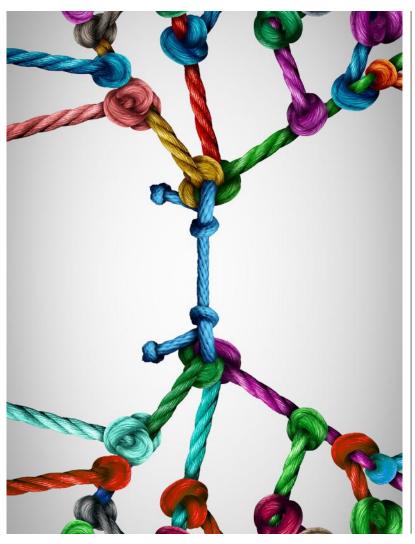
TOGETHER WE ARE STRONGER:

ADDRESSING THE SHORTAGE OF RURAL ATTORNEYS

By Cory Sprunger



hen an attorney graduates from law school, they must decide more than just what kind of law they want to practice: They must decide where they want to practice and what kind of life they want to live. Most new lawyers find the gravitational pull of the big cities, or at least the perception of the big cities, too much to resist.

Unfortunately, this perception has robbed many attorneys of the rich and fulfilling legal career a small-town practice can afford, and it has unintentionally resulted in a generational exodus of young lawyers away from their hometowns and into a handful of big cities. Years of this steady emigration has left our rural residents with 300% fewer attorneys per capita than their urban neighbors. Four counties in Indiana contain 60% of our attorneys while the remaining 40% are scattered across 88 counties.

The rare lawyer moving back to a rural area is invariably a child of an already established attorney. Otherwise, finding a new lawyer to move back home is an almost extinct occurrence. Due to the depressed supply of lawyers, those who have managed to stay are usually overworked and struggle to meet the demand for legal services, often leaving



the client to face longer waits and delayed access to our legal system.

If the supply of attorneys in our rural communities is low and the demand for legal work high, why don't the rules of economics push the price for legal services higher and attract more attorneys back to their hometowns? These basic tenants of economics are at work and pushing prices higher, but the profits are not enough to sufficiently incentivize attorney relocation. Why? Because three major barriers block the path. They are the:

 High cost of overhead a single small firm must disproportionately bear, undermining the firm's elevated revenue and degrading its profit margin; When firms across the state share the costs of overhead, consolidate purchasing power, and delegate the time spent "running" the business to a small group of people, the barriers begin to crumble and the path to bringing attorneys home starts to emerge. Our solo and small firms are much stronger together than any individual firm could ever be alone.

The concept is not new. The big firms naturally consolidated their administrative duties and expenses long ago so each individual attorney could focus solely on billing and practicing law. But when they did, they probably didn't even think about it because it was intuitive to delegate these "business" tasks to a small group of people so the lawyers could be lawyers. It was easy to do when they were all in the

"Our solo and small firms are much stronger than any individual firm could ever be alone."

- High cost of time a solo or smallfirm attorney must divert to "running the business" instead of practicing law and generating income; and
- 3. Unfair perception of what it means to be a lawyer in a small town, which disincentives eager new lawyers.

POSSIBLE SOLUTION: TOGETHER WE ARE STRONGER

The answer to reducing these barriers is simple: working together.

same building (or possibly a few buildings throughout the country). But in this world of technology and collaboration, solo and small firms in our rural communities now have the tools and capabilities to replicate this amongst ourselves across the state, thereby leveling the playing field.

Over the past seven years my wife and I (who practice together and own Sprunger & Sprunger) pioneered a new law-firm model aimed at tearing down these barriers uniquely shouldered by the solo and

small-firm practitioner. Together, we invested the time, energy, and resolve necessary to translate the idea into a logistically workable reality. Along the way, we have been pleasantly surprised to keep discovering new groups of attorneys who benefit from this model: young attorneys who never thought moving home was possible, retiring attorneys who found the answer to a solid succession plan, niche-practicearea attorneys who found enough clients to justify their narrowly tailored practice in a small town, and existing attorneys who just want to earn more and experience freedom from their administrative headaches. Across the board, we found by joining together, our attorneys have:

- 1. More time. Attorneys save time by avoiding the administrative headaches of running the "business" of the law firm. According to Clio's 2020 Legal Trends Report, the average Indiana attorney only bills 32% of their time worked, or 2.56 hours in an 8-hour day. In rural firms utilizing our model, our attorneys are shielded from their administrative burdens and have accordingly increased their billings by 107%. Therefore, each attorney provides 107% more legal services to their underserved communities (stretching each attorney farther to chip away at that 300% lawyer-to-resident per capita disadvantage our rural residents face), the attorney doubles their revenue, and the attorney gets to do more of what they love: practice law.
- 2. Reduced expenses. By consolidating expenses across multiple firms, simple economies of scale decrease the cost. Practices become more

- efficient as margins of waste are reduced. For example, one phone receptionist for a small firm may cost \$40,000 a year after wages, benefits, payroll taxes, and costs of equipment are included. While the firm needs someone to cover the phones all the time, they may only ring a quarter of the time. By eight firms joining together and sharing the cost of two receptionists, each firm gets their phones answered all the time, but each firm only pays a quarter of the receptionist, or \$10,000.00 instead of \$40,000.00.
- 3. Better expenses. While the expenses to run the practice are cheaper when purchased together, they are also *better*. It becomes practical to invest in infrastructure or equipment that would otherwise be unattainable for a single small firm. For example, together the firms can invest in better network security than any individual firm could

- feasibly manage. Together we can address facilities, marketing, HR, and payroll with professional staff dedicated only to our firms. We are all familiar with various vendors who each offer individual services, but together for the first time, we can provide extra simplicity by doing it all when we do it together.
- 4. Increased opportunity and synergy. Finally, opportunities are bigger when we work together. Being part of a bigger organization opens doors and career opportunities that are not possible on your own. As we work together it becomes possible to develop trusted referral networks and niche practice areas that would not otherwise be feasible in a single small town. The bigger we grow, the more synergies reveal themselves.





REDEFINING SMALL-TOWN LAW

The last barrier is a mistaken but stubborn perception the big cities are where "real lawyering" occurs and a small-town practice is somehow second rate with less opportunities, less income, and less of a chance to make a real difference in the world.

The reality couldn't be farther from the truth. I would argue a small-town practice, among your family and friends, holds a level of fulfillment that is unmatched. The work you do as a lawyer in a small town has a direct and ascertainable impact on real lives. Nowhere else can you see a friend from elementary school laughing at the grocery store with the children you helped him adopt. Nowhere else do you see a young mother and child at the high school basketball game who you helped get back on their feet after the father's life was taken in a vehicle accident. One day, while sitting in the balcony at church, I looked down and realized that in just about every

one of the 20 or so rows below me, I had touched at least one person's life through my practice. That level of tangible impact is the norm and not the exception in a small-town practice. And with a model like the one we are pioneering, a lawyer can have this fulfillment plus a work-life balance without sacrificing the bigcity income.

I am hopeful reducing these barriers with models like ours will allow more attorneys who have felt the tug or calling to move home to do it. And in doing so, begin to balance the scales for rural residents who deserve equal access to legal counsel when the troubles of life that only a lawyer can fix come knocking. But we can only do it together.

If this piques your attention, I encourage you to contact me directly so we can continue this important discussion - together.

Cory Sprunger, Managing Partner Sprunger & Sprunger cory@sprungerandsprunger.com www.sprungerandsprunger.com/join (260) 589-2338



WOODARD, EMHARDT, HENRY, REEVES & WAGNER, LLP uspatent.com

SALESFORCE TOWER = 111 MONUMENT CIRCLE, SUITE 3700 = INDIANAPOLIS, IN 46204 = 317.634.3456