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Legal Apprenticeships



I was lucky enough to share a platform at the Black Country Chamber with Nick Skeet of Skills for Justice during National Apprenticeship Week. His topic was the development of Legal Apprenticeships.

It is very difficult to know exactly what a paralegal is. The name is, I believe, an import from the USA, and there is no specific accreditation. They may have a degree and have passed the LPC, or have no formal qualifications at all. If you have employed them for the last 10 years, you will have some idea

of their capabilities. When recruiting someone new, you may find yourself guessing. That is risky.

This is one part of the context of the Legal Apprenticeship. The aim is to provide an accessible national qualification combining vocational training with hands-on experience. This may in turn tie in with CILEx qualifications (discussions are under way). If that happens, it would be possible to start with an apprenticeship and end up as a Solicitor. Not many will go so far, and the benefits of so doing are likely to be fewer in the future.

The first place these apprenticeships are likely to appear is in the CPS, which is actively involved in the process. Later they will be available to private practice firms, probably by Autumn 2013. Once the necessary approvals have been given, it is likely that funding will be available for training, particularly for young people.

There is a social benefit of widening the net of potential recruits, and developing them into fee earners. This will be possible without taking on student debt.

One of the business benefits is to produce “home grown” quality staff, who are likely to be more loyal than those recruited from outside. This also saves recruitment costs. The effect of “Tesco Law” will pressurise costs, and legal work is likely to be more systematised. All this will expose the fact that there are too many solicitors doing work which does not need a solicitor. Successful firms will structure themselves to get work done at the appropriate level, to make a profit and to keep clients happy.

There is, as they say, nothing new under the sun. In Victorian times, a solicitor was assisted by one or more clerks, and W. S. Gilbert in 1878 wrote of one office boy to an attorney’s firm, who worked his way up to be [Ruler of the Queen’s Navee](#).

Should I Set Up a Business? Webinar 14th March 2012

Setting up a business is not for everyone, even those who have a good business idea. Our sister careers company, Red Spot Coaching, is running a content rich webinar on 14th March 2012 to help people consider whether running a business is right for them. What this will not do is evaluate particular business ideas.

For further details see <http://shouldisetupabusiness.eventbrite.co.uk>

Hidden Costs

This refers to accounting costs (i.e. expenses) rather than fees. Every firm needs a good grip on the figures. However, there is a temptation to see the figures as the be all and end all. Not every cost appears on a ledger in black and white.

Opportunity Costs

It seems obvious that if you do one thing, you cannot do something else at the same time. An hour spent on one client's matter is an hour not spent on another client. More importantly, an hour spent on a client complaint is an hour uncharged. That hour will not appear in a ledger, and can therefore remain hidden. This is one of the reasons why quality of service is important. Apart from the possibility of losing a client and the knock on effect of their unhappiness, there is a clear cost to the firm of redoing work and smoothing over the client relationship.

Other Costs

Another major way in which true costs may not be obvious is because they are recorded in different ledgers. One classic example is buying printers. They are often deliberately cheap to buy, but consumables such as ink or toner are expensive. That is where the manufacturer makes their profit, particularly since so often there are different cartridges for different models. The printer itself will usually be a capital item and appear in the balance sheet, the cartridges appear in the P&L account, often lumped in with stationery. Calculating the "total cost of ownership" requires effort, and is therefore not done. However, it will tell you where you are getting value from your printers, and where not.

Additionally, there is time recorded, but not charged at the full rate. This may be entirely appropriate because of the nature of the work, but it may also hide time that is written off. This then does not appear in the accounts as a write off. This makes it difficult to address the issue of serial offenders, who may need training, monitoring or (in the worst case) putting on a performance procedure prior to possible dismissal.

Conclusion

If a partner can spend one hour a week at their full rate, instead of wasting it, this is pure profit, since overheads and other expenses remain unchanged. Calculate that for each partner over a year, and find out how much better off you could be.

Where time does need to be spent is in properly managing the business, and that time is not wasted.

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