

Vehicle for Change

Client Teams and Client-Service Interviews

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Client-service interviews are acknowledged as a best practice and as the bedrock of a solid client -care and -loyalty program. More and more law firms are investing the time and money necessary to conduct regular client-service interviews with key clients and are looking for ways to incorporate the feedback both to improve delivery of service and to inform strategic planning and growth initiatives.

If law firms see the value in listening to their clients and understand the importance of responding to their feedback, why is it so hard to make it happen? Why are law firms falling down on implementing feedback, and what can marketing professionals and firm management do to make sure that the firm is getting the most out of a client-service interview program? How can feedback be addressed in ways that ensure that the client experiences a positive change?

Significant benefits can be realized by exploring common impediments to implementing feedback and understanding why long-term changes are hard to make. Law firms that have successfully implemented client feedback are using client teams to galvanize attorneys who are well-positioned to change their own behavior and motivate others who service the client. Law firms and marketing departments can learn a great deal by closely analyzing the use of client teams as the vehicle for long- and short-term changes to enhance client relationships and inform firm strategy.

Impediments to Responding to Feedback

Lawyers are in a service business, and they want to do the very best work they can on behalf of their clients. Most attorneys want to respond to feedback in a way that enhances the relationship and demonstrates a commitment to good service. So why doesn't it always play out this way? There are several common reasons that firms fall down on implementing client feedback.

- *Denial.* Many lawyers are inclined to believe that negative feedback is limited to a specific client or is a one-off situation, not a “typical” client experience.
- *Shortage of time.* Clients want their attorney to understand their industry and the business context in which company executives are making decisions. Doing this is very time intensive for attorneys and many lawyers seek to short-cut this process rather than differentiate themselves on the basis of understanding their clients’ industries.
- *No one’s watching.* When people in firm management and leadership positions don’t hear or see the feedback from client-service interviews and don’t take ownership for ensuring that proper actions are taken, lawyers are not held accountable for acting on client feedback. If lawyers don’t perceive a sustained commitment from the management, it’s easy to slip back into old habits.
- *Work in silos.* Attorneys default to silo work habits and much of the feedback from the client takes a team effort to implement. Team effort takes strong communication and management skills, and unfortunately, many lawyers lack these skills.

In order to ensure that feedback is implemented in a sustained, long-term manner, firms need to address these impediments while acknowledging that most lawyers are eager to participate in a client-care initiative.

Client Teams are the Vehicle for Change

Most firms see the benefits of client teams for cross-selling and institutionalizing clients. By expanding the number of lawyers with access to a client and cementing relationships among members of the service team, firms are well positioned for more work and for enhanced client loyalty.

When it comes to implementing feedback from client-service interviews, client teams can provide the necessary framework for success. When results of a client-service interview are shared with members of firm management, as well as with multiple attorneys servicing a client, accountability for responding to feedback is spread among multiple lawyers. Since all members of a service team have a vested interest in the client’s satisfaction, under the leadership of senior client team members, the entire client team will support and participate in improved delivery of service.

When a client-service interview program is initiated, it’s important to articulate at the outset of the project who will receive the feedback and how all feedback, including negative or difficult comments, will be disseminated. It’s also important that service issues be treated as an opportunity for improvement and for additional work, not as a threat to specific partners and lawyers who service the client.

Develop an Action Plan

When a client team receives difficult feedback, the first step is to formulate an action plan for responding to the information. Regardless of the type of feedback received, the client manager or team leader should thank the client for their candor and reiterate the team's commitment to addressing areas for improvement.

In the hundreds of the client-service interviews we have conducted, we have learned that much of the feedback provided by clients is not negative and falls in the category of being more proactive and providing added value. Based on this, it is imperative that the majority of the client team be involved in creating an action plan that addresses the entire team's ability to provide service that differentiates the firm and the service team. This often means holding more frequent client-team meetings to ensure that all members of the team are following through on their tasks. For instance, if the client-service interview reveals that competitors are more proactive about staying in touch with the client, the client team might develop a multi-pronged initiative to stay closer to the client and the in-house legal team. Action items might include conducting focused and customized on-site educational programs for the in-house legal team, paying your client's way to an important industry seminar and attending with them to show commitment to staying on top of trends, and quarterly visits or meetings to learn about any changes or developments in their business or industry.

By involving more people, the firm reduces the likelihood of procrastination or denial of the importance or relevance of the feedback. Involving multiple people also spreads the work around and helps lawyers manage their time. Also, when client team members take ownership of the action plan, everyone is held accountable. Finally, if the client manager provides status reports to members of firm leadership, another layer of accountability is introduced.

Ingredients for Success

To be effective, the plan needs to be specific and must outline changes and actions that will take place. The steps should outline behaviors that will be perceived by the client as responsive to their feedback. In developing an action plan, the client team might ask the relationship manager or client team leader to meet with the client to discuss proposed steps and to ensure that the team is addressing the feedback in an appropriate manner and to incorporate any additional ideas the client may have.

Most of the time, service interviews reveal that the client is very satisfied with their law firm and they suggest that the lawyers do more of what they are already doing: more value-add services that demonstrate a commitment to understanding the client's business and needs. The action plan should identify the specific differentiating attributes that the client has articulated so that client team members can provide more of it. For example, lawyers are often well-positioned to make introductions or to build relationships that benefit

the client. The client team can pool their resources to help refer new business to a client, help them solve a business problem or introduce them to another industry leader.

Another action item might include developing a fuller understanding of how a client's legal team interacts with the business side of the corporation. Many in-house lawyers express their need for outside counsel to help them explain difficult legal concepts in terms that the business leaders can understand or to help them identify and communicate risks without stalling or upending an important deal or transaction. Understanding who the in-house legal team works with and how decisions are made can make outside counsel an invaluable member of the team—and differentiate the firm from its competition. A client team that is well informed on this topic is capable of reacting more quickly and appropriately to the dynamic needs of their client. This is an effective way to give the client frequent opportunities to build a relationship with members of the service team who might not be currently engaged on a matter and to tell the client team of any new developments that are impacting the client's business. It's also a tangible way to demonstrate a commitment to an ongoing dialogue about service delivery and future opportunities.

Bringing it All Together

By using client teams to implement feedback, a firm addresses many of the common impediments for successful implementation of client feedback and holds lawyers accountable for participating in the team's efforts. In streamlining the delivery of service across offices and practice groups by formalizing a client team, the firm is more agile and can respond quickly to the client's changing needs and to new opportunities for additional work.

Using client-service interviews to inform the actions of the team ensures that everyone is on the same page and working toward a common goal of delivering outstanding service and turning a satisfied client into a loyal and long-term client.

Partnership structure. Although many firms learned their lesson the last time around and have been sparing in their admission of equity partners, there has been a worrisome trend toward multi-tier partnerships. They were created for at least four good reasons:

- To softly lengthen the partnership track;
- To allow management to make more informed up-or-out decisions about the business development skills of young attorneys;
- To provide a career track for lawyers with narrow expertise in an area, such as tax or ERISA, that some firms need but do not want to expand; and
- To provide a haven for highly valued partners who want to work reduced hours.

In recent years, too many firms have strayed from the sound origins of non-equity partnerships. They have allowed power partners to push associates across the line into non-equity status, arguing that they need them to service their clients. The economics appear attractive at first, because clients correctly perceive value in having these highly trained lawyers available at less-than-equity-partner rates to run deals and litigations, most often as second and third chairs. And what better way to improve retention and morale than to make every associate left standing after seven or eight years a partner, albeit non-equity?

There has been a clear domino effect at these firms: Once an exception is made for one partner's pet associate, other partners want their own. Why not? It is much easier to assign a senior, well-trained lawyer to a client's matter than to have to train a young associate, writing down (and then writing off) the partner's and the associate's training time.

The result has been a bulge of aging, expensive, second-tier income partners who were once profitable but are now entering years of reduced productivity with compensation that creeps higher and higher. This comes at the expense of profits per equity partner. And the impact isn't just financial. These income partners block opportunities for Generation Y associates to cut their teeth on challenging work and cause the brand dilution that occurs when a firm has platoons of senior lawyers running around with the title "partner" but firing on less than eight cylinders.