

Douglas Scott Legal Recruitment Business Plan Guidance

Introduction

Applicants seeking to move their practice, their clients and/or their work in progress to a potential employer will need to construct a business plan. A well written, constructive business plan is often the key to success for senior level appointments and should be given as much care and consideration as one would give to interview preparation. Here we have put together some pointers, having reviewed and amended a number of business plans, to assist you in your preparation.

How much Information?

A business plan is a précis of what business you can develop and introduce, how that business will increase and develop and how your presence will add value to the organisation you join. You should not over-complicate or include too many specifics in the first instance; the document should be no longer than three or four pages.

How should I structure my plan?

Objective

You should introduce your business plan by way of an **OBJECTIVE** or **PROPOSITION**.

Example:

"I seek to establish a respondent employment law practice in a small to medium sized law firm to exploit the increased flow of outsourced HR matters, to build on existing client relationships and to establish a market leading product."

You should consider placing your proposition in the context of market information, figures backed up by research and a referral to source would be helpful.

Client Relationships

Considering you are seeking to introduce your contacts or clients you need to outline the significant and quantifiable nature of your **CLIENT RELATIONSHIPS**. Be sure to outline the size and nature of your clients' as well as fee potential.

Example:

"I have been the main external lawyer for a client with national reach over the past three years generating fees, on average, of £80,000 per annum throughout this period"

Though you may have worked with your client base for a number of years, how likely is it that your clients will commit to move with you? Assuming you have no **RESTRICTIVE COVENANTS**, how **CREDIBLE** is your following.

Example:

- a. Long Standing Rating with the client, historic involvement
- b. Knowledge of client structure, procedures, portfolio
- c. Client is ring fenced from restrictive covenant and has followed previously
- d. Verbal commitment

It is also worth considering your target law firm in your business plan: are there any **CONFLICTS OF INTEREST** either for your client base or your target law firm? Alternatively are there any specific benefits for your client base in joining your target law firm?

Resources Required

Though you may have generated significant fees in the past you need to identify and outline the **RESOURCES** that made fee generation possible, and what **SUPPORT** functions you would require in your new role.

“A full time paralegal was employed to handle the non-profitable transactions and we used a bespoke case-management system in order to streamline our processes”

Practice Direction & Market

If your target employer does not currently operate within your practice area then outline **MARKET CONDITIONS**. Reference industry press, statistics and competitors.

“Over the last few years, the number of applications to employment tribunals has increased dramatically. The total number of claims made in 2003/04 was 115,042 – an increase of 16% over the previous year’s total of 98,617.”

Further Business Development (Medium & Long Term Projections)

What are your **TARGETS/PREDICTIONS** for the first three years of your employment? What further resources do you require in order to strategically develop the business?

Year 1: Profit Costs of £160,000 based on 70% of work introduced and 30% developed by cross selling and product development

Year 2: Profit Costs of £280,000 based on development of client base, recruitment of assistant, Firm wide roll out of product

What further opportunities exist within this market and with your clients, are there cross selling opportunities for you, are there **CROSS SELLING** opportunities for your target law firm?

Restrictive Covenants

The purpose of a restrictive covenant is primarily to protect your employer’s business. They are particularly common in the contracts of Partners and Senior employees, who may have particular knowledge of a client base which is of course of significant value to the firm.

In an ideal world you will know the boundaries; nobody should enter into a contract without full knowledge of its implications and meaning. However it may have been tested while you were with your current firm, there may have been flexible interpretations of the wording. We would never advise our candidates to burn bridges, amicable exits can be negotiated but if matters take a turn for the worse we will be there to support you through the process.