

This Month

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Save Money whilst Enhancing Communication

Many years ago the renewal of telecoms contracts was a fairly automatic process. It was some time before I learned that, because of enhanced technology, there were potential cost savings to be had alongside improved performance. This still applies and it is not always made apparent by current suppliers.

Many firms have not managed their telecoms changes just like their IT with the only risks not restricted to security and availability. As well as the potential contributions to communication with clients and staff there are some amazing cost saving opportunities that a free audit of your infrastructure can uncover – call management information can uncover that so many firms are paying for telecoms lines that they don't need (examples of a 40% cost reduction), homeworking licenses could potentially be free of charge, calls to extensions in the office can automatically be diverted to the location of the recipient, call management information can measure usage, performance of individuals and departments on handling calls from clients and activity. Complimentary risk management reporting for COLPs and COFAs and Mobile Device Management can protect client data should a mobile go missing.

MLS Advantage member <https://www.matrix247.com/law> has offerings that can assist in the key areas of revenue generation, gross profit enhancement, working capital management, business development and marketing, overhead management and reduction, compliance and risk reduction and staff retention and attraction. Major contributions to business priorities and the new methods of working – potentially at the same time as saving money and aiding cash-flow. Already Matrix247 has c100 law firm clients in the North West. MLS firms have available complimentary trials of reports and KPIs to establish the real status and consider the way forward.

To know more see these links <https://www.matrix247.com/legal-library> or contact teamlegal@matrix247.com or call Head of Strategic Accounts - Victor Lisowski on 0345 362 0013

With the right tools available your staff will also enjoy and exploit the mobile and agile environment that will be with us for quite a while.

Space Management in the New Normal Office

Another challenge to law firms, plus a potential opportunity, is the latest release of software from global provider www.newwaveapps.com/en/ which is now available through UK based Distributor www.legalworkflow.com . The solution allows user firms to measure and manage room, desk and hot-desk usage and to implement policies which allow for the safe, managed return to offices for employees.

Users can benefit from the native integration with Microsoft 365 and book a preferred workspace, check-in, check-out, perform a service request relevant to the workspace they are in, and integrate with building access control systems, all without touching shared surfaces.

Occupancy and utilisation rates can be measured and allocated to department cost-centres and matters. Integration with MS Teams, Office 365, Cisco Webex, ServiceNow, Crestron and others including legal Practice Management Systems is available. Office layouts and the total office space requirements for the future can be planned for based on accurate utilisation insights, potentially adding to and recognising flexible working and driving cost reduction.

For more information, contact Peter.gill@businessinformationgroup.co.uk Peter is working with the Legal Workflow team to introduce this solution to law firms UK-wide and globally

Financial Strengthening with Part Time FDs

Over the last few months with key management demands – in particular Working Capital Management, Gross Profit achievement, Overhead Control, Effective Management Information and Funding (banks or third parties) – I have covered the need for many firms to enhance their financial management by employing a qualified Non Executive Director or indeed an outsourced/part time Finance Director.

The right sort of person that can guide the in house finance team in terms of operations but in that same person someone with the strength and character to interface effectively with partners and law managers.

This potentially can be achieved with between 2 and 8 days per month so not a major outlay and one that can demonstrate clear return on investment.

With the change in working circumstances as with lawyers skilled people are now seeking a more flexible working environment so previous strong accountants from law firms are becoming available.

I promised a few months ago that I would investigate the <https://www.thefdcentre.co.uk/> and this has been done and amongst their increasing client base are c 40 professional services and law firms with staff numbers of between 11 and 250. They also now have a dedicated legal group with a good understanding of law firms and the variable regulation.

As an addition, FD Centre has facilitated in excess of £5billion of strategic funding for their clients and more than 3000 business sales. Most of the businesses have revenue of between £2m and £50m at a fraction of a full time FD cost.

Initial contact can be Kira Clinton kira.clinton@thefdcentre.co.uk They also have a director dedicated to the North West.

As a further aside – there is also becoming a demand for part time sales and marketing directors who carry more clout than consultants

Pii Renewal Status

In July <http://www.professionalchoiceconsultancy.com/articles/July2020.pdf> I gave some guidance over Pii renewal activity. Obviously the tale isn't over yet but the challenge should be ending during October. Getting the cover is one thing, being able to afford it the next and handling the cash flow implications are all major challenges.

During September I received quite a bit of news about the PII renewals and cost implications. It is still on-going but <https://www.symphonylegal.com> has informed me of these examples

- One firm saw premiums up from 2.8% of turnover to 4% - 42% increase
- One firm increased its revenue by 14% and premium increased by 20%
- One firm with £2m turnover had premium increase from £48k to £174k

Advisers are getting multiple calls for assistance

Legal Forms – The Key Criteria

In last month's article <http://www.professionalchoiceconsultancy.com/articles/September2020.pdf> I referred to the consolidation of IT suppliers to the sector with the remaining independents and very large scale providers with Access and Advanced and we do need at management level to be aware of their strategies and a number of webinars to assist this have been put in place. One application that is likely to have an impact on **all** case management systems (big and small suppliers) and the new agile working and technological interface with clients (Zoom/Skype/Teams etc) makes the functionality of forms increasingly important.

Key criteria now may be:

- Cloud based library for remote access
- Form sharing and amending capability plus electronic signatures
- Automated input – clear integration with case management systems
- GDPR management and deletion of clients personal data
- Audit trails on all forms used on the platform
- Pricing based upon usage

<https://www.formevo.co.uk/> is an independent legal forms provider to add into the current mix. Initial contact Paul Clyde paul@formevo.co.uk

Money Laundering and changing Criminal Liability

Coincidentally, during September amid the explosion of media reports and leaked documents concerning banks and the control of money laundering regulations I have been communicating with Bill Jones well known in the legal community in Manchester and further afield and with great consultancy expertise in this field. Bill makes it very clear that all firms should be preparing now for the consequences of the 6th EU Anti-Money Laundering Directive (6 AMLD). This is scheduled to be transposed into UK law by 3rd December 2020. The impact of Brexit is not yet fully clear around full UK adoption but our own rules may well reflect the same requirements.

Bill has made it clear that 6AMLD will enhance the definition of what constitutes a money laundering offence with 22 specific predicate offences including new ones such as cyber and environmental crimes. Aiding and abetting any of these offences will become a money laundering offence so that professional enablers and accomplices will be at risk.

The main risk for firms however is that 6AMLD will also extend criminal liability from individuals to “legal persons” such as companies and partnerships. It means that the entity may be culpable for the crime of money laundering if it is established that the entity failed to prevent an employee carrying out the offence.

The consequence for the entity may range from a fine, a temporary ban on operations, judicial supervision or permanent closure.

Firms need to update risk assessments, policies, training of relevant staff all geared to the 22 specific predicated offences and the aiding and abetting of offences. billjonesconsultancy@gmail.com 07714 149367

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