

This Month

- **There is another management priority which just cannot be ignored or delegation assumed**
 - **The security of client data and the consequences of failure**
 - **Client demands – performance, communication, more when and how they choose**
 - **Efficiency needs – case management performance, division of labour, downtime and e-mail management and response**

The last few years without doubt have proven and enhanced the multiple challenges that have to be overcome to successfully manage and develop a law firm.

It is just not commercial activity in what has become a flexible infrastructure but also because of regulation more challenging and stringent for the legal sector and that is before more demanding clients with higher expectations.

My January article set some of the ground rules/recommendations for going forward
www.professionalchoiceconsultancy.com/articles/January2023.pdf

And April, including the MLS management conference summary
www.professionalchoiceconsultancy.com/articles/April2023.pdf referencing issues raised and the start of some solutions

Client demands are becoming critical which has very much enhanced the need to communicate but now in a safe and efficient way

So, as well as dealing with strategy, management, cashflow, efficiency, Pii renewals, regulations, health, welfare and diversity, predictability and scaling operations to meet size and scale of market demands we have to sort

- 40% of live clients being unhappy with service and communication with law firms
- The development of client retention – it is much easier to cross sell to existing clients, plus keeping them aware of changes and circumstances for example getting a Will updated and advising about LPAs
- Communicating and managing enquiries effectively can achieve a 60% conversion rate – much more effective than a benchmark 20%
- 50-70% of clients will look at reviews before committing – mainly Google
- Firm strategy and management needs to include accountability, procedures and culture for client relationship
- It is important to have the right brand image demonstrating performance, knowledge and empathy rather than ego.

One major issue to be added to the law firm management accountability is that of data and document security. It came up at the management conference and I have also participated in a webinar on the topic run by www.linkedin.com/company/the-professional-services-alliance/ in April along with a client communication specialist a compliance/regulation practitioner, an anti-fraud/cyber protection specialist and a productivity improvement specialist for the legal sector. I am continuing to research to find necessary added value solutions

Data Protection – Compliance and Penalties

Data protection is now very high on the SRA list of actions – there is obviously GDPR rules but in addition cyber-attacks, e-mail and attachments accessed, documents accessed even careless talk and actions amongst staff can prove a risk. Heavy application for client and staff data.

It may be hard to believe but it is now thought that up to 75% of firms have suffered cyber attacks and 83% phishing with e-mail accounts being taken over and Ransomware.

Firms certainly don't want £100k fines from the SRA, loss of Professional Indemnity Insurance and credibility damage

The right sort of advice needs to be taken from the right people with proven experience within the sector.

Many internal IT people either too busy or not fully aware of the security challenges and many IT systems infrastructures need upgrading as well as staff being also aware and trained to handle things like phished e-mails. One report says that 95% of issues are caused by human error

E-mails are always now under attack leading to the growth in Ransomware demands. Firms need to review staff behaviour, penetration tests, cyber risk assessment, perimeter security and GDPR proof

Increasingly commercial clients are demanding that a firm has qualified at least for Cyber Essentials PLUS

Firms need to really consider their IT structure for optimum performance – wanting to avoid downtime, security risks, impacts on clients and staff. This has to be signed off at the highest level and the appropriate procedures and management actions put in place

The firm's management team need to be more demanding on IT and Compliance – reviewing communication needs and processes and available tools for communication, consult the right expertise – internal or outsourced, ensure procedures are in place for security, ensure staff are trained in all aspects of security and do a minimum check and be audited at least for Cyber Essentials PLUS.

That alternative to e-mail

An interesting area involving IT security, communication with clients and business efficiency is in the use of e-mail.

While integrating email with the PMS / VMS system can save fee earner's time, there is a growing number of firms who realise that sending sensitive information by email is a fraud and compliance risk. Where such integration is not possible the added administration burden of creating emails and attaching documents is significant. In either case, sending emails is requires the client to manage and respond to them which in turn creates the administration tasks associated with resend requests and further chasing when the client doesn't respond

Multiple studies show that consumers now expect to be able to self-serve and email can never meet this need. Firms can meet this need, reducing their burden and increasing client loyalty by adopting self-service portals with effective digitisation of documents and secure storage which are becoming increasing within reach of all legal practices

Efficiency for the firm and added value for the client. My investigations continue.

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