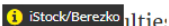




 A City Law  
Firm founder

**Karen Holden**  
Founder and Solicitor  
A City Law Firm

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**I started my own business seven years ago**, but unlike some entrepreneurs I never had a burning ambition to build my own empire. In fact, the option to be my own boss never really occurred to me, until the opportunity was staring me in the face.

Prior to starting my own business, I was a successful and well respected solicitor at an international law firm, handling high-profile cases and enjoying the security of a healthy monthly wage.

In parallel to this, I had become disillusioned by the industry and the way we were treated. Clients had become numbers, billable hours were more important than quality work and there was little staff development. Overall, the environment became quite oppressive.

After careful consideration, I thought about starting my own practice where I could offer clients integrity, quality work, fixed fees and a friendly approach, and would be able to enjoy my job again.

In 2009, I took the plunge and left the cushioning of a big corporate to start [A City Law Firm](#), providing legal expertise to entrepreneurs, startups, celebrities and high-net worth individuals.

Starting my own law firm was an incredibly liberating and proud moment in my life but I quickly realized how difficult the following months were going to be – I started with the concept before I even had premises, guaranteed clients or cash, so here are the big challenges I faced.

### Convincing clients to move to a new venture

One of the biggest challenges was convincing my existing clients to follow me to my new venture.

I had clients that had been with me throughout my entire career (even from being a trainee) who I hoped would automatically come with me, but I had to ask myself, why would they risk their business in a new enterprise with no reputation to impress or intimidate litigation respondents? Why would they trust me with no financial track history and no guarantee the company would survive?!

I drafted a business plan and pitched to my clients, explaining the whys and wherefores, and quite honestly laid myself bare. Looking back, I was asking my

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clients to take a leap of faith and trust my instincts and integrity because they had nothing else to go on. I had no website, no firm name or even an address at this point, so the determining factor was ME.

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**“During this time, when cashflow was not consistent, I relied heavily on credit cards to pay salaries, rent and utility bills.”**

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All but one client came with me and this was the moment I knew A City Law Firm could officially trade as a business. My longest serving client of 13 years is still with us and his company offers us much support and confidence and it was an integral part of our inclusion in the Legal 500 this year.

I set up in Devonshire Square, near Liverpool Street Station, where I initially took one room, then two, then the entire floor. In the early days I was the sole solicitor until I started moving my former staff over to join me and then started recruiting. We are now a happy team of 12 with a new starter in December.

### **The stress of managing cashflow and growth**

As the client base expanded and my level of work grew, I needed additional staff and bigger premises, but with little cashflow it was very difficult to build the business.

I was often in a situation where clients were late paying their bills and it could take months to pursue them for monies owed. During this time, when cashflow was not consistent, I relied heavily on credit cards to pay salaries, rent and utility bills. It certainly wasn't ideal but enabled me to keep the business afloat for the first year. I did not have a pot of cash to invest in the business and was loathed to take on a loan.

This was a terribly stressful time for me as a business owner and also very distracting to me as a solicitor. Even more so when the recession hit the City of London and everyone said new business ventures were more likely to fail. My husband was very supportive and even in the early days volunteered his days off to assist me.

Looking back, there were times where I thought I would have to merge or consider third party investment, but I really didn't want to grow too fast too soon without the experience and right partners. I instead grew organically and was prepared to balance my budget carefully and sacrifice what I could personally to survive.

Following a structured plan for the business, we managed to survive the recession and expand. I employed a couple more solicitors and we moved into a much larger building.

## Employing the right people and dealing with paternity leave

Getting the right people is the hardest thing for any business or employer. Get it right and they are the driving force to success. Get it wrong and they take you and your business down with them. I did sadly have to go through some early changes when I started out as some staff were simply not suited to the dynamic and proactive style of firm I was building.

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“ I’m grateful for every single set-back because it made me the entrepreneur I am today.

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I had to make some tough decisions including sourcing a replacement for my three-month maternity leave. Who was I going to trust to look after this baby whilst I had another one to nurture? Luckily, a friend of mine with some experience stepped in and took charge. Although my staff struggled with the short-term changes, everyone mucked in and when I returned from maternity leave I could pick up the reigns and learn from the changes too.

Some of my staff have worked with me since 2007 and are now associates, directors or head of departments. I have a fabulous team in place with a strong work ethic. I even had one member of the team commute from Birmingham for two years when her husband was relocated, rather than give up her role at the firm!

## Building a successful law firm

The survival, growth and success of A City Law Firm has been driven by the loyalty of our clients and the ability, as a smaller firm, to react quickly to the market and be flexible with its clients and staff.

Our clients are an integral part of our company and many have developed alongside us to become high-net-worth individuals or companies.

The nurturing and family orientated feel of the firm has created a hub for business development with our clients, associates, neighbours and staff.

I believe that the entrepreneurial spirit of A City Law Firm has enabled us to become the successful operation we are today and despite the early stage struggles, I’m grateful for every single set-back because it made me the entrepreneur I am today.

#### About the author



Karen Holden

Law Firm Karen Holden is the founder of A City Law Firm, the go-to legal founder experts for entrepreneurs, start-ups and celebrities.

A City Law Firm specialises in a variety of areas including investment,...

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