

A CHARTERED DEVELOPMENTS WHITE PAPER



HOW TO OVERCOME ONE OF THE GREATEST DECLINES IN REVENUE TO THE BAR IN RECENT HISTORY

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I hope you find this white paper interesting, informative and helpful.

If I can be of assistance, please feel free to get in touch.



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FORWARD BY THOMAS MORGAN HEAD OF BARRISTER SERVICES CHARTERED DEVELOPMENTS

As I enter into my tenth year here at Chartered Developments, and reflect on some of the changes within the professional services, it's clear that the sector has seen major change.

Not so long ago, professional service firms were a safe and predictable domain occupied and steered by the steady hands of baby boomers. The world has changed, with the impatient, always-on generation – Yers wanting things done their way.

Professional service firms have faced critical shifts in how their businesses are being driven, and how their businesses will be driven in the future. As client sophistication, governance, connectivity, transparency and commoditization increase, firms must respond strategically - finding ways to take advantage of these fundamental changes.

And yet, that is only part of the story; many segments within the professional services are also facing unprecedented changes in the size of their market and the availability of work. One sector that is being squeezed particularly hard is Barrister services.

In this white paper, we explore the main issues negatively effecting Barristers, and while we do not claim to be able to address the specific causes head-on, we do aim to address the symptoms.

We offer an approach that helps Barristers develop a pipeline of clients, which – when done well – can secure a solid footing, and crucially secure ongoing work and income for Barristers.

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If I can be of assistance, please feel free to get in touch; my direct line is 01392 247208, my mobile is 07515 333410, email Thomas@chartdev.co.uk

Thomas Morgan

1. IT'S LIFE JIM – BUT NOT AS WE KNOW IT

In recent years, Barristers have seen massive change in their working world.

- With more than a twenty per cent rise in new entrants
- a 12% drop in fees
- fixed fees for immigration
- asylum and other areas of legally aided work
- the removal of legal aid completely from large amounts of civil work;

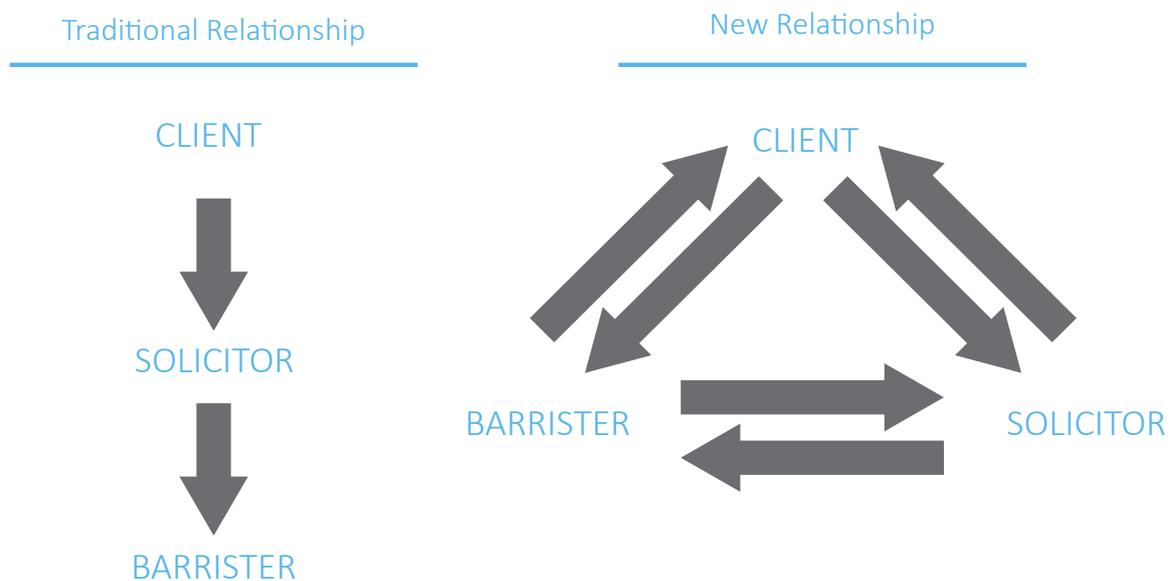
all make civil work harder to find and Barristers are reporting that they have to work longer hours in an attempt to maintain historical income levels.

Things look equally dire at the criminal Bar. There was a drop in advocacy fees of 37% in real terms from 2007 to 2013 (21% in cash terms); a fall in expenditure on criminal legal aid by £125 million between 2011/12 and 2012/13; reductions in Crown Court advocacy fees of 4.5% per year over each of the past three years; and, in December last year, cuts of 30% to the fees paid in the most serious and complex criminal cases.

Many view the Bar as being in crisis, and as Minister of State, Lord Faulks QC, told the House of Lords in December 2013 that recent changes “really threaten our justice system”.

Broader changes to the legal system after the Clementi report (LSA 2007) - whilst fairly well accepted - continue to present the sector with both challenges and opportunities.

Direct access for example, fundamentally changes the way Barristers obtain work. Instead of being passive receivers of client referrals from solicitors, Barrister can now receive instructions directly from clients – and – Barristers can now go directly to clients.



Barristers are not facing these types of issues alone; solicitors are also having a tough time and many now lead the way in terms of working strategically to overcome market conditions.

Take for example, legal employment services; this segment has seen a hefty drop of 70 per cent in individual employment case claims brought between April and June 2014, relative to the same period in 2013.

A result of the coalitions' response to claims that legal aid was a waste of tax payers' money, the lack of fees from employment tribunal and related work is proving problematic – but what is the answer?

Part of the answer is differentiation.

Differentiation is how a seemingly hum drum product or service can have a range of price points.

Differentiation is not just about branding, although branding does have a lot to do with it.

True differentiation of products and services, and to a greater extent control of pricing, comes down to the provider of the product or service doing something that is distinctive and valued within the market.

For employment solicitors, this could mean looking at where production and delivery become comparable across firms and considering developing product/service packaging, positioning and route to market as alternatives.

To the lay person, there is a lack of individuality in the way that the majority of the legal sector presents itself to the market; most law firms and Barrister's chambers, look and feel pretty much the same from the outside. And sadly, this often means that the client is only able to make a judgment on whom to work with based on price; exaggerating the sense that pricing control has been lost.

What can barristers learn from this? The key is to think differently about marketing and business development.

In order to survive, many professional services firms are having to reinvent how clients see them through smarter marketing and business development.

Once viewed as a necessary evil and overhead, how a firm markets itself is rapidly becoming a much needed point of differentiation in a crowded market place.

To survive, Barristers will need to adopt an equally novel and culturally challenging approach to how they obtain work.



2. OPPORTUNITY KNOCKS

One of the most significant opportunities for Barristers to differentiate themselves is to leverage direct access.

Whilst a fundamental shift from traditional routes to work, direct access offers considerable potential for market expansion and Barristers are already beginning to grasp it with both hands.

Turning convention on its head, direct access offers opportunities to create new, direct relationships with businesses, and equally for businesses to go directly to chambers.

Finding themselves for the first time as the relationship owner, Barristers will be in the position to provide referrals to traditional providers such as solicitors. However, simply 'owning' the relationship won't be enough; barristers will need to build, develop and nurture those relationships – treating them as annuities.

Caution among clerks about what Barristers and chambers should – or should not – do to take advantage of direct access is understandable; no one, regardless of professional background, wants to adopt methods that potentially destroy the benefits of practicing.

However, allowing the unwillingness to try new things or break from routine to govern during a time of such change will prove short-sighted.

Chambers who are open to exploring new relationships and creating new ways of working will soon find themselves set apart from their counterparts. As a result, the Bar may well find itself having to take radical decisions about its working practices - and in time – its structures.

For now clerks, Barristers and chambers need to take courage, observe the success of other professional services that choose to think creatively about business development and marketing, and are now reaping the rewards.

The first step is to change how business development and marketing are perceived within the Bar, and the second step, is recognising that once is never enough; business development must be ongoing and an intrinsic part of every working day.

3. WORKING ON THE BUSINESS VERSUS WORKING IN THE BUSINESS

The challenge for Barristers is how to approach and plan work, notably that planning work should include planning for business development. Adjusting to a new way of working, Barristers need to not only work in the business, but work on it as well.

For some chambers this will mean pulling together a calendar of email marketing material. Ideally the marketing material should be educational, enjoyable, helpful and memorable. Some may choose to buy a list with the intent of growing their pipeline of work; other Barristers may decide to nurture their existing client pipeline.

Whether nurturing or growing – or perhaps both – the key is to work with an accurate and up to date database. It is a waste of time, effort and money preparing and sending emails unless the distribution list is clean.

However, emailing alone is unlikely to nurture current or create new clients. As with just about any type of relationship, regular personal attention is required in order for the relationship to continue, and develop. The challenges – and the opportunities - for Barristers are to find ways of keeping in regular contact with an active database of potential clients.

Setting aside time each day to call potential clients is a starting point. Calls need to be planned to ensure each conversation progresses on from previous calls. Structure calls so that contacts feel positive about the time they give; after all, these people are also running businesses.

Ask to meet them, agree an agenda and send it in advance by email ensuring the reasons for the meeting are understood.

Having met, agree follow up actions including when to speak or meet again.

Take this approach with as many current and/or potential clients as possible, and stick to a routine.

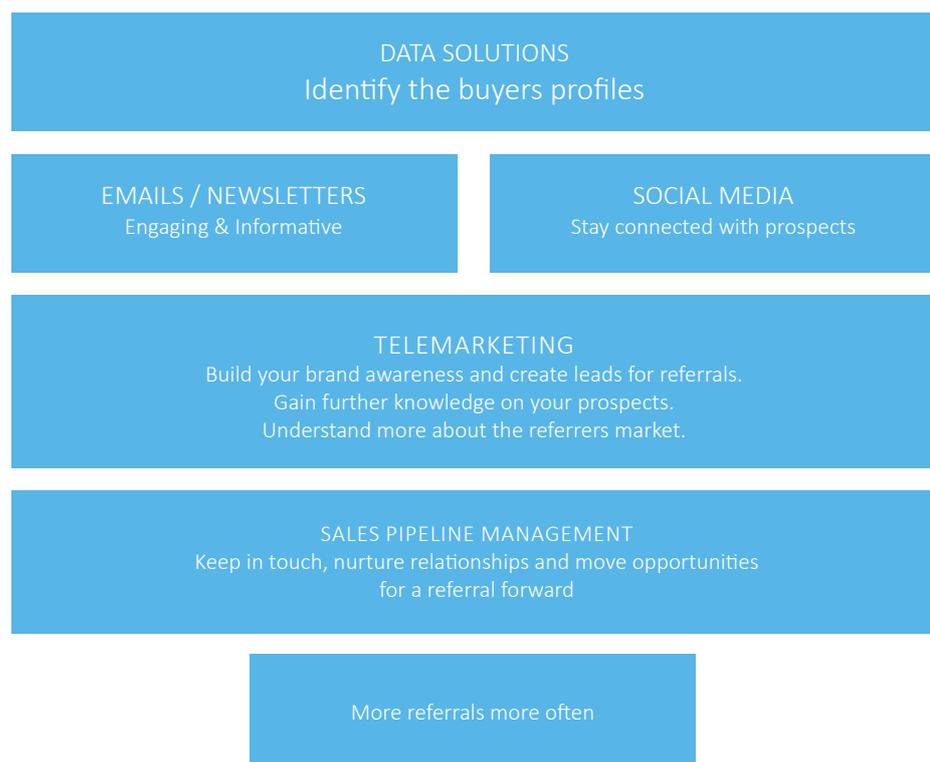
Changing approach, and learning how to work proactively, by targeting and structuring business development actions, means that Barristers can take control of their businesses.

To quote Alan Kay of Apple: *“The best way to predict the future is to invent it.”*

In some cases, and particularly in the larger chambers, marketing and business development will be established functions and already working on programmes to develop their client pipeline.

In chambers without marketing or business development support, the responsibility of developing a pipeline of potential clients will fall to the clerks and Barristers.

5. An integrated business development approach for Barristers



Many Barristers fully understand and agree with the need for business development in the current climate. The issue they face is that they do not have the time or the skills required to run their own campaigns, nor do they have the budget to hire employees dedicated to business development.

Clerks and Barristers can address these time management, skill and resource issues by getting help from professional business development companies. However not all services are created equal.

Telemarketing is at the heart and soul of business development; even though many might have negative impressions of the service, the phone remains a key tool in managing and developing relationships on an outsourced basis.

As this service will be the voice of the barrister, there are some key questions that should be asked before getting involved:

3.1 • ASK ABOUT THE QUALITY OF DATA THEY HAVE

If the telemarketing company is buying data and call lists, question them on the quality of this data. Contacts on the list must fit with the buyer profile – there can be no compromise on this.

Another area to be clear on is the type of conversation to have. Lots of short calls to answer a few questions might be needed; alternatively the campaign may need fewer calls but longer in order to draw out more information from the buyer.

Determine in advance and continue to communicate through the campaign, the buyer profile and expected outcomes of calling.

3.2 • Meet them – or least speak on the phone

Meet – or at least speak to – some of the people who will be making the calls. Are they smart, personable yet authoritative? Will they be able to connect with the prospect on the phone? The human touch counts, so make sure you are comfortable with the team who will be calling.

3.3 • INDUSTRY STANDARDS

Ask about the industry standards and regulations they work to. In the UK, the DMA publish detailed guidance about best practice for business to business telesales; any telemarketing agency worth their salt will be able to tell you how they comply with the relevant regulation.

3.4 • TAKE REFERENCES

As with any new service, follow up with previous clients to see what their experience was when working with the company. Telemarketing companies that have achieved success and built good relationships with their clients should have no qualms about doing this.

3.5 • The handover

Finally, find out how sales leads will be handed over. This can be the biggest weakness in the process, and if the telemarketing company does not have a well-oiled handover between the leads generated by telesales and the IP, much of the investment made in the campaign will be wasted.

You should ask for clear guidance on how they see this being done.

“Everything they have done for us, they have done well. Chartered have never oversold their services or anticipated outcomes.

The data and lead generation teams are extremely professional. We have had complete access to their team, reports and calls.

The transparency of service was a great help. And the account manager was attentive, calm, diligent, and personable and knew his stuff.”

David Barber
Pump Court

THE CHARTERED DEVELOPMENTS ADVANTAGE

Chartered Developments are recognised as the business development via lead generation authority among the professional services within the UK. With a reputation of being highly consultative.

Chartered Developments deliver high quality and timely qualified leads. The majority of lead generation activities take place on the ‘phone and are followed up by email, building relationships and booking appointments on behalf of clients.

Chartered Developments also support their clients’ business development objectives by;

- Managing the firms’ social media networking (for example, LinkedIn),
- Nurturing relationships
- Providing sales training to help close business from the leads generated.

With an enviable portfolio of clients ranging from accountants, law firms, insolvency practitioners, actuaries, pensions consultants, banks and global business consultancies, Chartered Developments are trusted by firms large and small to provide superior leads and professional, peer-to-peer introductions.

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If you would like to know more about how Chartered Developments could help your Bar overcome one of the biggest declines in the market, and increase the amount of work referred to you please contact Thomas Morgan, Head of Barrister services at Chartered Developments.

RESOURCES

[http://www.newLawjournal.co.uk/nlj/content/fixed-fees-worry-city](http://www.newlawjournal.co.uk/nlj/content/fixed-fees-worry-city)

<http://lawyerfair.co.uk/2014/09/legal-services-sectors-change/>

http://www.eversheds.com/global/en/what/articles/index.page?ArticleID=en/Discrimination_and_equal_pay/DLA_Dramatic_decline_in_Employment_Tribunal_claims_2014

<http://www.gov.uk/government/statistics/tribunal-statistics-quarterly-april-to-june-2014>

<http://www.barcouncil.org.uk/media/18151/straighttheresummarypt2008.pdf>

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