

IS CONVEYANCING A SUNSET INDUSTRY?

It will be if you think that it is.

Talk to any lawyer in Conveyancing practice today and you will come away thinking that there is no future in this area of practice. And this is despite the unprecedented profits enjoyed over the last year as the property market picked up momentum at a speed which left many breathless and unprepared.

When we speak to lawyers today about the future of conveyancing practice, the prevailing sentiment is that the current upswing is not going to last. Sooner (but hopefully, later), the property market will crash; and conveyancing lawyers will again be struggling against redundancy and compelled to undertake other types of legal work.

This pessimism has fuelled a frantic surge of intense "carpe-diem"-inspired activity amongst conveyancing (and also amongst general, non-conveyancing) practices. In the last year, we have seen lawyers gear up to take advantage of current opportunities, working their staff till midnight to deliver on new matters they have undertaken. Even as the banks continue to dictate the lawyer's professional fees in exchange for the referral, the level of competition is intense.

Long term business planning for conveyancing practice is non-existent. We sense an underlying psychological reason for this pessimism which is not openly acknowledged. And this is the fear of being overly reliant on, and hence, being rendered powerless by their support staff; and worse, of being replaced by an experienced conveyancing clerk.

We do not believe that the situation warrants such a bleak outlook on the future of conveyancing practice. Consider these facts –

1. The demand for experienced conveyancing lawyers with sound knowledge of property law and conveyancing processes far exceeds supply;
2. Replacement rates for conveyancing lawyers who have left practice register a resounding negative as newly qualified lawyers shun conveyancing as an area of specialisation (We know this first hand as we have the misfortune of teaching STARS E-Lodgment to a supremely disinterested batch of PLC students, year after year);
3. Large law practices are content not to undertake retail conveyancing work so the field is left wide open for smaller practices to dominate this area of practice;
4. Even progressive conveyancing practices who have invested heavily in technology and HR training will need sound conveyancing lawyers to pull it all together. The ratio of support staff to lawyer may be high but the staff will not replace the lawyers;
5. Finally, there will always be property transactions in land scarce Singapore populated by upwardly mobile and aspirational Singaporeans.

However, if this short-termism continues to hold sway in the mindsets of our lawyers, then it becomes a self-fulfilling prophesy – that "Conveyancing Practice IS a sunset industry"; and the doomsayers will rejoice in being proven right. See diagram below -



You can buck this trend and prove the naysayers wrong.

How to avoid a self-fulfilling prophecy?

Firstly, recognize that conveyancing practice is 50% process, 30% client care and 20% law.

Let's start with the 20% Knowledge of Law

Don't underestimate the importance of property law knowledge because there will be those "problem" cases where sound knowledge of property law and conveyancing practice is needed to resolve the legal issues satisfactorily.

Secondly, the Get the Process Right

Remember, the **cardinal rule** when undertaking high volume legal services is: ***to make money, you need to be efficient and to use your resources efficiently; to sleep well at night while doing it, you need to institute processes and systems that diminish the risk of missed deadlines and renegade staff.***

How do you institute and enforce processes and workflows that minimize risk and ensure efficiency? Here is what we have picked up from observing well-run conveyancing firms.

1. Firstly, such law practices have an experienced conveyancing lawyer at the helm who cares deeply about quality – quality in the work output and quality in the service to the client. These lawyers know from experience where the pitfalls are. They supervise their staff closely and implement policies that mitigate against those risks.
2. Secondly, such practices invest much time and money in training their staff and implementing workflows to achieve a “**zero-defect**” conveyancing practice. They insist on documentation that meets their practice standards practice-wide. They implement standard action / tasks lists for each type of routine conveyancing transaction. These lawyers read the letters that come in and go out; and stay on top of their case loads with a good KIV system and a centralized key date calendaring system that allows them to easily check on the timelines that are drawing near.
3. They also recognize that support staff have to be trained and supervised. Even if their support staff are “seasoned” conveyancing clerks, they still need to be trained in practice standards and adhering to workflow processes that ensure that these delivery standards are met. The magic is not in the “what you do”, but in the “how you do it”. Well-run conveyancing firms will provide new staff with an initiation program that covers the nuts and bolts of the way things are run.
4. Strict adherence to risk management policies must be enforced; and the only way to ensure this is close supervision of your support staff. If you have no interest in managing staff, we strongly recommend that you hire someone else to do it. The person you appoint as operations manager will be responsible for ensuring that your staff meet critical deadlines and deliver work output of consistent high standards of accuracy; while you focus on client care and business development.
5. As for efficiency, don't forget the benefits of automation. Investing in automated document assembly systems will help you to generate standard letters and completion accounts in a fraction of the time. By using pre-set document templates, such systems also ensures that your standard documentation is accurate and consistent across the practice. Automation will help you keep your costs down and help mitigate counter the loss of experienced conveyancing staff.

Thirdly, Show the Client that You Care.

Clients value the personal attention of a lawyer; no matter that it is merely one of 300 other conveyancing transactions managed entirely by an able team of support staff.

Meeting the client to explain the terms of your engagement and the legal value you provide in the conveyancing process shows pride in your service; and assures the clients that their transactions are in good hands. We can give you a thousand reasons why you would want to build a relationship with your client; foremost amongst them is to increase the opportunity for referrals and new work from the same clients.

We believe that if you don't have time to see or speak the client at least twice during course of their conveyancing transaction – once at the engagement stage; and finally, at the “congratulatory” stage at the very end where you handover the house keys or the sale proceeds – then you really need to delegate some of your more time-consuming back-room or supervisory activities to able support staff.

Invariably, when clients complain that a fee of \$1500 is too expensive for their conveyancing matter, it's only because they don't get to see the lawyer at all; and therefore do not appreciate your input. Why should the client pay \$1500 if they believe that it was entirely managed by the staff?

Law practices that cultivate a client-focused corporate culture; one that respects and values their clients, will grow in reputation in this small domestic market; and win you new clients.

When all is said and done, we believe that what all this boils down to is simply this: Believe in the Value you provide and everything else will follow.

Thriving, successful conveyancing practices don't waste time whining about low fees or lack of respect from their clients; they are training support staff, constantly improving their processes, enhancing their corporate image, and creating value for their clients in myriad ways.

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