

Improving service whilst reducing cost: key achievements delivered through outsourcing

FARRER & Co

Farrer & Co is an independent law firm with a rich history. A centuries-long tradition of advising private families, individuals and charitable institutions is today complemented by the firm's work with businesses and entrepreneurs, from asset managers and sports bodies to international media groups.

The firm's fee earners are highly rated within their chosen fields, with nearly two thirds of the partnership achieving 'Leaders in their field' status in 2014. Reversing the trend amongst many, the firm has grown substantially during the downturn, and in the financial year 2013/14 saw revenues reach £50.7m. Farrer & Co now has 400 staff, of which 75 are fee-earning partners, and is based at Lincoln's Inn Fields, London.

Farrer & Co is known for its technical excellence and commitment to client care, consistently exploring better ways of achieving this. The firm began to consider more extensive outsourcing in spring 2007 with the aim of re-defining the office administrative support provided to the fee-earning and core business services departments.

Following a detailed review of the existing office services functions, the firm outsourced a diverse range of services to Intelligent Office. These include: front of house, hospitality, file and archive management, core goods procurement, mail room, reprographics, facilities, security, and health and safety. More recently, Intelligent Office has also started to deliver local administrative support to the fee earners.

Since starting work with Farrer & Co, Intelligent Office has raised the quality of service experienced by the firm whilst also delivering the following key benefits:

Financial benefits

- Reduced printing costs by 40% through review and implementation of a print equipment audit
- Saved 32% on hospitality services following completion of a detailed front of house review
- Reduced scanning costs within the finance function by 51% through completing the work onsite rather than using an offsite reprographic provider
- Reduced cost of confidential waste collection by 53%

In addition to the savings outlined above, through more efficient management of the staff, Intelligent Office has not increased its staff headcount proportionately to the growth in the fee earning headcount. Whilst the firm has grown in headcount from 270 to 400, Intelligent Office has only increased its headcount by two people, to 32.

Sue Shale, CFO and partner at Farrer & Co, made the following comments in an article on outsourcing which was published in Legal Support Network's publication, 'Briefing':



"Had those people not moved to Intelligent Office, we would have had 40-plus [people] in that area by now. [And now] the admin around them is being done by an outside company which is expert in that field."

That's a significant saving in labour alone. On top of that, the administrative teams, which amount to 10% of the workforce, were costing proportionately far more to operate than were fee-earners. "It most certainly took much more than a tenth of the time of the HR department," remarks Shale.

This is clearly evidenced in the financial KPIs that have been delivered in the past four years:

- the cost of service per fee-earner has reduced by 13%
- the administrative staff to fee-earner ratio has improved by 31%
- the cost of administrative services as a percentage of revenue has reduced by 11%

Service benefits

- Supported an increase in reprographic volumes of 101% since contract commencement with the same headcount, releasing fee-earner and secretarial time previously spent completing these tasks
- Created one multi-skilled reprographic and mail room team, through a cross training programme, giving significantly increased flexibility in resourcing
- With the same staffing headcount, we increased the hours of operation within the print and mail room team by 30%
- A redefined visitor experience, ensuring that clients receive a superior service at all times, underlining the firm's reputation for excellence
- Assisting the firm begin migrating to a paper-lite environment, through centralised e-bible and e-bundle production
- Supported major refurbishment of the firm's existing premises at Lincoln's Inn Fields and implemented a planned preventative maintenance programme
- Re-tendered the cleaning and catering contracts, reducing cost whilst maintaining service standards

Sue Shale, made the following comment about the firm's relationship with Intelligent Office:

"Our objective was to streamline the firm's administrative services to bring them in line with our professional services, where quality is of central importance. We're very good at recruiting quality fee-earners, we're just not in the field of supporting a vast range of back office services. Intelligent Office has achieved this aim, turning our back office into a much slicker, more streamlined and professional operation, bringing enhanced working practices and efficiencies. This has enabled us to provide a significantly improved service to our fee-earners and clients."

For more information on our range of services, please contact Sam Nicholls, Director of Business Development on 07984 252 150 or at sam.nicholls@intelligentofficeuk.com

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