

# CPD SEMINAR

How's your Balance Sheet?  
- the business of being a lawyer -

[extract from the unwritten and unpublished  
“Memoirs of a Lapsed Lawyer”]



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# Outline of Address

1. **Business Concepts**
2. **Client Perspective – a few tips from a standard reasonable client**
3. **Lawyers as discrete business units.**
4. **What does all this mean for me?**
5. **Conclusion**

# 1. BUSINESS CONCEPTS

- **Business Product Cycle**
  - novel and niche products (market differentiation/high margin)
  - mature products (low differentiation/high competition/low margin)
  - fading products (no or little market)
- **Portfolio Theory**
  - multiple business/revenue lines (some firing at different times)
  - balanced portfolio approach
- **Strategic Adaptability**
  - flexibility of production capacity and capability to cope with product life cycles

# 1. BUSINESS CONCEPTS – (cont'd)

- **Balance Sheet**
  - investment in r&d/product and business development
  - brand recognition
- **Cashflow and Revenue**
  - sustainability
  - solvency
  - margin
  - leverage
- **Business Plan for the future**

## 2. CLIENT PERSPECTIVE

– a few tips from a standard reasonable client

- you must understand my business and industry
- my needs are more important than your problems
- the legal aspect is usually only a smaller part of my overall business problem, and therefore possible solution
- I want practical workable answers and solutions to meet my needs
- I require it on time (not necessarily as soon as possible)
- I want it on budget
- you must manage my expectations
- I will not tolerate surprises
- you must be succinct and to the point, and I care not for legal dissertation
- I do not expect to pay your rates for you to self educate
- I buy the promise behind the brand
- I demand and am entitled to value for money (not necessarily the cheapest)
- I believe I am reasonable and accommodating when necessary
- you have to earn my trust and respect
- I am uncompromising, but if you satisfy the foregoing – I am LOYAL and will be GRATEFUL

### 3. LAWYERS AS DISCRETE BUSINESS UNITS

- What is your product offering?
  - where is that product in its business life cycle?  
(novel/mature/fading)
- Do you have a balanced portfolio?
  - do you have strategic adaptability?
- How is your balance sheet?
  - are you investing in the future?
  - do you have brand recognition/value?
  - can you command loyal client following?
- How is your cashflow/revenue?
  - \$\$ is king, but kingdoms do come and go?
  - revenue/margin/leverage
- Do you have a business plan?
  - products
  - market
  - client relations

## 4. WHAT DOES ALL THIS MEAN FOR ME?

- maintaining relevance
  - sustainability
  - self worth
- maintaining engagement and professionalism
  - active and committed
  - to the law, to the profession, to the practice, to the clients
- adapting to change
  - product/market cycle
  - over the horizon perspective (it's a marathon, not a sprint)
- mastering your own destiny
  - personal planning
  - deserving confidence
- investing in yourself
  - no-one else has a greater interest
  - maintaining your balance sheet

## 4. WHAT DOES ALL THIS MEAN FOR ME? (cont'd)

- understanding the world outside a law office
  - feet on the ground and worldly
  - industry relevance and engagement
- maintaining the business unit (i.e. You)
  - defining what success is to you (but don't fall in love with yourself)
  - maintaining perspective (holistic approach)
  - citizenship (contribution to the profession and the community)
  - personal health and well being (mind, body, spirit)



## 5. CONCLUSION

- know yourself and your pathway – only you can steer your own ship
- look after yourself first, then you can best look after those around you
- if you can find a mentor(s), you are blessed
- life is not a dress rehearsal, so get it right the first time
- at all times:
  - maintain your INTEGRITY
  - be PROFESSIONAL
  - be TRUE TO YOURSELF and those you love