

**New Business Structures:
Responses to the Proposals**

- Other legal professionals as 'co-owners' - broadly in favour

If you've got any kind of company and you give somebody an incentive in shares they're going to be better at their job.

Male, London, Potential Entrant

Why should they be the only company that says, or the only profession, you're not a solicitor so you can't be a partner? Whereas you can do it in most companies.

Female, Birmingham, Potential User

Because if you think about, if they've put in a lifetime, not a lifetime, but 10 years, 20 years with a law firm, and they're dedicated and everyone has in their respect, then why don't they deserve it [partnership status]? Because they're a legal executive they can't, I think that's ridiculous.

Female, London, Potential Entrant

- But barristers and solicitors as partners in the same firm – some concerns expressed

For integrity, it probably wouldn't be a good idea for a barrister to own a firm. Because solicitors are always going to go to that barrister and he may or may not be good at his job and I think from that point of view it wouldn't necessarily be a professional thing to do.

Female, Bristol, Past User

They might as well have it in the same building anyway if they're always recommending the same barrister, but there still might be underhand things going on, how do you know?

Female, Bristol, Past User

Ownership – Non-Legal Professionals

- Can see business and consumer benefits of non-legal professionals being in a legal practice

All these people must have ideas and skills they can bring to make the workplace a better place or the company better. It's like most things, everybody brings their own ideas to the table.

Female, Wrexham, Past User

Actually I think it could probably add something in that you haven't got a bunch of solicitors running the company and treating people how they see fit to treat people.

You've got people from different walks of life.

Male, Birmingham, Non User

- But strongly against non-legal professionals involved in legal issues

As long as that guy's (Head of Accounts) not sat there going, 'Well I think you should do this'.

Female, Bristol, Past User

I don't think a junior should be a partner of a solicitors to be honest. But having shares in it are different.

Male, Newcastle, Potential User

It's not a firm of solicitors if you've got secretaries owning it... What would be the benefit to the public?

Female, Wrexham, Past User

- and want assurances that quality will not be compromised

A company accountant is only interested in the bottom line isn't he?

Male, Birmingham, Non-User

Ownership – Small Outside Investors

- More positive about motivations of small, rather than large investors

In a way somebody's going to invest money into that could then lead on to more support for that particular partnership because they can look at new legal systems and increase efficiency
Female, Newcastle, Potential User

- But some cannot see it making a difference

I don't think any of this is going to make any difference to any one of us sat in this room, whether they find investors in the street, whether they're floated on the stock market, I don't think it's going to make a lot of difference to us.
Female, Birmingham, Potential User

- Concern about focus on profit rather than quality

I think they're well respected professional people. I think they will lose that if anybody can put money in because who'd really know these people? What standard, apart from a healthy bank balance have they got?
Female, Birmingham, Potential User

At the moment, if it's owned by a lawyer it's partly his firm, he has a responsibility to uphold the reputation of that firm whereas someone who invested in it doesn't care as long as his shares go up, what does he care?
Female, London, Business User

Ownership – Large Outside Investors

- Some could see the benefits of outside investment:

- Increased accessibility

I just think that it would make it more accessible to more people and it would also keep the costs down. Female, Bristol, Past User

- Reduced costs / increased transparency

It would make it maybe more upfront, less hidden costs, less time consuming... Well [it could be] set prices and things and then plus so many calls at whatever rates so you have got a rough idea. Male, Wrexham, Past User

- More appealing

I like Sainsbury's I would be more inclined to go and use their solicitor on site than walk along the high street and walk into a dingy little office and not know what I was walking in to. Female, Birmingham, Potential User

- Less intimidating

When you're dealing with some top notch firm of solicitors on one hand and then you're dealing with legal services from Tesco's, you know that they're the same professional people, but psychologically you just think that they're like you and me. Female, Wrexham, Past User

BUT...

Ownership – Large Outside Investors

■ Others expressed concerns

– Reduced competition, less choice, and increased costs

All it's going to do it make some bigger firms a bit bigger. Small firms and solicitors are having enough problems already, so changing it will just reduce competition and increase costs in the long run.

Male, Bristol, Past User

– Less personal service

The big difference between a local solicitor or a big firm is that a big firm you're a number, whereas a local solicitor you're a name.

Male, Wrexham, Past User

– Only good at less complicated services

I'd say as long as it's well regulated I'd be more than happy to go to a large company for basic legal advice if you like but if a more complicated situation arose I suppose it'd be an independent solicitor really.

Male, Wrexham, Past User

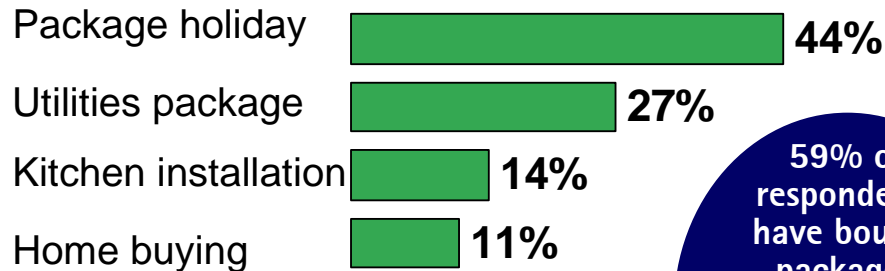
– More interested in profit than in my case

These big companies, they're there to make money, so whatever they're doing, if it means they've got to cut corners, with having to employ the solicitors, or however it does it, they'll make sure they're making money, even if they are offering the customers a cheaper service.

Male, Bristol, Past User

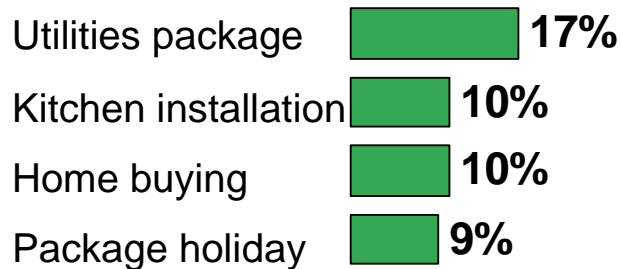
MDPs – The One Stop Shop Context

Bought



59% of respondents have bought packaged services and 88% of those are satisfied with them

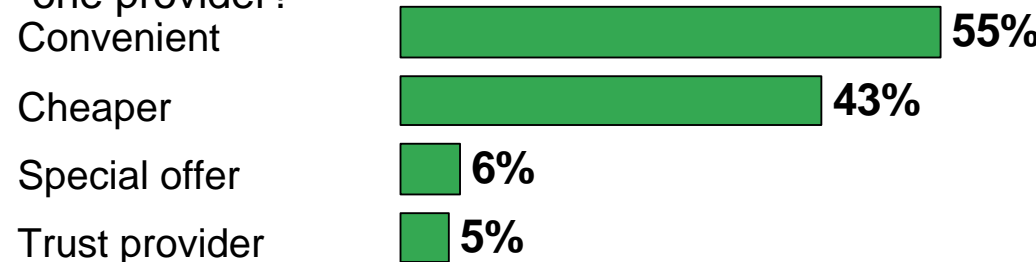
Considered & rejected



Base: All respondents in England and Wales aged 16+ (1,838), interviewed between 23-28 Sept 2004

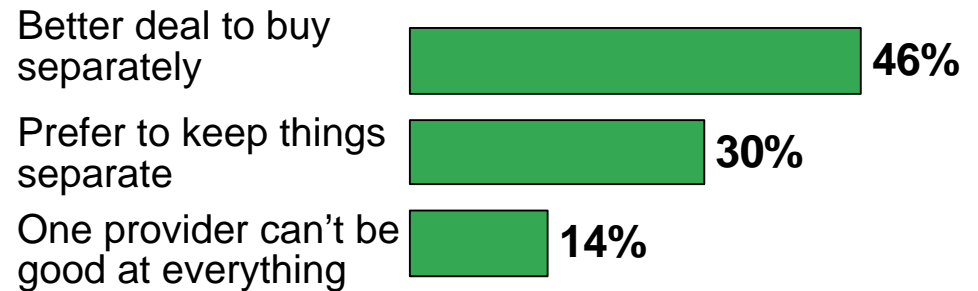
Why

Q. What are the reasons you decided to buy from one provider?



Base: those who have bought a packaged service (1,078)

Why not



Base: Those who considered but did not buy packaged service (557)

MDPs – Benefits of One Stop Shopping

■ Can see the potential benefits of one-stop shopping:

–convenience

It sounds wonderful really... you're not running around, you're not going to the estate agents in one part of town then your financial advisor probably in the next town.

Male, Birmingham, Potential User

--price

If they work together properly then the solicitor hasn't got to go sending £10 letters or £50 letters to the estate agent and the conveyancers 'cos they're in one building, surely they can cut costs that way.

Male, Bristol, Past User

–greater accessibility

It is very daunting and well if I can get it all done or I can get certain things done in one place, without the to-ing and fro-ing and without having to speak to this and that and the other one that would be good.

Male, Newcastle, Potential User

■ but caution about...

–regulation

I suppose as long as it's all regulated, that's where the worry is isn't it?... I think the multi-professional thing might work eventually but I think there'd be a lot of things that'd have to be sorted out

Female, Wrexham, Past User

--choice and cross-selling

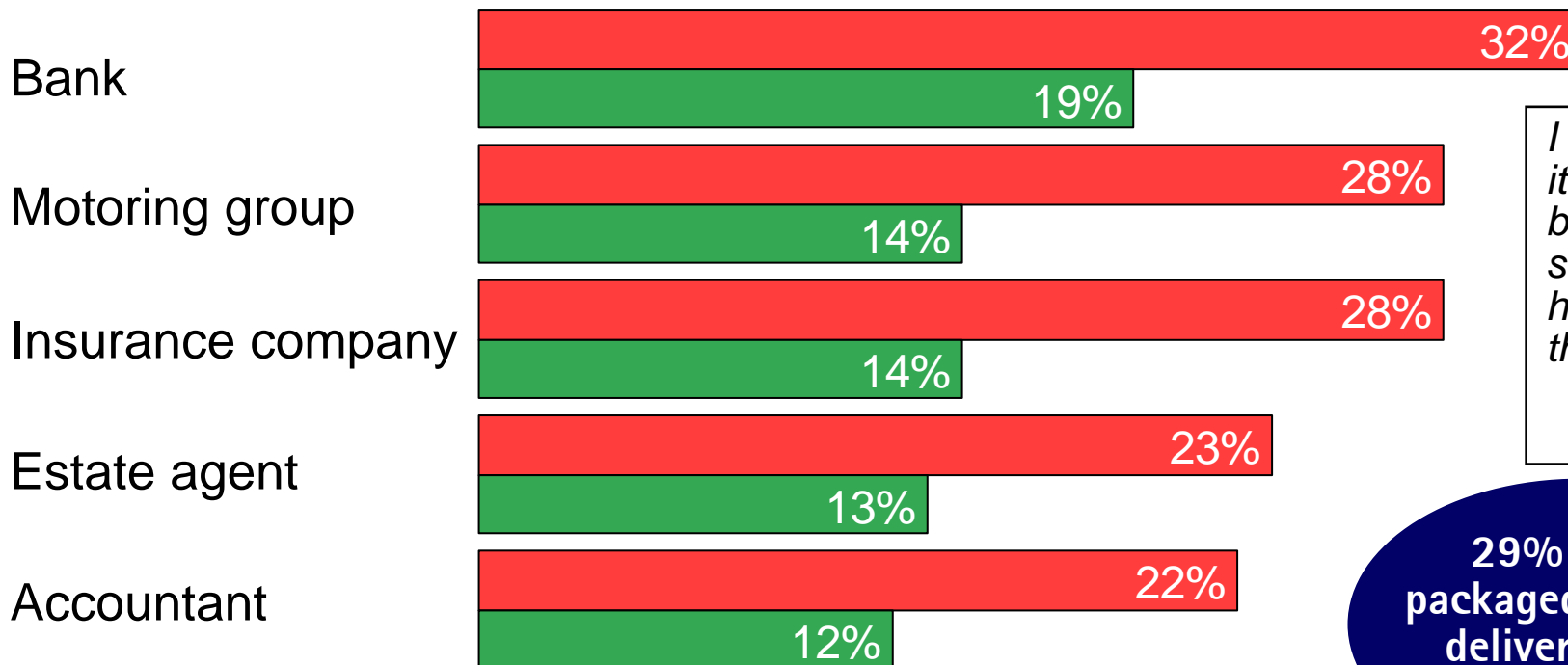
If you go to an estate agent and you want to buy a house, that's fine as long as you don't have to use their solicitor, their conveyancer. If it's voluntary, fine, but when they start tying services together, that's when you start paying ... more.

Female, Birmingham, Potential User

Potential Take-Up of 'One Stop Shops'

Q How likely, if at all, would you be to buy legal services provided as part of a one stop shop with....

■ Packaged Service User ■ Non-packaged service user
% saying very/fairly likely



I would give it a try if it happened perhaps but it would be on a small scale and see how they dealt with that
Male, Wrexham, Past User

29% think packaged services deliver better value for money

Regulation: Complaints

- Greater 'complexity' = less confidence in knowing who to complain to

Q *How confident, if at all, would you be in knowing who to complain to if you were unhappy with their service or advice you had received from...*



Regulation: Understanding

- The public do not have a clear understanding of legal regulation

I wouldn't really know the complaints procedure to follow I wouldn't have thought, I don't think it's that clear.
Male, Wrexham, Past User

It [current regulation] is messy.
Male, Birmingham, Potential User

I haven't got a clue.
Female, Birmingham, Potential User

- Awareness of the Law Society is quite high, although not always positive

Lawyers are regulated by lawyers, they're regulated by themselves, it is self regulatory, through the Law Society.
Male, Birmingham, Non User

I just think there's something slightly unhealthy about the current situation where you've got the Law Society who you can complain to but if you actually look at their composition, of course they're all lawyers and it is very much a closed shop.
Male, London, Business User

The Law Society's a trade union, more than it is a complaints organisation.
Male, Bristol, Past User

- Regulation is spontaneously raised as a issue that needs to be addressed if any of the proposals are implemented

I think it'd be very complicated . Surely they'd have to bring out new laws if they had it all combined like that (MDP proposal).
Female, Wrexham, Past User

Regulation: Some Suggestions

- Kite-marking or quality marking schemes for firms of legal professionals

*Kite-marking, would assure us of their quality.
Male, Bristol, Past User*

- Solicitors and Barristers declaring areas of expertise and providing performance measures in these areas (i.e. percentage of cases won and lost)

*They should have a sheet like BUPA listing their specialities.
Male, Birmingham
Potential user*

*They could have a list of clients that have used them in the past six months to a year and they could say phone these people, they've used us, ask them how we treated them.
Female, Bristol, Past User*

- Having a simplified regulatory system so it is clear where to complain

*Scrap them all and just have one.
Male, Birmingham,
Non User*

*But it's like school, you've got history, geography, maths, but they're all answerable to OFSTED - one well known regulator.
Female, Birmingham, Potential User*

- Ensuring that freedom to choose is safeguarded

*It should be law that estate agents can't push [you] into using their financial people or their solicitors.
Female, Wrexham, Past User*

Entry to Legal Professions

Incentives and Barriers

■ The main incentives potential entrants mention focus on:

–important work

It's really the ability to affect people and when you see something, [and] you are not content by it, you can go and change it with the law.

*Male, London,
Potential Entrant*

--money

I think it's a steady, a definite steady job. You can do many things at the same time... So you're not tied down and you can earn lots of money from it.

*Female, London,
Potential Entrant*

--interesting work

Law is something organic, it's constantly changing, it's not like one of these static things. There's always new developments... you're constantly using your mind. It doesn't get to a point when you're stagnant, and what you've learnt, you're not using that anymore.

Female, London, Potential Entrant

■ The barriers focus on:

–cost

People don't take on board that you're going to have to do to LPC after you've done a degree, and that's going to cost you even more money... It's a big investment upfront, isn't it, and a long way to get it back

*Female, London,
Potential Entrant*

--competition

It's very competitive to become either a solicitor or a barrister, it's quite difficult to get in to.

*Female, London,
Potential Entrant*

--nepotism

Sometimes I think it's a lot more about, it's not what you know, it's who you know.

*Female, London,
Potential Entrant*

Barriers and Incentives – BME

- Black and Minority Ethnic (BME) potential entrants raised similar barriers and incentives but also raised additional barriers focusing on:

- White middle-class image of legal professions

I still have the impression [of] barristers ... being middle class, middle England, all degree graduates, parents were in professions
Male, Potential Entrant, London

It maybe harder for you to break into a place where everybody attended a private school, and goes skiing. You cannot relate to them, and they may find it easier to hire someone they relate to. You've got to be able to talk to people and mingle when you go to dinners and you go to parties. It's a whole lifestyle
Female, Potential Entrant, London

- Difficulties in climbing the corporate ladder

Ethnic minorities ... once they actually break into a big city firm it's so difficult for them to get promoted or... become partners
Female, Potential Entrant, London

- Ethnicity and other demographic factors

The fact that I'm female, the fact that I'm black, the fact that I come from a working class background, you've got so many things. The fact that my name is not English. Already I've got these barriers, so just the fact that you're now working against 1,000 other people, it can be discouraging
Female, Potential Entrant, London

Reactions to Proposed Changes

- Think the proposals have more advantages for consumers than employees

I think, in theory, it is a good idea for the customer. I think things that make difficult, complex issues simpler for your average customer are good, but I think with regards to the professions that we talked about, they are so individually complex, that I don't see how it would work in a professional sense, and I wouldn't like the idea of being a lawyer and working next door to an underwriter, something like that.

Male, London, Potential Entrant

- Generally positive towards change, but sceptical about the impact of proposed changes

You don't need to change the institutions, change the way people get educated and the access to education. I don't see why you'd have to change the institutions.

Female, London, Potential Entrant

I have to say, generally that if any of these things would actually work to make the legal profession more accessible, then I think I probably would be in favour of it. But I just don't think they would.

Male, London, Potential Entrant

- Concern that system continues to reward effort

It is so hard to get to where we are and I think it's undermining your work to make these ownership changes. I've worked so hard and I think, if anyone can do it, like why bother? ... I do think it does take the cream off the job and I think it is unfair

Female, London, Potential Entrant

Conclusions & Implications

Conclusions & Implications (1)

- Complex issue – neat conclusions are difficult to draw
- Can identify important factors and issues that need to be considered in developing proposals
 - Lawyers not as well regarded as some other professionals – not seen as customer focused, approachable, transparent
 - Lack of understanding / information about the market
 - But satisfaction is good, and they are seen as independent, and providing a quality service
 - The law is a high value, ‘emergency’ service, not just a product – and there is a (vaguer) sense that it is part of civil society
- Some views are, on the face of it, contradictory – ‘they deliver poor service, but we like the way they are’

Conclusions & Implications (2)

- Potential changes are judged on the basis of whether they would impact positively or negatively on these factors / issues
- Changes would be welcomed provided they:
 - Do not impact detrimentally on choice
 - Increase transparency – make it easier to choose and raise confidence in the service received
 - Quality is not compromised
- Can proceed with change, but with caution
- Concerns need to be clearly addressed

You would be wary, but it'd be once you've had the experience of one or all of them, you wouldn't make an opinion until it's happened.

Male, Wrexham, Past User

I would like to know a bit more of the ins and outs of it first.

Female, Birmingham, Non-user