

Delivering on your Clients' Relationship Expectations: from efficiency to effectiveness

It's fair to say that in these uncertain economic times, the quality of your commercial client relationships is critical to your continued success with them. But what is this relationship actually based on?

Often, a client relationship develops without conscious attention being placed on it. Put simply, we develop relationships based on our own habits, values (what we feel is important) and the specific circumstances, opportunities and individuals we find ourselves with. Thought of in these terms it might be surprising that so many client relationships last as long as they do and continue to deliver for us. But what about the ones that fall by the wayside? We can often put these 'failures' down to any number of circumstances that were 'beyond our control', but in a lot of cases there are signs that we could have responded to...if only we had been looking.

One of these signs is the client's changing expectations as the relationship with their law firm develops. What we outline below comes from some extensive research that our colleagues at the [Møller PSFG Cambridge](#) have done into buyers of legal services and what they are looking for from the firms with which they partner successfully. What we have found is that there is a 'tension' between what the law firm is comfortable providing and what the client actually wants in terms of the relationship and how it is measured.

Efficiency

When a client appoints a new law firm both parties are, in a sense, testing the new relationship. The client engages the firm on a matter and the work progresses. Not unsurprisingly, at this early stage in the new relationship, the research shows that clients focus on the firm's ability to demonstrate efficiency. They are keen to know that the firm is accurate around their estimates, sticks to the budget and provides a transparent service. In our experience this often fits with how professionals within the law firm like to judge success.

Where a gap begins to occur between the client's expectations and those of the law firm is when the relationship matures. After a few matters have been successfully concluded by the law firm on time and, hopefully, to budget, the client is satisfied that the firm can deliver against the 'efficiency' yardstick.

Responding 'in the system'

The research shows how the client's focus now moves on to how the firm responds 'in the system'. Both parties have invested significant time in the relationship and the law firm now benefits from knowing more about the client, their issues and how they like to do business. The client can really benefit from

this if it is leveraged by the law firm. It can provide economies (quicker briefing times and less background explanation), better results for both parties and give the client useful value-added input and challenge that a firm less knowledgeable of their context and needs would find it difficult to provide.

The challenge to the law firm is: do we recognise this change in focus from our clients and act on it appropriately?

Do you really leverage this additional context and knowledge you have in a way that deepens the relationship or do you simply keep responding from the perspective of efficiency? If the client sees that you do respond well in the system you are much more likely to develop a much deeper relationship with the client. This is the move to effectiveness.

Effectiveness

Effectiveness is very different from efficiency. It is about adding real value to the client's business. This often requires deep knowledge of the client combined with the ability to bring challenge to them. You are keen to do the right thing for their business rather than simply take the matter on and if this means you question the wisdom of the matter with the client then that is what you are likely to do. This assumes a good deal of trust has been established between client and firm.

The research shows that firms are looking for effectiveness rather than efficiency in their more mature law firm relationships. Our own individual experience is that there is often a reluctance on the part of the firm to deliver fully on this need. There is often a 'natural law of gravity' that seems to attract fee earners to a focus on the billable hour when the clients are actually often open to more creative solutions. These solutions might include value billing, uplifts and the like but we find a lot of fee earners reticent about proposing such options.

It is interesting that at the truly value-driven end of a client's business, where a successful outcome on the matter has a material impact on profitability, fee earners would often be 'pushing at an open door' when proposing more creative billing solutions. This might give them the possibility of offsetting the more commoditised work, where there is price pressure, against that work where there is a demonstrable value. The research indicates the client might be open to these conversations...if only the lawyer was to suggest it.

If in doubt, ask...

At the heart of the most effective commercial client relationships is the ability to have clarity around a client's expectations. If more fee earners were to ask what was important to the client around how they work together then they may feel more confident in moving the relationship in order to deliver upon these desires. The ability for a fee earner to be truly effective at managing commercial

relationships is based to a large extent on their knowledge of themselves, their beliefs and their relationship 'habits' which set the patterns of behaviours.

Our programmes focus on these important aspects. We have found that by making very small changes in how you approach a relationship you can bring about significant positive and sustainable change. A lot of fee earners, unfortunately, can go through an entire professional career without questioning these habits and beliefs.

If you would like to talk to us about any of our programmes, or would like advice on a particular issue, please email sue@rtplegal.co.uk or call 01903 813897.