

## PSC Elective – the law firm as a business

### Synopsis

Trainees will consider the challenges facing law firms and how to meet them through strategic planning and financial management. Using a model firm, trainees will examine the key drivers of profitability and the importance of managing cash flow.

### Duration

6 hours

### Format

The course uses quizzes, exercises and case studies to ensure the training is interactive and engaging.

### Delegates

Trainee solicitors

Maximum 20 per course

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### Outcomes

As a result of attending the course, you will:

- understand how law firms operate as commercial entities
- appreciate the importance of strategic planning
- understand financial data and key performance indicators and how your actions affect profit and cash flow
- recognise the importance of managing WIP and debtors
- develop your commercial awareness of the legal sector
- contribute more effectively to the day-to-day operations of the firm

### Content

#### Planning

- Why do law firms go bust?
- Planning tools

#### Law firm finances

- How are law firms funded?
- Key performance indicators and benchmarking

#### How do law firms generate profits?

- Gearing
- How much to charge
- Recovery
- Margin

#### 'Cash is king' – the importance of managing cash flow

- Cash flow forecasting
- Lock-up explored
- Managing WIP and debtors

#### The human element

- Motivation
- Performance management & leadership styles

#### Business development

- Winning new business
- Retention – the importance of delivering excellent service to clients