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Legal Sector Breakfast Briefing

18 September 2019

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

Legal Sector Breakfast Briefing

Welcome

Alastair McLean, Director Commercial Banking
RBS

Legal Sector Breakfast Briefing

Introduction

Andy Poole, Legal Sector Partner
Armstrong Watson

Legal Sector Breakfast Briefing

8.00am	-	Arrival and breakfast
8.30am	-	Welcome
8.35am	-	Briefing
9.30am	-	Q & A
10.00am	-	Close



THE PERFECT LEGAL BUSINESS...?

SIMON MCCRUM
MCCRUM CONSULTING

“WILL YOU DO THAT FOR US?”

- › FASTEST-GROWING UK LAW FIRM (OUT OF 10,000)
- › PEOPLE / OFFICES / TURNOVER
- › AND OVERDRAFT
- › GROWTH HURTS
- › “WE WANT THAT!”
- › FAR BETTER TO GET THE BASICS IN PLACE
- › BUSINESS / PEOPLE / REGULATED / RISKY



FOUNDATIONS FOR YOUR FUTURE

THESE HELP YOU TO GROW CONSISTENTLY, AND TO AVOID DEATH :

- › SLOW PAINFUL DEATH – CASH
- › PROLONGED DEATH – STAFF TURNOVER
- › DETERIORATING AFTER INJURY – COMPLIANCE
- › DEATH ON A PARTICULAR DATE – PII
- › INSTANT DEATH – CYBER CRIME



THE FOUNDATIONS - COMPLIANCE

- › EVER DEALT WITH THE SRA?
- › IT'S NON-NEGOTIABLE FOR YOU
- › SO MAKE IT NON-NEGOTIABLE FOR YOUR PEOPLE
- › LEXCEL PULLED IT ALL TOGETHER FOR ME
- › EXTERNAL CONSULTANTS
- › PARTNERS MUST LEAD BY EXAMPLE....

FOUNDATIONS – CYBER!

- › I.T.'S HOUSE ISN'T ON THE LINE – YOURS IS.
- › LISTEN TO EXTERNAL EXPERTS – LAWYER CHECKER
- › CAN YOU BELIEVE FIRMS STILL SEND MONEY WITHOUT LAWYER CHECKER OR CBAC SEARCHES?
- › PUT THE BUILDING BLOCKS IN PLACE – AND THEN SLEEP WELL
- › CE / CE PLUS / ISO 27001
- › TRAINING - CONSTANT



FOUNDATIONS – GOOD PEOPLE

- › BAD PEOPLE...
- › GOOD PEOPLE – TIP THE SEE-SAW
- › THE CURRENT MARKET FOR GOOD PEOPLE
- › THEY NEED REWARD – BUT NOT JUST MONEY
- › THERE ARE A HOST OF BUTTONS YOU CAN PRESS
- › TRANSPARENT CAREER PATH & CRITERIA



FOUNDATIONS – RISK MANAGEMENT

- › EVER HAD A CLAIM?
- › EVER HAD A HUGE CLAIM? OUT OF ARCHIVES?
- › EVER HAD A STRING OF HUGE CLAIMS...?
- › CONTROL OVER WHAT YOU TAKE ON
- › LIMIT RETAINERS
- › QUALITY CONTROL / SUPERVISION / OPEN PLAN
- › FILE REVIEWS / ZERO TOLERANCE
- › DON'T DABBLE



FOUNDATIONS – BRAND / DIFFERENTIATORS

- › “BEST”?
- › CHEAPEST?
- › DEAREST?
- › OLDEST?
- › PARTNER-LED ETC ETC ETC...YAWN
- › SERVICE! THE FOOD / THE WAITER
- › YOU SHOULD USE ME BECAUSE...
- › YOU SHOULD USE MY FIRM BECAUSE...?
- › PATCHY SERVICE IS THE NORM



FOUNDATIONS – TEAM LEADERS

- › IS EVERY TEAM LEADER GROWING THEIR TEAM?
- › JOB FOR LIFE?
- › DOOR CLOSED TO FUTURE TALENT?
- › MIDDLE MANAGEMENT
- › CULTURE-CARRIERS
- › LEAD BY EXAMPLE
- › DRIVE THEIR GROSS MARGIN AND QUALITY CONTROL



FOUNDATIONS / DIFFERENTIATORS

- › SERVICE / CONSISTENCY
- › BELONGING - BRING CLIENTS INTO THE MIDDLE
- › EVERYONE'S USED A LAWYER BUT NOT MANY PEOPLE "HAVE" A LAWYER
- › NO "MY CLIENT" / NO CLIENT SILOS
- › AND THEN - PROACTIVE CARE
- › THERE ARE YOUR POWERFUL DIFFERENTIATORS!



NEXT – CLIENT ENGAGEMENT

- › YES, YES, YES? NO, NO, NO.
- › BALANCE OF POWER
- › EVERY CLIENT CAN CAUSE ENORMOUS HARM
- › BE CAREFUL AND FUSSY ABOUT WHO YOU TAKE ON
- › EXACTING ENGAGEMENT, NOT EASY ENGAGEMENT
- › PRICE – PRIDE IN PRICING!
- › LIMIT THE RETAINER / EXTRA CHARGES
- › PAY! SACK AND SUE.



NEXT – KEEP THE CASE (AND THEREFORE THE CLIENT)

- › PATCHY SERVICE IS THE NORM (EVEN FOR GREAT LAWYERS)
- › NO INDIVIDUAL CAN GIVE CONSISTENTLY SUPERB SERVICE
- › A TEAM AND A FIRM CAN THOUGH
- › NON-NEGOTIABLE SERVICE PLEDGE
- › IT'S MORE ABOUT THE WAITER THAN THE FOOD
- › THE CULTURE MUST CELEBRATE PEOPLE “PUTTING THEIR HAND UP”
- › ASK CLIENTS HOW YOU ARE DOING



NEXT – MAKE MAXIMUM PROFIT ON THAT CASE

- › PRIDE IN PRICING – BUT THERE HAS TO BE A REASON
- › FIXED-PRICE WORK
- › HOURLY RATES
- › UTILISATION
- › REALISATION
- › FEE-EARNER “CLOCKS” – INPUTS, NOT OUTPUT
- › TEAM GROSS MARGINS
- › BE A BUSINESS! “THE BUSINESS” IS THE BOSS
- › MANY SYSTEMS CAN’T DELIVER THE M.I.



IT'S ALL ABOUT CASH – PROFIT CAN KILL!

- › HOW DO YOU KILL A LAW FIRM?
- › CASH CULTURE TRUMPS CREDIT CONTROL POLICY
- › THE LAWYERS' JOB IS TO BRING IN CASH, NOT TO PURGE THE BUSINESS OF CASH
- › MAKE IT PART OF THE MONTHLY “CLOCKS”
- › MAKE IT PART OF THE APPRAISAL & CAREER PROCESS
- › DON'T BE BLINDED BY THE “BILLING” OUTPUT
- › SACK AND SUE CLIENTS



NEXT – NEED MORE CASES!

- › THAT DOESN'T SAY “NEED MORE CLIENTS”
- › FEATURES OF AN 001?
- › FEATURES OF AN 007? LICENSED TO BILL!
- › “WAITROSE” LAW
- › THEY'RE DEAR BUT THEY'RE GOOD.
- › BRING CLIENTS INTO THE CENTRE – CLIENT CLUB
- › THE BUSINESS OWNS THEM, NOT A F/E OR TEAM
- › PROACTIVE CARE - PLATFORMS



AND IF YOU DO ALL OF THAT?

- › YOU ARE SAFE FROM THE SRA
- › YOU ARE SAFE FROM CYBER CRIMINALS
- › GOOD PEOPLE COME TO YOU AND STAY WITH YOU
- › YOU HAVE MANAGEMENT SUCCESSION
- › YOU KEEP EVERY CASE
- › YOU MAKE A PROFIT ON EVERY CASE
- › YOU ARE CASH-RICH
- › CLIENT STAYS WITH YOU & USE YOU FOR EVERYTHING
- › YOUR MARKETING IS MORE POWERFUL
- › YOU BECOME A VALUABLE BRAND



SO – IN CLOSING....

- › KEEP IT SIMPLE
- › THE BUSINESS IS THE BOSS
- › NO ROOM FOR SILOS
- › BASIC, NON-NEGOTIABLE RULES
- › FOUNDATIONS ARE MORE IMPORTANT THAN ROOF-TOP GARDENS.



OVER TO YOU

- › ANY STORIES TO SHARE?
- › ANY QUESTIONS?

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Questions and Conclusion

Andy Poole, Legal Sector Partner
Armstrong Watson

Andy Poole, Legal Sector Partner Armstrong Watson

1st Floor, 24 Blythswood Square, Glasgow, G2 4BG

T: 0141 233 0700

M: 07828 857830

Twitter: @AW_AndyPoole

E: andy.poole@armstrongwatson.co.uk

www.armstrongwatson.co.uk/legalsector

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