

THE ULTIMATE GUIDE TO ESPHR

A pioneering approach to ER and employment law support for forward-thinking HR teams



Introduction

The ER and HR advisory market has changed dramatically over the last few years, thanks in a large part to the evolution of never-before-seen legal business and service models. Some have been driven by the advent of new technologies, others reflect the advancement of regulatory frameworks, and there are those that have emerged due to the innovative mindsets of HR and employment law professionals keen to finally break the mould.

The extent of this change presents HR and ER teams with something very important – a newfound degree of choice. Gone are the days when advice was generic, non-commercial and non-strategic via call centre helplines. Now, it extends far beyond risk management and compliance and strives to make a demonstrable – and commercial – difference in the boardroom.

If the right partner is chosen, that is.

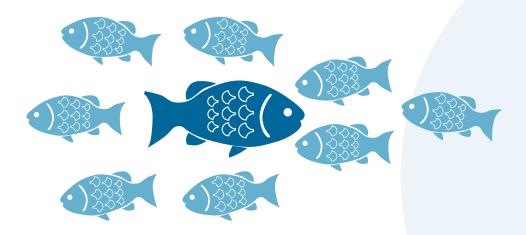
It could also be argued that the market has become so fragmented that it can be hard to know where to turn. Some HR and ER departments still don't know that this much wider level of choice even exists.

This document is therefore designed to bring an essence of clarity so that HR and ER teams can capitalise on the greater freedom and flexibility now found in the market.

We are here to help you be different and make a real commercial difference to your organisation. Let us show you how...

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Getting to know esphr

We are a new-model employment law firm and ER technology business. It is our mission to advise and develop the commercial legal acumen of HR professionals, so that they are better empowered to make a real commercial difference to their organisations. That way, they spend less time administering operational headaches and more time actioning strategic projects that drive meaningful change. We're here to help build robust, successful businesses, fit for the future and armed with the most engaged talent possible.

ESP Law was one of the first employment specialist Alternative Business Structure (ABS) law firms, regulated and approved by the Solicitors Regulation Authority. We are leading the HR world one team at a time, to a higher quality, more flexible and budget-friendly way of tapping into expert employment law advice and integrated online resources, as well access to our market-leading ER case management system 'MyHRCases'.

Facts at a glance:

- ✓ We have acted for over 700 organisations in the UK
- ✓ We have supported more than 300 subscription customers
- ✓ We're trusted by businesses with 44,000+ employees
- ✓ We're the winner of Legal Week's 'Future of Legal Services Innovation' 2019 award
- ✓ Our services are paid for via a fixed annual subscription
- There's more than 100 years of combined employment law experience within our advisory team

100 years employment law team experience

FIXED ANNUAL SUBSCRIPTION

AWARD WINNING

Trusted by businesses with 44,000+ employees

300

subscription

customers

700 organisations in the UK

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THE ESPHR GROUP



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BUT ENOUGH ABOUT US...

Understanding the changing needs of HR teams

HR teams have been stretched – at times to their limits – in two different directions:

- 1. HR has developed beyond a *transactional* function of administration, payroll and operations to a *transformational* one with real strategic business impact. As a result, the complexity and volume of the day-to-day workload has grown.
- 2. HR departments are also increasingly tasked with a mounting caseload of ER issues, at the same time as being expected to drive key workforce development, engagement and culture projects that aid staff retention, development and overall business competitiveness.

It is therefore unsurprising that HR teams naturally often look for external support when it comes to understanding and managing employment law issues. However, from talking to the HR community we have found that this advice **must** be:

- Relevant, up-to-date and most of all commercially focused
- Readily available and provided by dedicated points of contact to drive a deep, personal and contextual relationship, and therefore a tailored rather than generic 'fit'
- ✓ Totally focussed on upskilling the HR team members through patient coaching
- Provided for a known, fixed and best-value budget.



How has the market responded?

In the beginning...

The legal profession in England and Wales is over 800 years old, but for an industry with such heritage, there has been surprisingly little innovation in terms of how legal practitioners work and the way that employment law services are provided.

Law firm types

Global and international firms have long made up the 'top tier' of legal advice provided in terms of size, turnover, reputation and capability. Their clients are usually internationally-based large corporates and the work usually centres upon highly specialist and complex project-based work, such as mergers and acquisitions.

Next comes the large UK national firms. Very much like the top International firms, their strategic focus and capability is in supporting similar large UK national businesses primarily.

Below this strata are **regional firms** who provide legal support to national and regional businesses, often with a degree of sector-specific specialism, such as transport, education or healthcare.

Then there are local, **trusted firms** specialising in supporting organisations in the immediate community.

However, most have failed to innovate key service provision, fees have remained expensive and traditionally paid 'by the hour' and service levels and response times are often poor. There has, therefore, been little change in this market make-up, until 2007.

The Legal Services Act 2007

This landmark statute revolutionised the provision of legal services by opening up the market. It expanded which types of businesses were permitted to engage in 'reserved legal activities' that the aforementioned practices had monopolised for centuries. It represented the birth of ABS law firms.

In simple terms, enterprises offering legal services were now permitted to be owned and operated by non-lawyers, under the regulation of respected bodies such as the SRA. And the intent was clear – to break the cartel, deliver greater competition, present newfound flexibility, encourage innovation and, ultimately, drive change. Technological advancements and model disruption accelerated this mission.



GLOBAL AND INTERNATIONAL LAW FIRMS



LARGE UK NATIONAL FIRMS





LOCAL TRUSTED FIRMS



ABS LAW FIRMS

The emergence of 'stop gaps'

As the traditional legal market struggled to evolve quickly enough, non-legally regulated providers came to the fore, swiftly grabbing significant market-share.

Wider options started to be introduced:

HR helplines

Non-legally regulated consulting companies specialising typically in employment law plus health and safety services emerged in the late 70's and early 80's, to try to fill the growing need for day-to-day compliance support, especially in small businesses. Over time, these helplines expanded their offerings to include HR consulting, administration and software support, alongside their traditional insurance-backed telephone helpline services.

Online HR resources providers

A self-service, DIY option providing best-practice document precedents, information and news emerged throughout the 1990s and early 2000s. Containing all necessary compliance resources – templates, checklists and advice on routine ER procedures – online providers became increasingly popular thanks to the rising reliance on the internet. Also, focusing on the operational side of HR, this option provided organisations of all sizes with the operational tools they required, without the need to call on external legal support.

However...

Increasingly visionary HR teams began to question the quality and more generic, risk-averse and non-commercial nature of advice on offer from insurance-focused, non-legally regulated suppliers. No customer protections were provided, as advice was, largley, not legally privileged, and there is no consumer-focused regulatory framework in place for these firms.

As a result, many professionals reverted to traditional law firms for 'specialist advice' when things became complex. A reliance on two or three different suppliers, for various types of service, soon became the norm – even when it came to managing one ER issue.

In-house ER teams

Larger organisations attempted to solve the service conundrum by investing in the development of specialist in-house ER teams and procurement of technical online legal resources such as Nexis and PLC were extensively used. Whilst comprehensive, these online research-based services are intended for use by the legal profession primarily and are not typically easy to navigate or use for front line ER and HR teams.

The OLD employment law and HR advisory market

The employment law and HR advisory market, as we knew it, therefore started to move from this traditional make-up...

REGULATED LAW FIRMS

Top/Specialist Global and International Law Firms

£100-£400M T/O - GLOBAL AND INTERNATIONAL

Top/Specialist National Law Firms

UK - £50m - £100m

Top Regional Firms

UK - £10m - £50m T/O

Local Firms

UK - £500k - £10m T/O

NON-LEGALLY REGULATED PROVIDERS

Independent HR Consultant

CIPD HR CONSULTANCIES

Fixed Fee Regulatory Consultancies

INSURANCE FOCUSED HR HELPLINES

Legal Expenses Insurance Policy

LEGAL EXPENSES INSURERS

Trade Association Helpline

SMALL BUSINESSES

Free Advice

ACAS

REGULATED LAW FIRMS Proposition:

- Specialist and complex projectbased commercial advice
- Eyewatering hourly rates

Target market:

- Vast global and international firms
- Mid to large sized UK organisations (500-5,000 staff)
- Local firms supporting local businesses

NON-LEGALLY REGULATED PROVIDERS **Proposition**:

- Cheap, fixed costs
- High volumes of work
- Relatively routine, simple matters

Target market:

• Primarily small UK SMEs

Bridging the final gap

Still, nothing wholly satisfied the evolving requirements of forward-thinking ER and HR teams. They were being increasingly pressured to understand how employment law is applied in practice, yet suffered from either highly expensive advice from the legal industry or generic risk-averse feedback from the HR helpline market. Neither enabled them to deepen their own knowledge and enhance in-house capabilities.

Few law firms rushed to seize the opportunity to change their business models in line with the Legal Services Act.

However, reassuringly, an option now exists that specifically reflects how an organisation operates and what the HR team truly needs. Businesses are no longer required to adapt to suit the protocol, structure or culture of a traditional law firm, an HR helpline provider or online HR resources supplier. The days of 'settling' are gone.

That option, is us.

Where WE sit in the employment law and HR advisory market

REGULATED LAW FIRMS

Top/Specialist Global and International Law Firms

£100-£400M T/O - GLOBAL / INTERNATIONAL

Top/Specialist National Law Firms

UK - £50m - £100m

Top Regional Firms

UK - £10m - £50m T/O

Specialist ABS Employment Law Firm + Integrated ER Tech Business

ESPHR

Local Firms

UK - £500k-£10m T/O

NON-LEGALLY REGULATED PROVIDERS

Independent HR Consultant

CIPD HR CONSULTANCIES

Fixed Fee Regulatory Consultancies

INSURANCE FOCUSED HR HELPLINES

Legal Expenses insurance Policy

LEGAL EXPENSES INSURERS

Trade Association Helpline

SMALL BUSINESSES

Free Advice

ACAS

ESPHR

Proposition:

- Subscription pricing
- Online resource integration
- ER case management system access
- 10 years plus PQE lawyers
- Award winning law firm
- Personal and tailored service
- Supported over 300 subscription customers (some with over 40,000+ staff)



The benefits of **esphr**

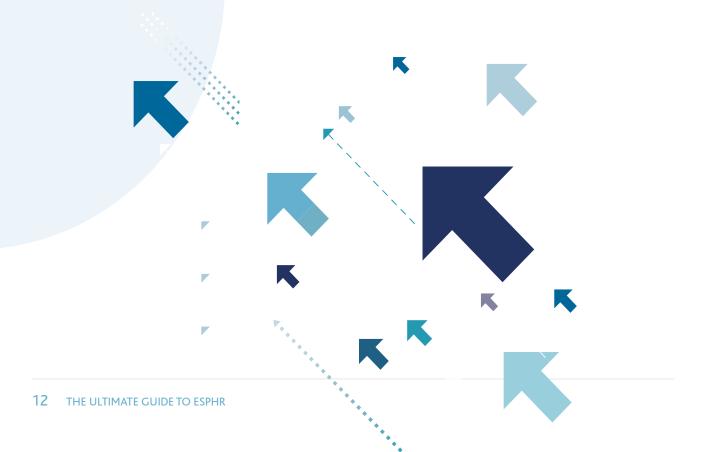
Once a much-sought-after new entrant to the market, esphr is now trusted by some of the most well-known brands within the UK. We offer:

- ✓ Unlimited access to ex-city law firm lawyers with 10+ years' PQE experience, allowing a longer-term and deeper understanding of customers' specific issues. With no monthly billing targets, they purely advise rather than sell. They're judged on customer service levels alone
- Every HR user is allocated a 'lead' and 'buddy' ESP Law advisor, whose aim is to respond to every enquiry within one hour for subscription-based advice, or mutually agreed timescales for consultancy work
- Telephone, email or online chat options are all available to suit you
- Fixed subscription pricing for market leading legal services, enabling HR teams to control their budgets with certainty
- Fast-paced operational support to deal with issues immediately, reduce workloads and improve productivity
- Integrated online employment law and HR resources
- Access to market-leading ER case management software, with one-click employment lawyer integration.









The advantages to HR and ER teams

The typical tripartite, self-built HR service model was fragmented, inefficient and costly, with no overall service accountability.



But esphr has:

- ✓ Aligned the provision of these three key integrated service elements
- Removed the barriers to accessing employment law support exactly when it is needed
- ✓ Deepened the level of business-specific, commercially savvy advice given to customers
- Provided a single point of quality control one trusted supplier
- Enabled HR teams to reduce costs, for a fixed annual subscription, rather than 'on the clock' billing.



What do I need to consider?

So, whilst making the leap to a new partner may feel like a bold move, ask yourself:

Would you like to save time and money, and achieve budget certainty? Do existing partners deliver EXACTLY what you and your organisation really needs? Don't accept the status quo – instead envisage how things could be?

Are you striving to upskill your team whilst receiving pragmatic, business-focused advice from a partner that feels like an extension of your organisation?

Do you know what alternative options exist and, more specifically, which ABS law firms have been quietly establishing footholds in the market?



We may not have answered all your questions in this document – in fact, we've hopefully left you with plenty more to explore, with our help.

It's our mission to advise and develop the employment law capability of HR professionals wherever we can, helping HR teams make a real commercial difference to their organisations. That way, you spend less time solving operational issues and more time actioning projects that drive far-reaching change in your company.

Call **0333 006 2929**, email **info@esphr.co.uk** or visit **esphr.co.uk** today to discover exactly how we can help you.

Join us: 🔰 in

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