

This Month

- **Following up on the business challenges – some alternative considerations**
 - **Enhancing service to firm and clients**
 - **Cutting costs and dependencies**

Since January this year many of my articles have related to the urgent need for firms to sort their organisations in terms of where they are, what is the strategy for the next three years, what are the operational and performance plans and how and when are we going to get them done and be capable of perpetual forecasting and plans to recover downward trends and/or exploit upward ones.

The articles can all be seen here www.professionalchoiceconsultancy.com/articles or in the Manchester Law Society Messenger [The Messenger - Manchester Law Society](#) Management Matters section. Related to this piece I would recommend at least a look at June, August and October 2024.

As law firms we cannot avoid the fact that we need to be commercially performing with a significant added burden of compliance and regulation (that cannot be avoided) plus our essential clients are getting much more strong from a performance expectation demand but are also sharing their views.

- We need to be ensuring that we have the right people being developed and available (recruitment and retention for all isn't easy).
- We are generating our expected revenue by work-type and location and our gross profit is being achieved
- We are in control of our overheads and we have the MI and BI to make sure that our working capital is going the right way going forward and that we are able to forecast it and take the necessary remedial steps
- We have to follow all compliance and regulations as the impact on credibility, costs (fines) and impact on PII insurance availability and rates can be devastating

Referred to in some of the previous articles has been the consideration of outsourcing of some key roles. There has also been evidence of a massive increase in demand for this activity from firms of all sizes as they are beginning to see some essentials becoming available.

This is for the benefit of being able to achieve essentials to help support and retain clients with high performance and communications, maximise revenue and gross profit, cut costs and achieve compliance essentials.

Firms of all sizes need the availability of the same level of skills and even accountancy firms are opening their doors beyond auditing to offer additional advice on specific topics or even part time consultants or even FDs.

Similar with IT and whether the firm is using its investment as effectively as it should be. Potentially added value solutions that can provide some essential solutions quickly and at lower costs and changing the timing needed for PMS/CMS upgrades. IT security and availability from the right suppliers also being considered.

In addition to this it is becoming increasingly apparent that many lawyers in firms do not have all the experience and skill necessary to undertake their legal tasks and requests – there are in some cases a growing concern that firms are not deploying the right experience and skills on some

tasks, irrespective of compliance and regulations, some clients or inheritors will be coming litigious – costs and reputation at risk. Being a little more positive the availability of the right skills allows a small firm to grow into something grander.

Considerations

There are three examples here that could be looked at. There are a number of alternate suppliers to potentially consider also. Due diligence is also recommended across all aspects

Documents

Despite technology enhancement there is still a major need for the production of documents that can be shared with clients, be warehoused but also recoverable, secure sharing of data with the latest portals, enhancing client relationships.

Delays in document production can prove to be expensive adding to the length of a file and consequently revenue delays and dissatisfaction.

[Transcription Services & Document Production - Document Direct](#) offers three principle services which includes a 24/7 delivery of transcription easily created by the lawyer in the middle of the night if helpful – covers everything from letters, contracts and file notes plus court documents, barristers advice, can be multi speaker even court hearings and Zoom/Team meetings.

Speed of production is one thing and being able to share with the internal CMS system and other parties.

There is also document production including re typing, conversions to latest technology, copy typing etc

Next - Court Bundle creations to HMCTS guidelines.

So one considers a quality services, being delivered by the experienced, quickly and effectively – this reduces the requirements required in house for busy times but also covering peaks, staff shortages and allowing enhanced services at overall reduced costs.

Cost down because less office space needed, less payroll and recruitment cost.

Accounting

There is certainly evidence whereas until recently this could have been regarded as a book keeping solution for small businesses but the world has changed with more pressure on law firms in terms of the standards of book keeping, the provision of KPIs, MI and BI, management accounts and business forecasts as well as compliance and bank relationships – let alone the right information for Ops Boards to make the right decisions in time.

The supplier with the experience of more than 300 law firms is [Outsourced Legal Cashiering & Compliance | The Cashroom](#)

The benefits for firms are – the cost saving of space and salaries and recruitment costs – holiday cover and sick-leave covered, frees lawyers up with more time to support clients.

Operates with most of the existing PMS/CMS suppliers and also with open banking. The level of service is negotiable to match skills available with the firm. Certainly, a compliance aid and a

risk limiter. Security in place for communications with the firm. Client account management under control.

Legal Resource and Skills

There can often be a general assumption that because “we are lawyers” the necessary skills and experience are in place to meet customer experience and needs.

The last few years has begun to demonstrate that is not the case with many law firms struggling to recruit the right people with the right skills and whether we like it or not the service needs to be there for our clients – from their perspective but also the development of the business.

We could be a small or start up firm wanting to grow and say for private client stuff the ability to speak and service broader than just producing a Will is essential. The potential implications with advice about inheritance, tax, access to capital such as equity release is essential. So, we need broader advice availability.

There are a number of specialist lawyers who want to be independent consultants and we have seen quite a growth in organisations offering this facility.

Our current consideration is [Lawshare: the Legal Referral Scheme - JMW Solicitors](#) part of JMW headquartered in Manchester.

They are a very credible firm and Lawshare has more than 700 firms using their service – sole practitioners to big firms. There is a commercial deal that uses the service without the potential loss of a client.

Last month we covered the whole aspect of looking after our clients properly and effectively.

Going Forward

Dealing with our business challenges is essential. As law firms we need to reconsider how we operate in order to achieve our personal and business objectives. The world is changing and for areas like legal expertise and support, book-keeping and accounting and document production we should all be looking at this to up performance, be more efficient and cut costs and keep out clients and the banks and regulation authorities loving us.

Happy to receive any input

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