

This Month

- **Changing World**
 - **Resource availability**
- **Task List**
 - **Approach to going forward**

There has been so much change in the sector and it is going to keep on coming, whether it is October's round for professional indemnity insurance renewal, the banks getting tighter over cash availability, the ending of furlough, clients even more demanding and under-pressure, staff expectations with work:life balance, flexibility and diversity, cyber security issues, stricter enforcement of compliance or even changes to Microsoft pricing that may make it more difficult to flex the size of the work-force in a cost effective manner.

All law firms, irrespective of size or profile have to face issues and resolve them in some fundamental areas.

- Management, Supervision, Resourcing
- Profitability, Working Capital
- Client satisfaction, Business Development
- IT and Communications – effectiveness and Security
- Compliance, Regulation and Insurance

We cannot just look at the headings either:-

Under management and Admin there are a further 10 headlines including working capital, mergers and acquisitions, outsourcing, MI & BI. Under Business Development sits – product marketing, marketing plans, web development, web content, social media use, enquiry conversions. Under IT and Communication sits – workflows and efficiency, infrastructure, data security, document management, forms, electronic signatures, public and private cloud. Plus so much more.

Resource Availability

Large firms in many cases have senior managers/directors/partners in place for most of the key functions – however we cannot assume that the people in those roles have all of the detailed understanding of the multiple topics that are now essential and need supplementing.

Small firms have exactly the same needs with performance and compliance but do not have the financial resource for employment of individuals with maybe 90% of the knowledge.

Over the last six to nine months there is evidence that many firms of all sizes are taking advantage of the alternate approach by using skilled individuals on a part-time or consultancy basis – this includes lawyers and accountants who are more available because of work:life balance decisions.

Outsourcing of book-keeping, document production, web content, telephone answering, web chat, legal work to assist with peak and trough scenarios, new client on boarding. Efficiency is being driven with added value solutions with document management and distribution, form production, electronic signatures and AI. MI and BI has a new approach with KPIs being handled and perpetual forecasting methodologies.

If firms of all sizes have conducted the management and people review suggested in the September <http://professionalchoiceconsultancy.com/articles/September2021.pdf> article in an open and

honest fashion they should be in a position to seriously consider appointment of part time/consulting Non Executive Directors making sure that they are individuals that offer their opinions and guidance in an honest and constructive way and that co-directors are prepared to take some revolution on board.

To assist law firm management to identify the necessary support resource in an outsourced, part time, consultancy way this web site www.protemexecutiveconnect.com – available from October is one potential route. Known suppliers and due diligence undertaken.

There is already evidence that many of the traditional suppliers to the sector are also considering offering their services in different ways to meet the market demands.

Check List

Approach to performance and management

I strongly recommend a review of progress on the checklist from August [August2021.pdf](#) (professionalchoiceconsultancy.com)

- Have we got a clear business direction?
- Are we on top of current performance and our forecasts for the next 3 – 6 months?
- Have we got the right resource availability with an ROI?
- Have we fully considered outsourcing benefits and ROI?
- Are our staff management and motivation plans in place and being acted upon?
- Are our productivity and efficiency actions being worked?
- Are we on top of our IT suppliers, SLAs and pricing implications?
- Are we meeting our client expectations and communication demands and needs?

We cannot just afford to pay lip service to these challenges and needed actions. Too often we can see reporting on what has happened rather than proactive plans from all department heads to fix what by how and when. Monthly performance reviews need to be proactive.

- This is the negative that has happened but here are the activities that I am going to undertake to recover the shortfall and by when
- This is a positive and by taking these actions we can exploit this scenario further going forward with these potential results

This applies to all HODs in consideration of

- Revenue achievement
- Gross Profit achievement
- Validity of WIP and dates/value for billing
- Cash flow
- BD activity – lead generation and conversion expectation

It needs to be visible with trends by month and monthly forecasts following actions through to the end of the fiscal

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