

Professional practices advisory consulting

Innovation
Branding
Solution
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Analysis
Ideas
Success
Management

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How we can help



Dedicated

Your firm will benefit from a coordinated, cross-disciplinary service from our specialist professional practices team. We are a leading provider of accountancy, tax and advisory services. Our experts work closely with each other, right across these specialist disciplines.



Experienced

With experience of more than 100 professional practice clients across the UK, we have the expertise to help steer your management team through your firm's unique challenges and to enable you to effect change successfully.



Connected

Our active involvement with influential trade and industry bodies like the Association facing Partnership Practitioners ensures we are closely connected to the issues and concerns facing professional practices and can support innovation to address them.



Forward thinking

We seek not just to solve but anticipate the challenges professional practices face. Our insights programme picks out these issues and shines a light on solutions for our clients, meeting the challenges together.

About Smith & Williamson

We have been looking after the financial affairs of individuals, families and businesses for more than a century.

We aim to deliver imaginative yet pragmatic advice and solutions tailored to your individual circumstances. We achieve this by taking the time to get to know you and to understand your objectives, needs and aspirations, as well as the longer-term challenges you're likely to face

Professional practices operate in a changing, complex and regulated environment, with a unique set of challenges, including:

- Cost-aware clients, leading to a market wide focus on cost reduction, streamlining processes and outsourcing;
- Limited historic investment in technology, data and analytics, which continues to impact operational efficiency and drain both management time and project resources;
- Increased competition, leading to mergers and acquisitions for growth and differentiation;
- New ways of raising capital, creating both opportunities and threats;
- Risk and regulatory pressures; and
- An increasing need to attract and retain the best talent and client base through cultural values and by balancing profit and purpose.

Through Partner-led delivery, we advise at a strategic level to deliver the best solution for your firm. Combining industry experience with data analytics, we identify root causes and work to optimise performance.

Our focus

While firms continue, in the most part, to perform well, with revenue and profit growth materially above inflation for a number of years, generating these returns appears to be getting harder, primarily due to increased competitive pressure. In turn, this drives financial pressures from technology investment in systems, data and analytics to higher staff costs, as well as cultural pressures on fee earners to increase billable hours. Although better management of lock-up is often seen as the best way to finance these investment areas, wider working capital management, cost control and operational efficiency all remain persistent issues right across the sector.

We combine data driven analytics with commercial acumen to enable firms to work smarter.



Our Services

- **Margin and operational efficiency maximisation** - we conduct segmented analytical reviews of margin, pricing strategy and importantly, pricing practice by team. By analysing recovery rates, utilisation and levels of billing adjustments by grade and team, we identify root causes and target realistic improvements, rather than purely pushing fee earners to increase billable hours. We can also produce live dashboards to ensure effective ongoing management of these key performance indicators.
- **Cost reduction and streamlining** - we combine benchmarking with bottom-up overhead cost reviews and propose practical areas for improvements. We also review procurement processes and practices with a focus on pricing, economies of scale and payment terms. With significant hands on experience in post-acquisition integration support we are able to work with your firm to ensure synergies are achieved, processes are streamlined and any legacy issues are resolved. With recent sudden changes to working practices and the associated real estate cost base, our property experts can support seamless transitions to leaner operating models.
- **Lock-up and working capital optimisation** - with our analytical lock-up review by team that can pull relevant information from both practice management software and accounting systems, we identify targeted improvement opportunities. We also go further than just lock-up, with a focus on disbursement payment cycles and overhead working capital management.
- **Succession planning and rewards** - we support firms in strategic talent planning, to ensure flight risks are mitigated and fee earner rewards are aligned with strategic objectives and firm values.

Whatever you ask us to help you with, we ensure enduring change is implemented to deliver a successful outcome.

Experience and success stories

- Integration projects aligning processes and procedures, with a focus on regulatory requirements including GDPR, client money and billing processes
- Operational efficiency improvement combined with cost reduction reviews and implementation support
- Delivering asset-based lending facilities (such as disbursement funding) to better fund working capital cycles without utilising firm cash
- Using technology and data analysis to classify elements of lock-up and working capital to improve the net position, including exception reporting
- Identifying and resolving cash drains and highlighting cash improvement opportunities
- Reviewing and optimising integrated financial forecasting models and short-term cash flow forecasts to ensure visibility and accuracy
- Implementing live dashboards to track delivery of KPIs, with drilldowns and performance tracking by our team
- Resolution projects including data cleansing/alignment and backlog clearance.

Contact



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For more information and insight, including our annual survey results, please visit our website:
smithandwilliamson.com/en/industries/professional-practices/

Tax and Government legislation is that prevailing at the time, is subject to change without notice and depends on individual circumstances. Clients should always seek appropriate tax advice from their financial adviser before making financial decisions. HMRC Tax Year 2020/21.

By necessity, this briefing can only provide a short overview and it is essential to seek professional advice before applying the contents of this article. This briefing does not constitute advice nor a recommendation relating to the acquisition or disposal of investments. No responsibility can be taken for any loss arising from action taken or refrained from on the basis of this publication.

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