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Events in 2014

[Financial Stability for Law Firms](#) - Law Society Webinar - 09/01/2014

[Masterclass: Understanding Financial Reports for Partners](#) - Ark Group Webinar - 16/01/2014

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[Financial Stability for Law Firms](#) - Law Society Roadshow - Taunton - 10/03/2014

[Financial Stability for Law Firms](#) - Law Society Roadshow - Cardiff - 24/03/2014

[Making Sense of Your Firm's Finances](#) - A Partner's Guide - 08/04/2014

Thursday December 19, 2013

Merry Christmas from Wilkinson Read

Dear Associate,

Merry Christmas from the Wilkinson Read Team!

2013 has been another successful year, and we would like to take this opportunity to thank all of our clients and allies. We are looking forward to working together for an even more prosperous 2014.

This Christmas the WRP team will again be making a charity donation, to help a worthy cause and support a sustainable environmental approach. This year we will again be donating to the [British Heart Foundation](#) and [The MS Society](#).



Wilkinson Read & Partners Christmas opening hours:

December 23rd - January 1st: **OFFICE CLOSED**
January 2nd 2013: **OFFICE OPEN**

With festive best wishes for a relaxing Christmas and a prosperous New Year!

Barry, Michelle, John, Simon, Tina, Nikki and Anthony



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Christmas Reading

If, like us, the Christmas period gives you the opportunity not only to relax and unwind, but also to take a step back and think about some of the more strategic issues for which capacity is lacking during 'business as usual' hours, we would like to suggest some good starting points.

We have deliberately avoided mainstream "how to run your law firm" books and in this selection have focused on a variety of material from other sectors which we

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think lawyers could potentially absorb and benefit from.

This selection of books covers the three main issues that have been dominating our thoughts:

- The Changing Legal Market and Strategies to Address It;
- Developing a Better Business in More Competitive Conditions;
- Improving People's Performance - Individually and Collectively.

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The Dynamics of Changing Markets

If you only read two of these books, make it this one and Schultz and Doerr's Rainmaking Conversations. If you can see the way the markets are likely to unfold, you will be able to develop appropriate competitive strategies.

[*Beating Low Cost Competition: How Premium Brands Can Respond to Low-Cost Rivals*](#), by Adrian Ryans

They say: The number one issue for firms seeking to deal with the growing threat posed by low-cost competitors, providing an analytical framework and practical advice.

We say: This book enabled us to form our views on how the legal market will unfold following deregulation. For anyone wishing to see the future - and the strategies for a successful future - this is a very important starting point.

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Business Development

Always one of the most difficult issues for professional service firms - how to find more and better clients who are willing to pay sufficient fees so that we can make a sensible profit.

[*Rainmaking Conversations: Persuade, Influence and Sell in Any Situation*](#), by Mike Schultz and John E. Doerr

They say: A helpful guide to selling services in a professional and customer-friendly way.

We say: For anyone who is serious about growing their practice and attracting more and better clients, this book is simply irreplaceable. We have read a variety of books over the years that purport to help professionals with marketing and selling - but few of them understand the psyche of the professional.

This book is different. It is written specifically for professionals and based on substantive research about how buyers purchase professional services.

[*Value-Based Fees: How to Charge - and Get - What You're Worth*](#), by Alan Weiss

Alan Weiss is known variously as "the Consultant's Consultant" and "the Million-Dollar Consultant" for good reason. There has been a lot of debate in recent times about Alternative Fee Arrangements - i.e. alternatives to the billable hour.

Alan Weiss has never subscribed to the billable hour as a basis for billing. His view is that the only rational economic basis for billing is value to the client. Never one to

mince his words, this is both a polemic and a “how to” book for those who fear that adopting alternative fee arrangements equals price reduction. In Alan Weiss’s world, value billing means high value billing.

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Managing People and Performance

Our analysis regularly shows that the biggest single influence on firms’ profitability is their ability to get people to consistently deliver at a profitable level of performance.

Less profitable firms either expect or accept underperformance from too many staff and too many partners. We have also identified that, in many cases, the underlying reason for underperformance is that fee earners (however technically sound) are simply not confident in their interactions with clients.

This leads to under-recording of time, under-billing, and write-offs. Furthermore, the fear of the client inhibits fee earners from asking for more work. These books help to tackle the issue of how to ask in such a way that the client feels flattered!

Yes! 50 Secrets from the Science of Persuasion, by Robert B. Cialdini, Noah J. Goldstein and Steve J. Martin

They say: Cialdini et al provide practical advice based on their academic research into the psychology of persuasion.

We say: Cialdini’s earlier masterwork “Influence, Science & Practice” is now in its fifth edition. In that book Cialdini identified influencing techniques in six categories based on psychological principles that direct human behaviour: reciprocity, consistency, social proof, liking, authority, and scarcity.

In this collaboration, the authors identify 50 real-life examples where Cialdini’s principles have been used to produce tangible practical results, providing food for thought and many ideas.

The Courage to Ask: Cultivating Opportunity in the New Economy, by John Niland and Kate Daly

They say: Niland and Daly address the issues of asking questions and holding effective business conversations in a rapidly changing economy.

We say: We are a little biased. One of the authors, John Niland, has directly helped us for a number of years, particularly in delivering the performance programs where we have helped to turn fee earners into all-rounders, able to become self-sufficient in business development and managing client relationships.

The feedback that we get from those programs regularly says that the most important thing is not the numbers but the level of confidence we are able to help them develop.

But, of course, as John says confidence comes from success, and trying new things requires courage in the first place. John and Kate go through a number of examples in this book which may be familiar to many of us as we take faltering steps into the unknown.

Crucial Conversations: Tools for Talking When the Stakes Are High, by Kerry Patterson, Joseph Grenny, Ron McMillan, and Al Switzler

They say: Deals with how to prepare for, and hold, high-stakes conversations in a persuasive manner.

We say: This is not just a book about business; it is a book about life. In so many circumstances things would have developed differently if we only we had known how to have the right conversation at the right time.

But it does have a very direct impact on business relationships, both with our staff and, even more importantly, with our clients. In so many situations we see value being thrown away because of the inability to have the right conversation with the client.

The techniques in this book can make a real difference.

The Power of Habit: Why we do what we do and how to change, by Charles Duhigg

They say: Explores research in neuroscience and related fields to analyse the impact habit has on people and businesses, and how bad habits can be changed.

We say: One of the things that we have learnt in our performance improvement programmes is how important it is to develop and reinforce the right habits - from time recording to client conversations.

This book explains the psychology behind habit and some ways of changing the mindset in order to change habits - which ultimately leads to changes in results.

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Performance Measurement and Technical Issues

We believe that performance measurement is going to be one of the big issues for law firms in the future. At the highest level, the main metric for measuring firm success, "Profit per Equity Partner", becomes irrelevant if firms are no longer partnerships - with organisations such as Slater and Gordon already leading the way.

Similarly, the standard combination of chargeable hours, billing and lock-up becomes very difficult to integrate into an overall system when the chargeable hours are no longer the basis for billing.

So we have been researching the issue of KPIs and expect to be placing greater emphasis on this in the coming years.

Key Performance Indicators: The 75 measures every manager needs to know, by Bernard Marr

They say: Marr identifies and describes the most powerful financial and non-financial KPIs, going on to define them, explain how and when they should be used, and provide case examples.

We say: This universally praised and very simple book catalogues a range of KPIs, covering different perspectives in business. It is very easy to read and beautifully laid out. By no means are all of the KPIs selected applicable to the legal sector but, as ever, by analogy we can modify some of them accordingly and adapt them for use with lawyers.

Key Performance Indicators: Developing, Implementing, and Using Winning KPIs, by David Parmenter

They say: Parmenter provides detailed explanation of how to create and use KPIs to improve performance.

We say: The subject matter is the same as Bernard Marr's book but this is a completely different animal. It starts by destroying the myths about what is a KPI

and what is not. It explores the issues of implementing performance indicators of all sorts in such a way as to motivate people in all kinds of organisations (commercial and non-profit) to deliver on the most important things in their job.

The author, David Parmenter, is a New Zealander with experience of implementing KPI's, mostly in large organisations throughout the world. For those who are running large firms, a great deal in here is worth following almost by rote.

We are starting to adapt much of the author's methodology for use in smaller firms and already we can see the impact.

No Customer - No Business: The True Value of Activity Based Cost Management, by Robin Bellis-Jones

They say: Still the best work on activity based cost management, a highly effective system to support decision-making in respect of the firm's cost-structure.

We say: Competitive pressures are going to force law firms to take a very hard look at their cost structures. The easy solution will be to take the "Animal Farm" approach of "Fee Earners Good - Fee Burners Bad". This will produce short-term savings, but done indiscriminately risks significant long-term harm.

The activity based costing (ABC) approach, which relates activities (expenditure) to value, will produce far better results if done thoroughly. This is the starting point for anybody who is serious about ABC.

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And Finally...

Start with Why: How Great Leaders Inspire Everyone to Take Action, by Simon Sinek

They say: Addresses the crucial question of why businesses do the things they do - in order to inspire the people tasked with executing decisions.

We say: The author's [YouTube video of his TED talk](#) on this subject now has several million views and has acted as an inspiration to a number of leaders who are looking to motivate and energise their teams. This book extends the points made in the video and provides more background reinforcement to the underlying ideas. If you are short of time, watch the video and you'll get most of the benefit in 18 minutes!

Happy Christmas

From All of Us at Wilkinson Read and Partners

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