

This Month

- **The world has changed**
- **Law firms have to make real business decisions**
- **Support for this come from the right approach, recognition of challenges and suppliers stepping up to the mark**
- **Support and guidance for**
 - **Legal – essential services**
 - **Documents – instant availability of right standard**
 - **Accounting - 2 samples “outsource and essential service availability”**
 - **Client Communication**

Law Firms have a significant priority for their lawyers, management team and support staff which is the provision of exceptional legal and advice and support for their clients. It needs skills, commitment and dedication to achieve this.

However the world has changed and there is so much more needed than legal skills and commitment to do this.

Supportive and happy clients remaining with the firm and introducing others. As well as the ability to retain, there is a great need and opportunity to win other clients. Wills alone are missing from 50% of the adult population and most firms are not 100% updating the Wills of their client base. Big loss of potential revenue as well as asset value.

Some firms - but not all – have a strategy that covers the legal side but also what is essential these days is so much more. All firms need an annually adjusted 3 year strategy, year 1 being the budget but then also reviewing monthly to look at performance a need of recovery or indeed the ability to enhance opportunities. The partners, the managers and all staff need to be aware and committed to their role in this.

- Clarity on strategy – marketplace, service, revenue, GP, Profit and working capital
- Clarity on current achievement – regular reviews and action plans for recovery and exploitation
- Meeting all the new requirements of regulation and compliance – too many firms are being fined, running out of economic insurance and damaging their image

- Financial performance is a key area – revenue and profit is one thing but we also have to seriously consider the availability of working capital – let alone the asset value of the firm in case it wants to download maybe the Will bank [WBT I Bring your Will Bank to life without all trichard.cooper@holdcroft.comhe hassle](#) or be involved in a M&A.
- Too many firms are struggling with communication – phones or other methods – this affects client relationships but can also be very damaging for potential new clients. Same applies to web enquiries. Last month we referred to a 70% plus hit rate for the right system as opposed to 20% for standard. [24/7 AI Intake for UK Law Firms I Lexidesk](#) Lots of existing clients also complain about communication.
- For the majority of legal cases there are not only the skills involved but also time limits to meet a requirement but also close a solution. Document production needs to be fast and efficient with the appropriate skills that are not always available 24 hours a day 7 days a week in house.
- Many firms do not fully recognise their on board legal experience. Sometimes clients need a broader approach than the skills in the firm and it is now time to be proactive in this. The firm needs to be aware on how to do this.
- There are big problems within accounting – ranging from the strategy, the right MI at the right time, availability of staff with the skill levels – missing now with so many firms. Working Capital management is one issue but we can add in a big way things like compliance with rules and regulations – one simple example – client account management. The roles of COLP and COFA are under a great deal of pressure too plus many firms have not got the workflows on their systems to check compliance with data.

Resourcing all of this internally cannot be ignored but there are significant alternative ways to achieve the necessary

Outsourcing or maybe something else

Is one very significant service being used by many firms. What has been interesting is that with my multiplier dialogues with suppliers and their owners it has been declared that it's such a strange word to be used in the world of legal sector supplier choice.

[Martyn Best I LinkedIn](#) the founder of [Transcription Services & Document Production - Document Direct](#) – document production for many firms (more later) and [Andy Poole I LinkedIn](#) COO and legal head at [Home I Armstrong Watson](#) accountants and financial advisers – both believe that rather than boring Outsourcing much more is proactively available for firms across the whole current requirement list with a more positive approach

As Martyn said “outsourcing has a curious resonance, and I believe that a small change in the language can help give us gain greater comfort and confidence when we look at alternative arrangements for a service that has traditionally been delivered by the often

demanding process of the employment of people, and the cost and inefficiency that this has now caused.”

Why not use a word like “insourcing” and recognise that the providers of services such as cashiering, phone answering and document production and transcription are experts in those fields and have over many years and much investment have perfected a better way of delivering those services.

After all, you don’t use outsourcing as a description of employing someone, and that’s exactly the same sort of approach to using the services of expert suppliers, who arguably have much deeper resources, have attained externally verified accreditations of their expertise and competencies, and who can offer much longer-term certainty of being a trusted partner?

Andy Poole has also made it clear that his business is now doing so much more for law firms alongside of normal support, some outsourcing – general accountancy advice. Know so many firms are getting broader and specific advice across the financial topic – M&A, disposals, financial training, strategic planning, cash flows.

A few years ago many accountancy firms would just stick at the audit rather than risk Pii – it has changed.

Law Firms really need to seek and receive excellent advice and resource from qualified third parties.

Outsource and Third Party Advice

- **Legal**

[Lawshare: the Legal Referral Scheme - JMW Solicitors](#) – All law firms to protect themselves from skill and experience shortage and the consequences of dissatisfied clients and maybe being sued need to ensure that their legal team has the right experience in detail

JMW solicitors have been running their free referrals and support network since 2011 and assist their 900 + members in exactly those scenarios. Client satisfaction and retention is a key but if firms can safely utilise the expertise of third party solicitors there is a great case.

Partner, Peter Finkill-Coombs, [Peter Finkill-Coombs | LinkedIn](#) from the Lawshare [Lawshare: the Legal Referral Scheme - JMW Solicitors](#) team explained how they’ve seen a recent trend in assisting member firms even in the property space. “Typically, our members will refer matters when the enquiry simply falls outside their areas of practice but it can be more nuanced than that. Member firms who ordinarily would undertake residential conveyancing for example, might contact us when they have a client and the transaction is caught by the Building Safety Act 2022. For insurance reasons they may shy away from acting and that’s where we can help. Other examples often include a member firm not being on a particular lending panel or the transaction value exceeding their PII cover. Because we ringfence each enquiry, even if referring a longstanding client, there is no fear of losing the client for future work opportunities.” He went on to say, “Not only has this helped streamline dealing with enquiries for our member firms, it has also produced a new revenue stream for them by way of profit sharing”.

[Lawshare: What our Members Say - JMW Solicitors](#) – client satisfaction is high

PII cover is a perennial expense to law firms and being able to demonstrate your firm is acting only inside the confines of your areas of expertise will be looked on favourably by your broker and ultimately your insurer.

- **Document Production**

An area where many firms for many years have utilised the skilled and available resources. Document production in many forms is key for law firms and it needs to be accurate and on time. A global 24 x 7 service with people with technical expertise is absolutely key. Yes firms have their own resource but is it with the right volume and time and the right experience.

[Transcription Services & Document Production - Document Direct](#) can make a massive difference in client satisfaction, timely performance, costs and cash flow.

So many clients are open with their support [Document Direct Testimonials - Don't take our word for it!](#)

- **Billing and Accounting – Financial Management Challenges**

- Outsourced
- Full accounting services and advice

It is absolutely critical that all the appropriate rules and activity are followed by all firms. The rules and regulations around basic accounting have changed significantly over the last few years. Firms have to get their billing and fundamental accounting done but also follow the rules and regulations that are being enhanced all of the time. Fundamental client accounting has been a challenge for many recently.

- Once upon a time small firms would look to get their accounting done by third parties. Now even bigger firms are having to consider this – client account management as one example but the right MI and cash flow management also key.

[The Cashroom – The Cashroom is a UK based legal accounting services company](#) have recently seen bigger firms needing to get involved. Not necessarily for everything – could be just for shortage of skill and solution areas. [Alex Holt | LinkedIn](#) is the very experienced lead here.

For some firms, that means providing additional support alongside an existing in-house team, while for others it forms part of a wider redesign of their finance function. That can include a full TUPE transfer of resource for longer term efficiency and resilience improvements. Increasingly, firms are looking for specialist support without the need to recruit, train and retain additional in-house resource. This is not necessarily about replacing an entire finance team. Outsourcing can work alongside an existing team, taking responsibility for specialist or time-consuming elements of the function and allowing internal staff to focus on other priorities.

We are seeing a similar trend with credit control. Our new credit control service is proving popular with firms looking for specialist support to improve debt collection, strengthen cash flow and take some of the pressure away from their internal teams.

There are also practical benefits to outsourcing. Firms no longer have to manage the same level of recruitment and training, while holidays, sickness and staff absences are less of a concern. They can access a team with specialist legal finance knowledge and benefit from continuity of service.

Testimonials – The Cashroom From a large number of clients but as a minimum look at Laurus Law *“relieves us of the burden of posting to ledgers and manually setting up bank payments, giving us more time to focus on other tasks.”*

and MBM Commercial *“both a cost effective fully outsourced service”* and *“a wraparound service to support an internal finance team”*.

- Full accounting and business services advice

Carrying on the topic of specific financial support and advice. Already referred to in the introduction is [Home I Armstrong Watson](#) already large in the legal sector and that sector is lead by [Andy Poole I LinkedIn](#). This reflects a wider shift in how law firms are approaching their finance functions. Outsourcing AND PROPER BUSINESS ADVICE is increasingly being considered not just a solution for smaller firms, but as a strategic option for firms of all sizes looking to access specialist expertise and build a finance function that works effectively for their business

The accountancy firm [Legal Sector Accountants I Armstrong Watson](#) where they are very strong. Lots of law firm clients who are trying to manage all stages of strategy, development, survival. Along with other accountancy firms like [Legal Sector Services I Legal accountants I Menzies –Accountants for Professional Practices I Mitchell Charlesworth](#)

Until a few years ago there was evidence that accountancy firms would do the law firm audit but would be worried about giving further advice because of Pii risks. That has changed – the dialogue between accountant firms and law firm clients would be interesting to know

- **Client Contact**

A major problem for law firms – client and prospect satisfaction (remember [24/7 AI Intake for UK Law Firms I Lexidesk](#) from last month. 70%+ conversion achievement rate compared to 20%.

People need to be able to communicate with their law firms quickly, variable times – even 24x7 and be able to speak to a welcoming individual with enough experience to satisfy, give confidence and refer to the next action.

We are aware of [Legal Answering Service I Moneypenny](#) but there are also other suppliers developing in this sector – handling calls and answering web enquiries.

MLS Advantage member [Mark Houghton I LinkedIn](#) director at [Answering Service for UK Law Firms & Legal Practices - Orca](#) has advised “The conversation in legal outsourcing is still too often focused on cost reduction. The firms we work with are increasingly thinking about it differently, as a way to protect their reputation and improve the client experience. When the Legal Ombudsman reports that poor communication is the single most common complaint in the sector, that is not an IT problem or an HR problem. It is a call handling problem, and it is one that can be addressed.

Mark explains "The Legal Ombudsman received a record 14,259 complaints about legal services in 2025/26, a 37% increase on the previous year. Poor communication accounted for almost a quarter of all complaints. Combined with delays, those two issues alone represented forming a first impression, an existing client chasing an update, a professional calling on behalf of a mutual client. How that call is handled reflects directly on the firm. Outsourcing your call handling to a specialist isn't about taking something off your plate. It's about making sure it's done properly, every time, by people who genuinely understand your sector."

Summary

Longer article than normal but a great deal of research into opportunities of law firms to enhance their business opportunities. Enjoyed it very much. If anyone has questions or would like an introduction do let me know.

46% of everything the Ombudsman received. Source: Legal Ombudsman Annual Complaints Data 2025/26, legalombudsman.org.uk

"The firms that approach outsourcing well aren't doing it to cut costs, they're doing it to raise standards. For a law firm, every call is a client experience. A prospective client

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