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*Incubating an Incubator*

# Incubator Startup Checklist

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*Updated 9/2020*

This checklist provides a set of guidelines for starting a legal incubator. As you work through this list, please keep in mind that there is no need to reinvent the wheel for any of these steps! Many incubators have come before you and are happy to share their resources. For more information about establishing an incubator like The Chicago Bar Foundation’s Justice Entrepreneurs Project, please contact CBF Executive Director Bob Glaves at (312) 554-1205/[bglaves@chicagobarfoundation.org](mailto:bglaves@chicagobarfoundation.org). For more information about implementing an incubator and resources associated with this checklist, please contact Associate Director of Innovation & the JEP Jessica Bednarz at (312) 546-9939/[jbednarz@chicagobarfoundation.org](mailto:jbednarz@chicagobarfoundation.org) or Senior Manager of Training & the JEP Samoane Williams at (312) 546-9970/[swilliams@chicagobarfoundation.org](mailto:swilliams@chicagobarfoundation.org).

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## GETTING STARTED

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### Threshold Questions

#### Clarify your overall goals—what are you trying to achieve?

- The goal may be refined or change as planning progresses, but clarity of purpose at the outset is critical to guiding the approach to planning and evaluation.
- Goals might include one or more of the following:
  - Increasing access to justice for clients of low and moderate income;
  - Developing innovative ways to practice for incubator program graduates to make services more affordable in an economically sustainable way.
  - Helping newer or transitioning lawyers establish sustainable solo practices; and/or
  - Better positioning newer lawyers in the marketplace by helping them gain skills and experience.

#### Does someone have staff resources to invest in the planning process?

- Planning will require staff time to become familiar with the incubator models and resources and to work with steering/planning committee(s) to develop an initial plan.
- Depending on the program complexity, you may need full-time and likely at least part-time staff for the incubator.

#### Are you willing to commit/find funding for the program?

- The funding required will vary greatly depending on the program, available resources, and in-kind donations.
- When considering potential funding sources, be mindful of existing legal aid donor relationships and funding sources and try not to pull from them. Find new sources, if possible.

#### Is your program regional or statewide?

- If your program is regional, the most effective approach is to administer the program in-person or in a hybrid format. If the program is statewide and participants who live in communities your program aims to serve would have to move or engage in long commutes in order to participate in the program, it might be more realistic to administer the program virtually, although we still recommend gathering program participants in person once or twice a year, if possible. The value of in-person interactions cannot be overstated.
- When determining the format in which to administer your program, consider the following:
  - How can you achieve your overall program goals?

- How can you provide opportunities for participants to build rapport, bond, and share ideas?
- How can you obtain the highest level of participation and engagement from participants in each part of the program?
- How will you promote collaboration and innovation?

## First Steps

### Get the lay of the land in your community

- Are other relevant programs in existence or development in your city or state?
- If yes, can you collaborate or coordinate with existing/developing efforts?

### Identify resources and lessons from other incubators

- Check out the [ABA Legal Incubators resource page & listserv](#).
- Look at other business and tech incubators in your city and state.

### Create a strong steering/planning committee

- Include diverse perspectives and strong voices that will help develop a program that is best suited for your community.
- Involve people from outside the legal community. It's particularly important to include people from start-up and business communities and community organizations that serve the population(s) your incubator will serve.

### Identify and begin to develop buy-in from community stakeholders

- **State, local, and specialty bar associations:** A bar association as host or partner can play a number of integral roles and offer a variety of resources, such as law practice management training and resources, other key training, networking, lawyer referral services, and possibly staff support.
- **Bar foundations:** A foundation can play a key role in a number of ways, such as providing funding, access to a network of partner organizations, firms and individuals, and staff support, among others.
- **Law schools:** Law schools have an important perspective on the needs of their students and the legal market, may be developing incubators or similar programs with which you can coordinate or collaborate, and may be important partners in recruiting or supporting participants.
- **Lawyer referral service:** The bar association lawyer referral service can offer insight on referrals, client needs and other practice issues. Involving the LRS staff and leadership at the outset helps ensure that you effectively incorporate the LRS perspective into your planning and that your program is complementary to the LRS. The LRS may also be a partner in referrals and training.

- **Private bar:** Lawyers in all practice areas can contribute to the program through mentoring, training, in-kind donations and other contributions. Determining the most effective way to utilize different attorneys or categories of attorneys will require some planning, but having conversations at the outset will help foster those relationships.
- **Legal aid organizations:** Legal aid organizations may have information and guidance on practice areas in need and insight into developing efficient practices. They may also be important partners for pro bono residencies, referrals, and training.
- **The courts:** The courts can be great partners. They can potentially help with training (e.g. tips for practicing in various courtrooms), funding, mentoring (if formal mentoring programs are administered by an entity affiliated with the court), referrals (if set up in a thoughtful way), and they may even be able to host the program. Support from the courts can also increase legitimacy of the program and bolster the confidence of participants.
- **Consultants and advisors:** Accountants, marketing experts, training professionals, and others are good potential training partners.
- **Other incubators:** Other legal, business and tech incubators in your community can be good sources of training, referrals, and other resources and are worth exploring.

#### Entity choice

- What will you call your incubator? Consider working with a branding expert on this particular task.
- What is the relationship between the incubator and the individual practices?
  - Do you want to incubate independent law practices or temporarily house them under the umbrella of your entity?
  - There are significant differences in the type of supervision and benefits you can offer and the nature of the relationship you will have with participants that have different legal consequences.
- What will be the entity structure for your incubator? Will it be the project of your entity, or an entity under an already existing organization or law school? Will it be a stand-alone 501(c)(3) organization? Will it be a formal collaborative structure involving multiple entities? Other?
- If you go with the stand-alone route:
  - How will you provide benefits and support to the staff? Can you set up a loaned employee relationship with one of the institutional stakeholders?
  - Will the bylaws include some or all of the above institutional stakeholders?
  - Considering involving an attorney who represents nonprofit and tax-exempt organizations in the entity formation process.

#### Consider sources for seed funding and in-kind donations

- This could come from inside or outside of the legal profession.

- Again, when looking at potential seed funding sources within the legal profession, be mindful of existing legal aid donor and funding relationships and try not to pull from them. Find new or complementary sources, if possible.

## Key Elements to Determine

### Program structure

- How long is the incubation period?
- What are the expectations of the participants?
- What are the expectations of all of the collaborators?
- Will it be a regional or statewide incubator (i.e. can participants live outside of the city in which the incubator is located and still participate)?
  - If it is statewide, consider how you will include these participants in trainings and provide them with a meaningful and inclusive incubator experience.
    - Can you partner with local bars?
    - How can technology be used to deliver training and resources and ensure a collaborative experience?
    - How can you create periodic points in the program where all participants can interact in person?
    - Other?

### Pro bono component

- Incorporating a robust pro bono component is particularly important, but it is crucial that it be done thoughtfully.
- Pro bono residencies have the potential of helping incubator participants build substantive skills under the supervision of an experienced attorney, develop mentoring relationships and connections in the areas of practice that can extend beyond the residency period, better understand the client communities they intend to serve, and develop potential referral sources.
- A structured pro bono component can also help participants overcome “imposter syndrome,” build confidence, and reinforce the value and importance of representing people in need of legal services.

### Staffing

- Part-time or full-time? New vs. existing hire? Will the staff member(s) work on-site? What support will they provide to participants?
- Staffing needs will likely change over the course of planning/implementation.
- Staff will be needed to run the day-to-day program operations and also to work with volunteers and other partners.

- Decisions about staffing will in many ways dictate the scope and size of the program.

#### **Office space (if applicable)**

- What type and how much space does everyone need to be together?
- How will your space promote collaboration and innovation?
- Can you get it for free, and if so, what tradeoffs, if any, are involved?
- How will you obtain computers, phones, internet service, furniture, etc.?

#### **Participants**

- How many participants will you take in each cohort?
- How often will you bring in another cohort?
- What level of experience do you want the participants to have?

#### **Budget/funding/program sustainability**

- The budget will be based mostly on the items above.
- Will you require participants to pay rent or participation fees? Requiring participants to pay modest fee throughout the program or at later stages can help offset program costs and help participants begin to adjust to costs of running their practices on their own.
- Will participants receive a stipend (from whom)?
- Do you need money and other funding sources?

## **IMPLEMENTATION**

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### **Determine Participant Responsibilities and Expectations and Memorialize Them in a Participation Agreement**

**Participation Fee or Rent—Will participants pay a participation fee or rent? If yes, how much and when?**

#### **Expectations of participating**

- Serving your program’s target market?
- Showing up and being involved?
- Collaborating?
- Innovating?
- Providing feedback and information to evaluate the program?
- Pro bono work?

- Other?

### **Malpractice insurance**

- You should require participants to have it.
- Can you build a relationship with a local malpractice insurance carrier who can provide training and offer discounted rates?

### **Bar admittance**

- When are law students admitted to the bar? Do you want to time your program start dates to match up with these dates?

### **Restrictions on types of practices and income of clients served?**

- What are the areas of need?
- What kinds of cases will support economically viable practices?
- What kinds of cases will participants be competent to handle?
- Will participants be required to target certain income levels?
- How do these various restrictions complement other existing services in the community?

### **Statement of principles for what it means to be part of the program**

- Are there certain principles that all incubator participants must practice or meet on a daily basis in order to stay in or affiliated with the program (e.g., the [JEP Statement of Principles](#))?

## **Participant Recruitment and Selection**

**What are you looking for in participants?**

**What are the application requirements?**

**How and when are participants selected?**

**How will you get the word out?**

- Communications through law schools (career and alumni services), bar associations, job search websites, supporters, etc. have proven effective. Once you have program participants, they will likely become your greatest referral source.
- Holding info sessions provides potential participants with an opportunity to learn more about the program and ask questions.
- Social media is a great way to communicate with a variety of audiences.

## **Program Components to Develop (or Not)**

**Pro bono program/partnership/residency with legal aid organization(s) and others**

**Curriculum programming/training/CLE**

**Mentoring**

**Networking opportunities**

**Referrals (see more below)**

**Technology and information resources (Note: Many legal tech vendors are willing to provide free or discounted products or services to incubator participants!)**

**Access to experts, consultants, etc.**

**Stipends/grants**

**Office space**

**On-site support**

## **Additional Legal Issues to Consider**

**Conflicts and confidentiality issues**

**Participation and alumni agreements**

**Permitted business structure for participants**

- Solo/small firm options?
- Non-profit options?

**IP issues**

## **Other Items**

**Marketing and communications**

- Logo
- Website
- Social media
- Other marketing materials and efforts

**Technology needs of the program itself (not participants)**

If additional and/or ongoing fundraising necessary?

Evaluation and tracking – what does success look like and how will you know whether you are achieving it (e.g., see the [JEP Strategic Plan](#))?

## POST-LAUNCH

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### Referrals and Service Standards

As you start building an incubator and network brand, are there certain minimum levels of service you want to be known for and require of your participants? If yes, what are they (e.g. [JEP Service Standards](#))?

Who within your community can you develop referral relationships with?

### Evaluation— Are You Achieving What You Previously Defined as Success?

### Alumni

**Alumni and participants will be the incubator’s greatest assets. How can you keep them involved after they have completed the incubation period?**

- Will there be dedicated training for alumni, perhaps focused on topics such as hiring employees, long-term business growth and evaluation, and/or retirement planning?
- Are there ways to incorporate alumni into the recruiting process for new participants? For participant trainings?
- Can alumni serve as mentors for participants?
- Can you help alumni get on CLE and community event panels to help them develop business and to help the incubator get the word out?
- Can you recognize alumni at an awards event?
- Can you create alumni focused socials?

**What will the alumni’s relationship be to the incubator?**

- Will they remain part of the incubator network? Other?
- Do alumni need to do anything in particular and/or meet certain standards in order to remain affiliated with the incubator?
- Do you need an Alumni Participation Agreement?

Once you have at least an attorney or two in each of the major consumer practice areas, consider whether it makes sense to partner with a lawyer referral platform builder, such as [AfterPattern](#), to develop a customized online referral platform for your network.

- Can any other bar, community, or legal aid partners transfer referrals to you electronically?