



ArmstrongWatson[®]
Accountants, Business & Financial Advisers
A track record of providing solutions to the legal profession

Legal Sector Breakfast Briefing

14 February 2019



ArmstrongWatson[®]
Accountants, Business & Financial Advisers



Legal Sector Breakfast Briefing

Welcome

Paul McNab, Senior Civil Clerk
Zenith Chambers



Legal Sector Breakfast Briefing

Introduction

Tom Blandford, Legal Sector Director
Armstrong Watson

Endorsed by



The Law Society



Legal Sector Breakfast Briefing

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

Endorsed by



The Law Society

Profitable Practice Formula

How To Get More Ideal Clients and Increase Profits Without Working More Hours



Michelle Peters
The Business Instructor

The Business Instructor
More Clients, More Profits, More Time

The End

Introductions



Michelle Peters

The Business Instructor



Creator of The **Profitable Practice Programme** for Lawyers and Other Professionals Who Want More Clients and To Increase Profits Without Working More Hours

Former practising solicitor

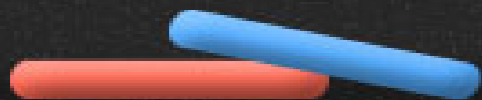
My approach is based on results (not theory) and what feels *professional*



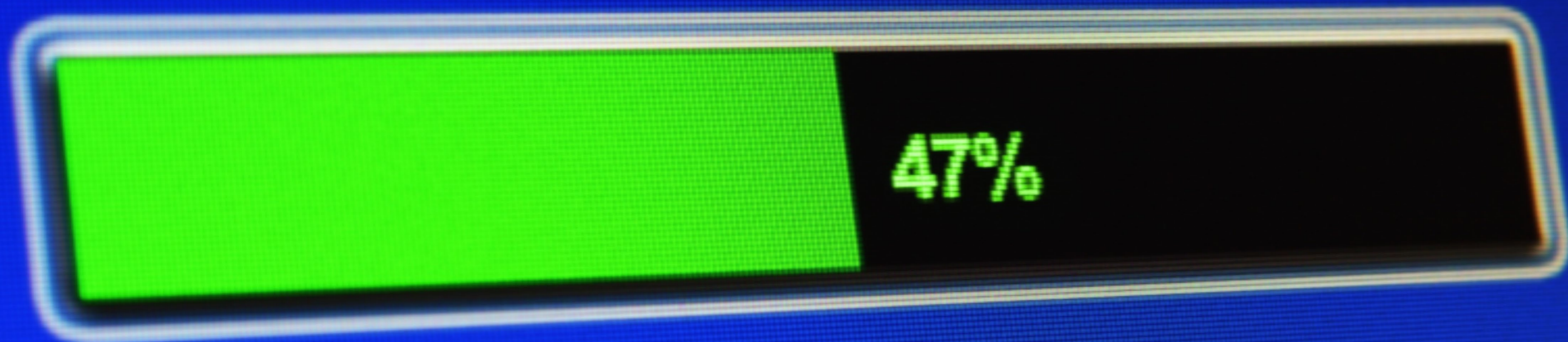
Agenda

1. Challenges: The 3 Critical Factors limiting the growth and profitability of your practice
2. Solutions: The 3 Essential Elements of a Profitable Practice and how to make all 3 work harder for you
3. Growth: The Profitable Practice Formula - increase your profits without working more hours
4. Action: Your next steps

And more...



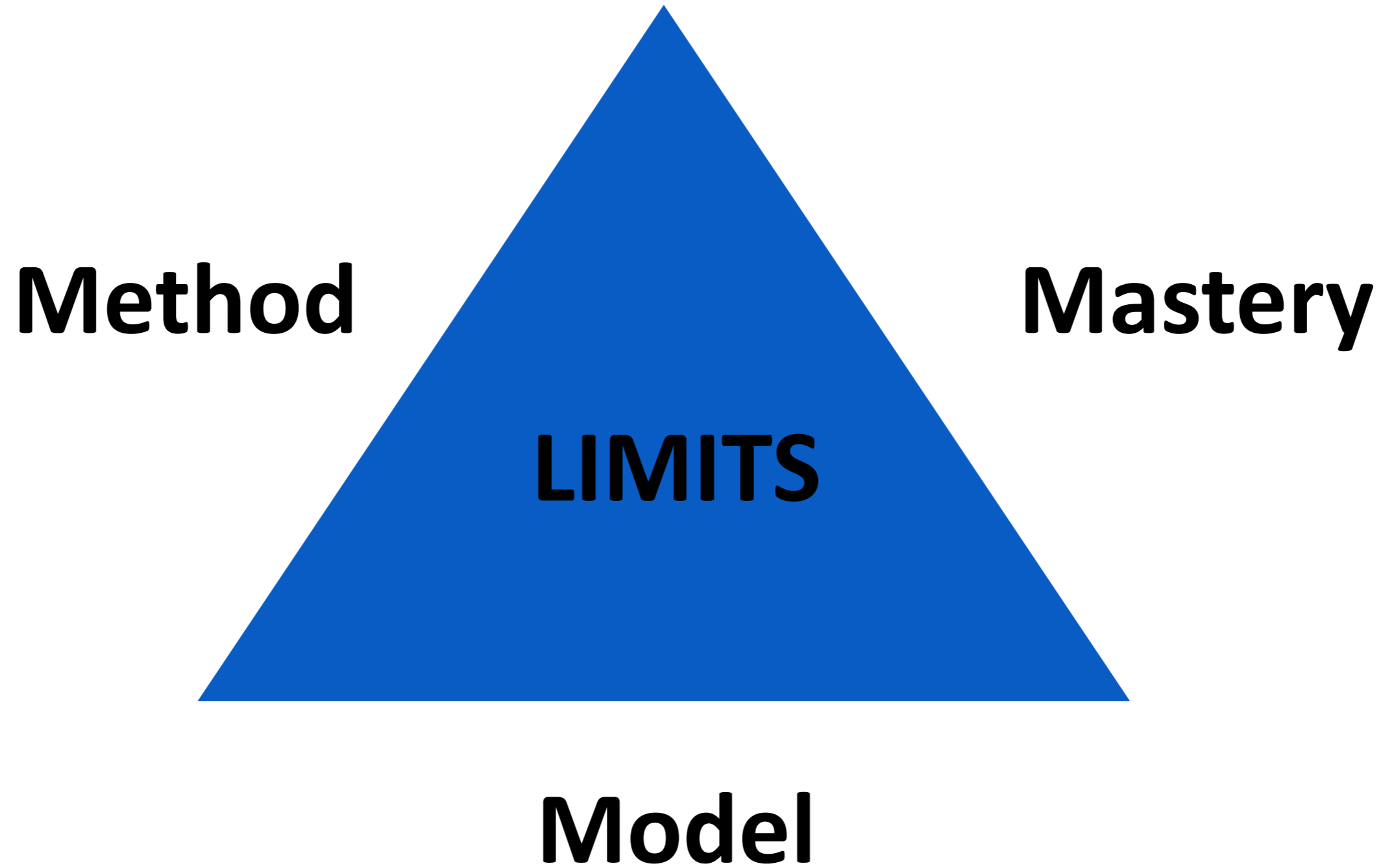
DOWNLOADING....



RESOURCES

CHALLENGES

3 Limiting Factors



1. Model is broken

A close-up photograph of a person's hand pointing at a calculator on a workbench. The workbench is cluttered with various electronic components, including a blue printed circuit board (PCB) with a fan, several screws, and other tools. The person is wearing a blue shirt. The background is slightly blurred, showing more of the workbench and the person's arm.

Time for money + do everything
= conflict/reduced profits

2. Method is misguided

A piece of weathered, greyish-brown wood is mounted on a green-painted wooden wall. The words "GONE WITH THE WIND" are written on the wood in white, hand-painted capital letters. The wood is oriented diagonally, and the text is also written diagonally to follow its length. The background consists of vertical green wooden planks and a metal hinge or latch mechanism.

GONE WITH THE WIND

Ignoring opportunities within

A man in a white martial arts uniform is performing a Tai Chi form in a park. He is in a low, wide stance, with his right arm extended forward and his left arm resting on his knee. The background is a lush green field with trees in the distance.

3. Mastery is missing

Key Business Skills + Right Mindset

**Which of these 3 factors
is limiting your growth
the most and what's
the impact?**



It's not your fault

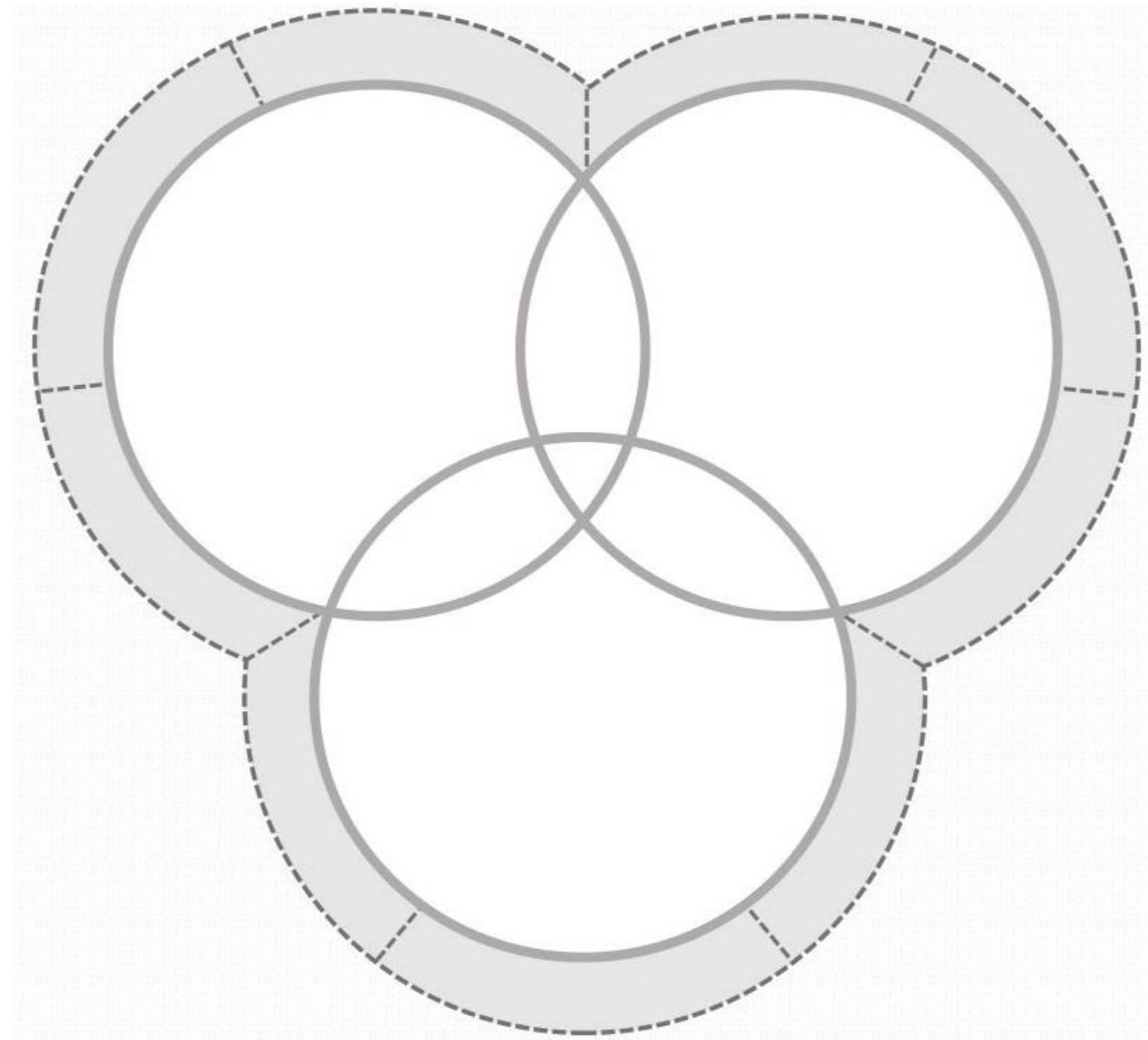


The way forward



SOLUTION

3 Essential Elements of A Profitable Practice

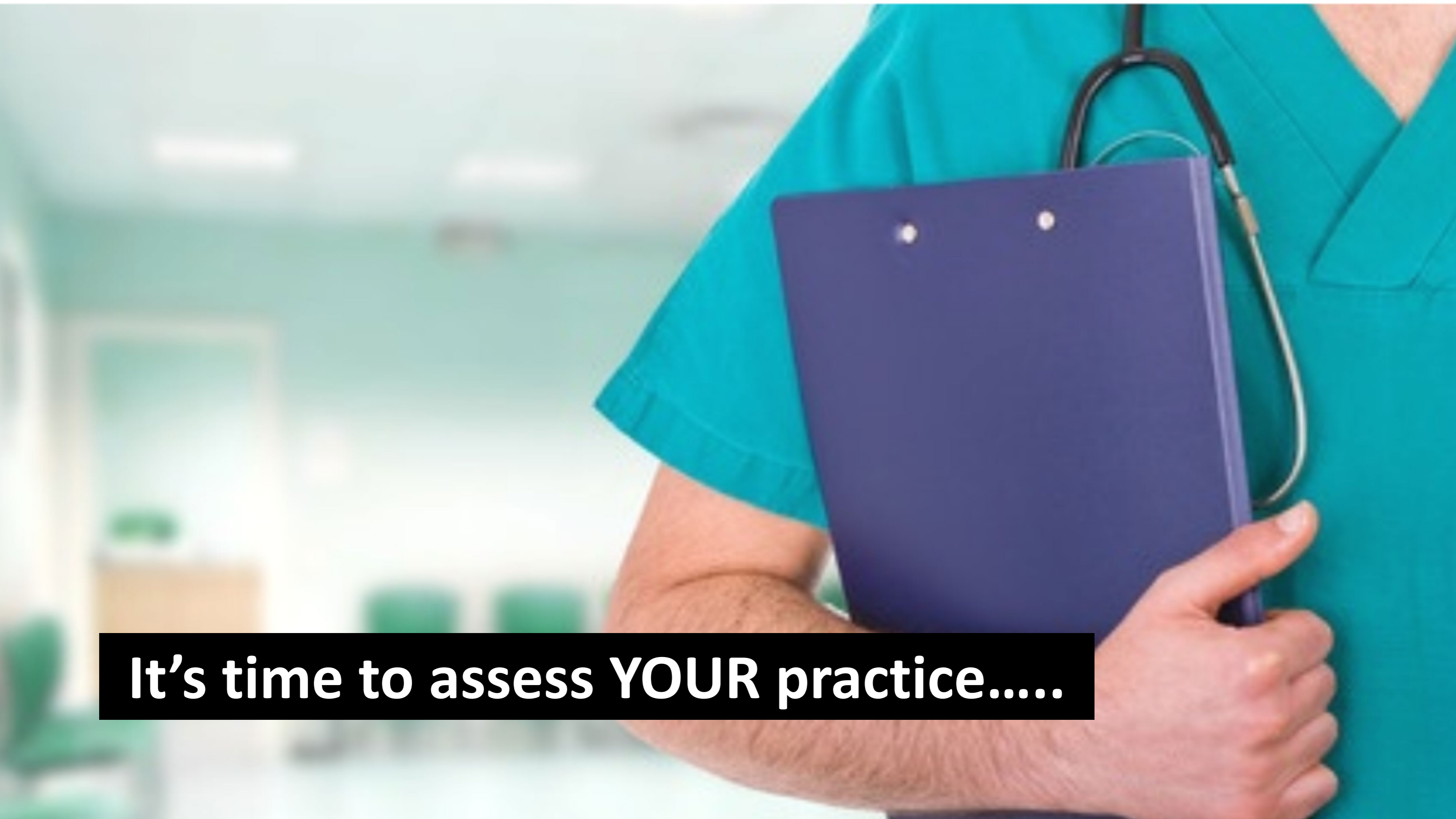


If you don't have these...



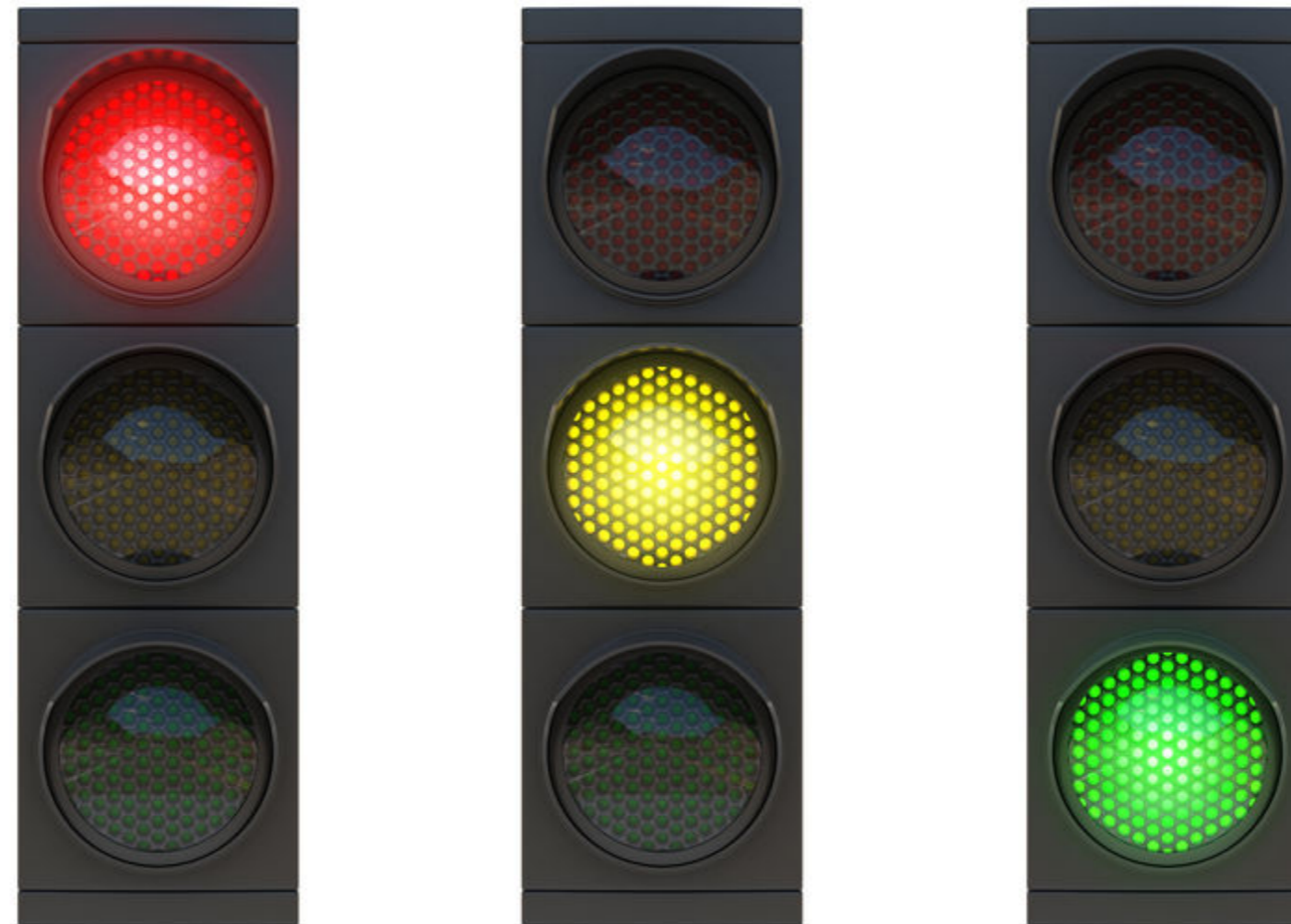
Why you need all 3....





It's time to assess YOUR practice.....

PPP Tool: Traffic Light Accelerator Tool



What does green look like?

Attract – constant stream of enquiries from ideal clients (or referring partners), marketing mostly on auto-pilot or very systemised, minimal time

Convert – high percentage say ‘yes’ at the fees you want to charge, minimum time spent (before, during, after),

Maximise – repeat instructions, fees profitable, active cross-selling, constant referrals, client satisfaction high, clients staying longer, training and systems in place to maximise efficiency



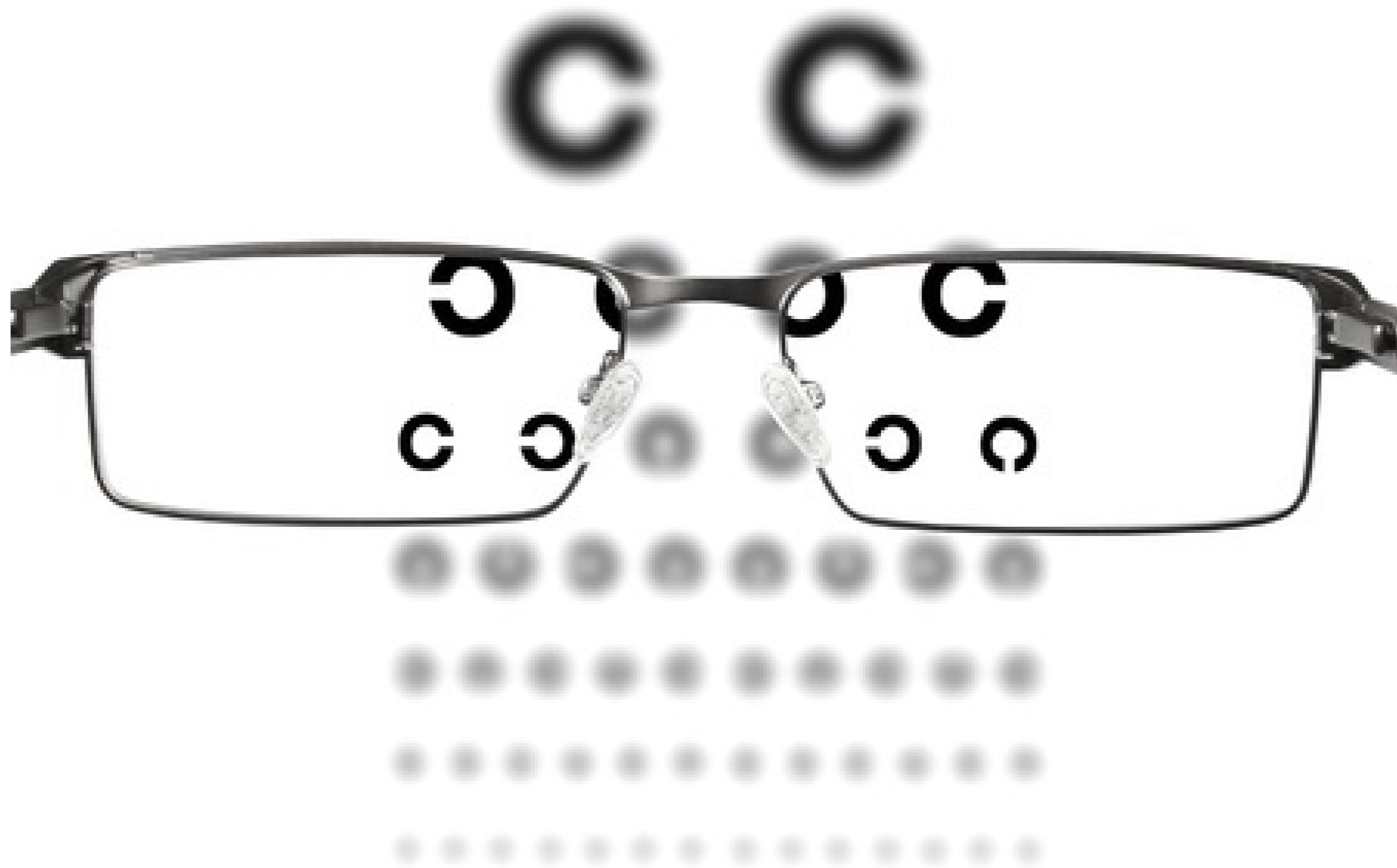
**Where do you
have the
brakes on?**



What's the impact of these 'brakes' – how would things be different if you had **GREEN** in all 3 areas?



What to focus on to accelerate your results...



The 9 Accelerators



Example of ATTRACT Accelerator: Magnetise Your Clients





**Andrew: 30% Increase In Enquiries From
The *Same* Marketing By Explaining
'Why' Clients Need Help**

Example of CONVERT Accelerator: Prescribe Value





**Rachael: increased conversion to 90+%
by using 5 Ps Formula**

Example of MAXIMIZE Accelerator: Multiply 7 Profit Zones



The 7 Profit Zones





The Profit Zone Formula



- 10% growth in each Profit Zone = 80+% increase in profitability
- Double your profits with only 50% more clients



PPP Tool: Practice Growth Calculator

Profit Zone	Description	Your Business	Increase	Results	Cumul. Increase
1	Annual Number of Enquiries	560	10%	616	
2	Conversion Ratio	25%	10%	35%	
	Number of Clients	140		216	
3	Number of Transactions Per Year	2.0	10%	2.2	
4	Average Transaction Value	£1,500	10%	£1,650	
	Annual Turnover	£420,000		£782,628	186.3%
5	Profit Margin	40%	4%	44%	
	Annual Profits	£168,000		£344,356	205.0%
6	Annual No. of Referrals	36	10%	39.60	
	Conversion Ratio of Referrals	50%	5%	55%	
	Number of Clients From Referrals	18.0		21.8	
	Annual Turnover From Referrals	£54,000		£79,061	146.4%
	Annual Profits From Referrals	£21,600		£34,787	161.1%
	Total Annual Turnover	£474,000		£861,689	181.8%
	Total Annual Profit	£189,600		£379,143	200.0%
7	Average Client Lifetime (Years)	3	10%	3.3	
	Lifetime Value of Client (w/o ref's)	£504,000		£1,136,376	225.5%
	Total Lifetime Value (w / referrals)	£568,800		£1,251,173	220.0%

Practice Growth Calculator

New Clients					
Profit Zone	Description	Your Business	Increase	Results	Cumul. Increase
1	Annual Number of Enquiries	2000	10%	2200	
2	Conversion Ratio	25%	10%	35%	
	Number of Clients	500		770	
3	Number of Transactions Per Year	2.0	10%	2.2	
4	Average Transaction Value	£2,500	10%	£2,750	
	Annual Turnover	£2,500,000		£4,658,500	186.3%
5	Profit Margin	30%	5%	35%	
	Annual Profits	£750,000		£1,630,475	217.4%
6	Annual No. of Referrals	250	10%	275.00	
	Conversion Ratio of Referrals	50%	5%	55%	
	Number of Clients From Referrals	125.0		151.3	
	Annual Turnover From Referrals	£625,000		£915,063	146.4%
	Annual Profits From Referrals	£187,500		£320,272	170.8%
	Total Annual Turnover	£3,125,000		£5,573,563	178.4%
	Total Annual Profit	£937,500		£1,950,747	208.1%
7	Average Client Lifetime (Years)	3	10%	3.3	
	Lifetime Value of Client (w/o ref's)	£2,250,000		£5,380,568	239.1%
	Total Lifetime Value (w / referrals)	£2,812,500		£6,437,465	228.9%

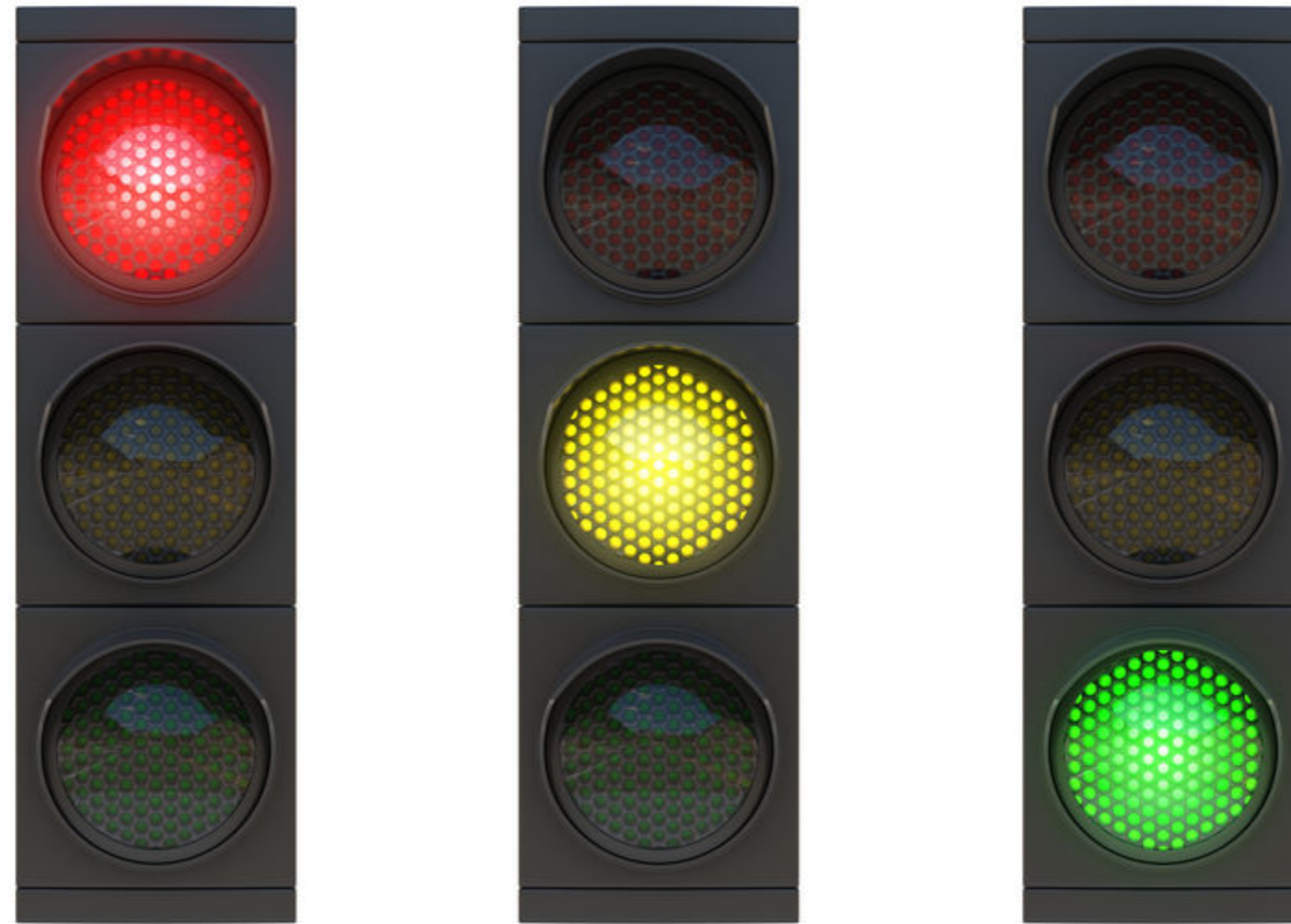


**Nita's immigration firm doubled profits in
12 months applying this formula
(adding £120k profit)**



**Keith's commercial firm had 20% growth
through leveraging 2 of the 7 Profit Zones
(£200k extra profit)**



Which 'accelerators' do you need to focus on to change red and amber to green?



Getting Help



PPP Tool: Practice Growth Calculator

Profit Zone	Description	Your Business	Increase	Results	Cumul. Increase
1	Annual Number of Enquiries	560	10%	616	
2	Conversion Ratio	25%	10%	35%	
	Number of Clients	140		216	
3	Number of Transactions Per Year	2.0	10%	2.2	
4	Average Transaction Value	£1,500	10%	£1,650	
	Annual Turnover	£420,000		£782,628	186.3%
5	Profit Margin	40%	4%	44%	
	Annual Profits	£168,000		£344,356	205.0%
6	Annual No. of Referrals	36	10%	39.60	
	Conversion Ratio of Referrals	50%	5%	55%	
	Number of Clients From Referrals	18.0		21.8	
	Annual Turnover From Referrals	£54,000		£79,061	146.4%
	Annual Profits From Referrals	£21,600		£34,787	161.1%
	Total Annual Turnover	£474,000		£861,689	181.8%
	Total Annual Profit	£189,600		£379,143	200.0%
7	Average Client Lifetime (Years)	3	10%	3.3	
	Lifetime Value of Client (w/o ref's)	£504,000		£1,136,376	225.5%
	Total Lifetime Value (w / referrals)	£568,800		£1,251,173	220.0%

Profitable Practice Accelerator Session

In this complimentary 30 min session by phone you will:

- Uncover the **hidden challenges** that are causing you to have **red or amber lights** and slowing you down from getting more clients and being more profitable
- Identify **which Accelerators you need** to focus on to get the 'brakes' off and get to **green** in each area
- Identify the **growth potential** in your practice when you increase all 7 Profit Zones (we'll complete the calculator together)






02-UK 16:51 100%

< Messages (173) 07903 571611 Details

Text Message
Today 16:13

 Text Message Send

**TEXT ACCELERATOR TO
07903 571611 FOR
YOUR SESSION + CALC
OR CALCULATOR FOR
THE CALCULATOR ONLY
(normal text rates apply)**



Practice Growth Accelerator Session

In this complimentary 30 min session by phone you will:

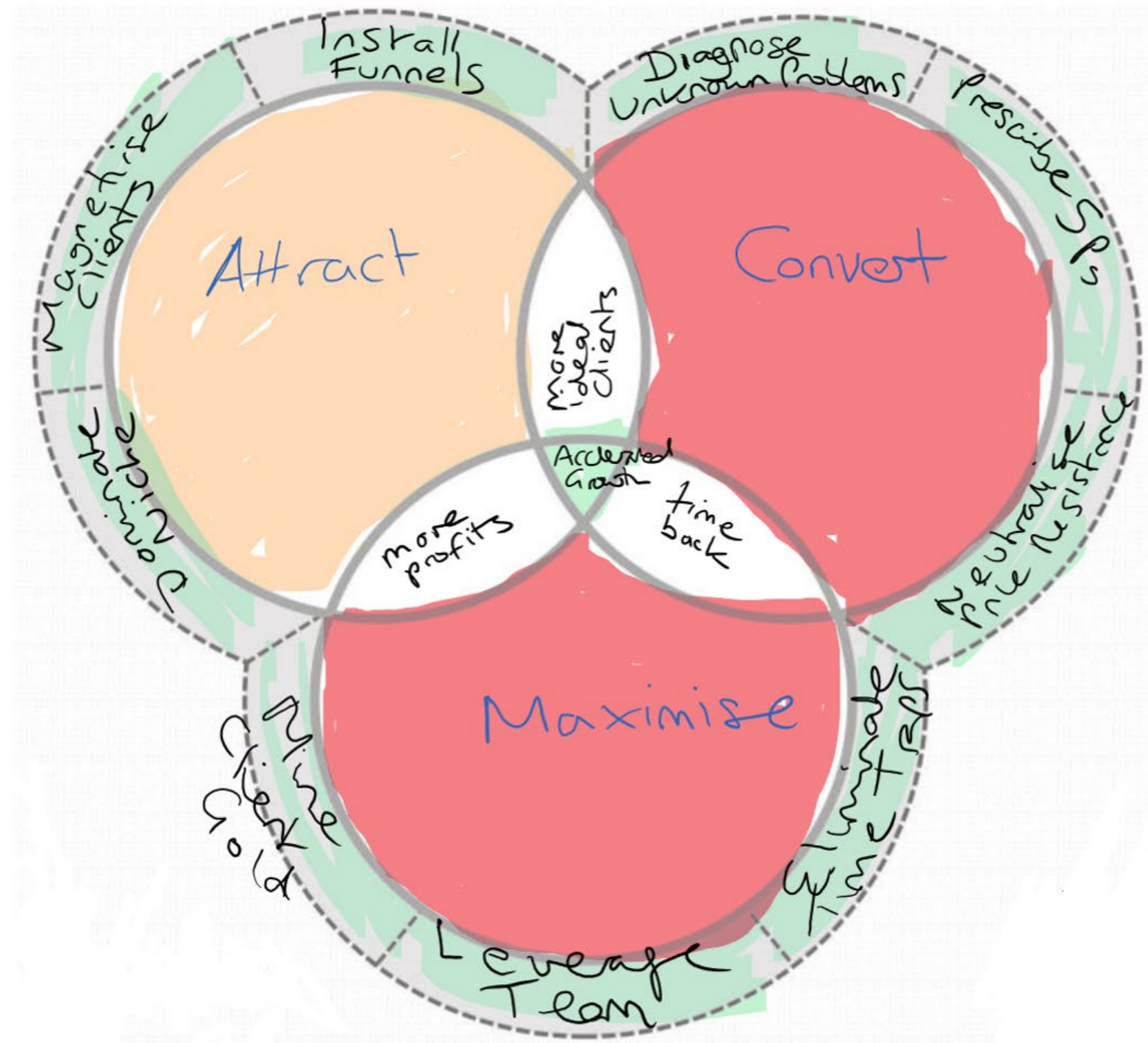
- Uncover the hidden challenges that are slowing you down or holding you back from getting more clients and being more profitable (including what's causing the red or amber lights in your practice)
- Understand which Accelerators you need to install to overcome those challenges and get to 'green'
- Identify the growth potential in your business when you apply the Profitable Practice Formula





**Plan out what's
needed to get to a
green light in
each area**



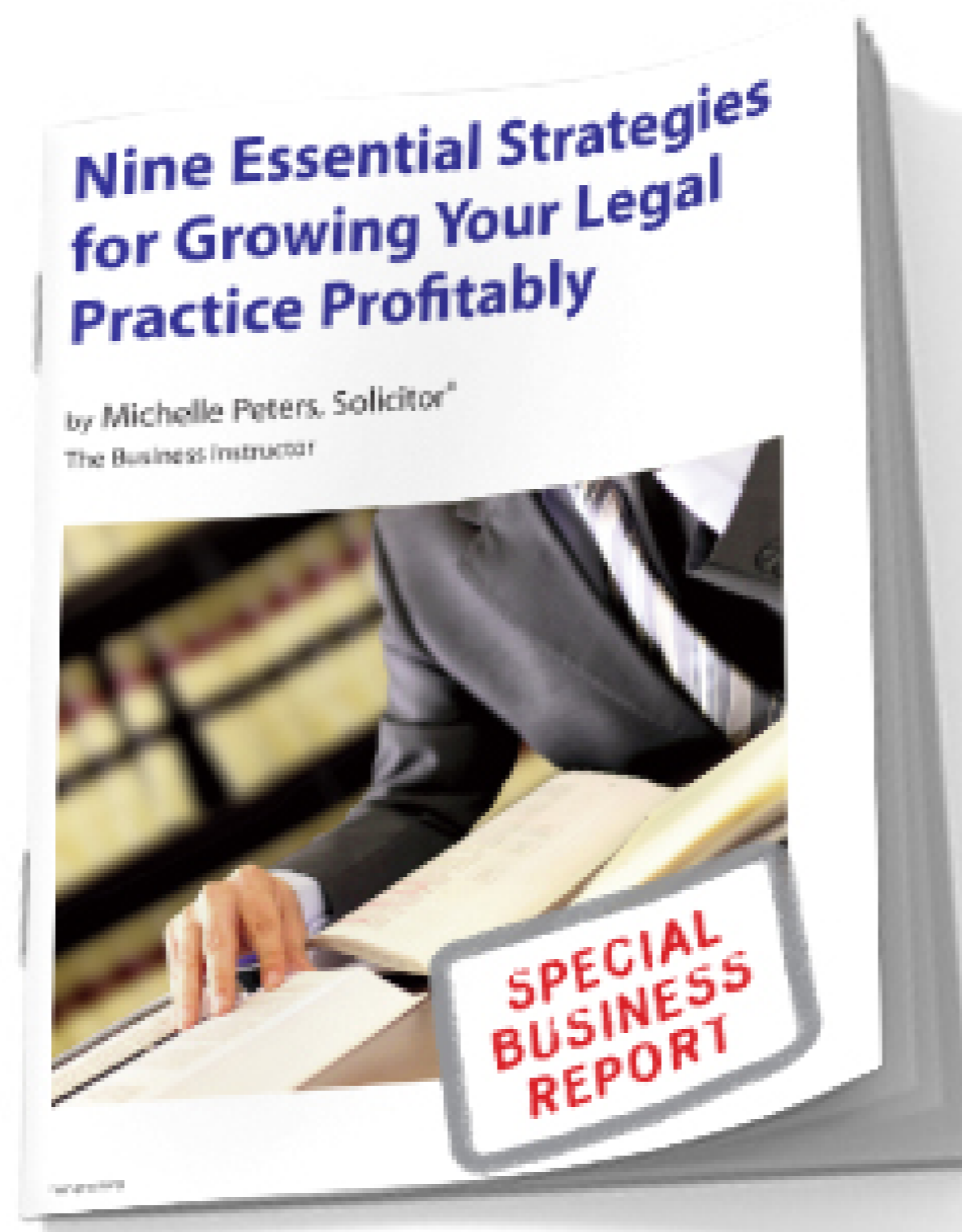
Your Profitable Practice Accelerator Plan?



Your Practice Growth Calculator?

Profit Zone	Description	Your Business	Increase	Results	Cumul. Increase
1	Annual Number of Enquiries	2000	10%	2200	
2	Conversion Ratio	25%	10%	35%	
	Number of Clients	500		770	
3	Number of Transactions Per Year	2.0	10%	2.2	
4	Average Transaction Value	£2,500	10%	£2,750	
	Annual Turnover	£2,500,000		£4,658,500	186.3%
5	Profit Margin	30%	5%	35%	
	Annual Profits	£750,000		£1,630,475	217.4%
6	Annual No. of Referrals	250	10%	275.00	
	Conversion Ratio of Referrals	50%	5%	55%	
	Number of Clients From Referrals	125.0		151.3	
	Annual Turnover From Referrals	£625,000		£915,063	146.4%
	Annual Profits From Referrals	£187,500		£320,272	170.8%
	Total Annual Turnover	£3,125,000		£5,573,563	178.4%
	Total Annual Profit	£937,500		£1,950,747	208.1%
7	Average Client Lifetime (Years)	3	10%	3.3	
	Lifetime Value of Client (w/o ref's)	£2,250,000		£5,380,568	239.1%
	Total Lifetime Value (w / referrals)	£2,812,500		£6,437,465	228.9%

Additional Resources



**TEXT ACCELERATOR TO
07903 571611 FOR
YOUR SESSION + CALC
OR CALCULATOR FOR
THE CALCULATOR ONLY
(normal text rates apply)**



A

ACTION

C

CHANGES

T

THINGS



Michelle Peters
The Business Instructor

www.thebusinessinstructor.com
michelle@thebusinessinstructor.com
020 7275 7471





Legal Sector Breakfast Briefing

Questions and Conclusion

Mike Holloway, Relationship Director
RBS

Tom Blandford

Legal Sector Director

Armstrong Watson

Third Floor, 10 South Parade, Leeds, LS1 5QS

T: 0113 2211 300

F: 0113 2211 301

M: 07793 621951

E: tom.blandford@armstrongwatson.co.uk

www.armstrongwatson.co.uk/legalsector

Endorsed by



The Law Society

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

Disclaimer

This presentation and supporting documentation has been prepared in general terms and therefore cannot be relied upon to cover specific situations; application of the principles set out will depend upon the particular circumstances involved and we recommend that you obtain professional advice before acting or refraining from acting on any of the contents of this presentation and/or supporting documentation. Armstrong Watson would be pleased to advise on how to apply the principles set out here to your specific circumstances. Neither Armstrong Watson nor the presenters accept a duty of care or liability for any loss occasioned to any person acting or refraining from acting as a result of this presentation and supporting documentation.

Endorsed by



The Law Society

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

ArmstrongWatson[®]

Accountants, Business & Financial Advisers

0808 144 5575

www.armstrongwatson.co.uk

ArmstrongWatson[®]

Accountants, Business & Financial Advisers