



Client Feedback

Law firms invest significant resources in evaluating past performance. Predictive indicators of performance – identifying what is likely to occur and providing insight into why – are of greater value. Consumer product and other market driven companies invest in market and customer research. Law firms have the opportunity to do the same through client interview programs.

Client interview programs provide a structured approach to finding out from clients how adequately the firm currently meets their needs and expectations, how well the firm performs on these criteria compared with competitors, how clients see their needs developing in the future, what the firm needs to do to strengthen its position, where the opportunities lie to win further work, and so on.

While formal client interview programs are well established among a small number of law firms, most use client research infrequently at best while some, including a number of very sizeable firms, have never conducted independent research of their clients. Overall surprisingly few have formal, structured, and most importantly, on-going processes for capturing their client perspective in a systematic and objective way.

This, we believe, is a serious shortcoming. And in particular during a period when client expectations are changing so rapidly, market pressures are increasing, and the need to retain existing and attract new clients has never been higher.

Some of the arguments we hear against conducting client research include:

“Our partners know the market very well; they certainly know our clients better than anyone. They talk with them and do business with them regularly, and they naturally act on this knowledge. How can researchers tell us anything we don’t know already?”

“Conducting research via questionnaires or interviews will upset our clients. They’ll see it as a nuisance and an intrusion”.

“It will reflect badly on us. Our clients will be surprised that we’ve called people in to do this work. They’ll wonder what is wrong”.

“Our partners will question the basis of the findings. We have a wide range of clients and they can’t all be covered by a survey. So it will cause dissension in the partnership and some will reject it”.

“Client research is not a priority, so we can’t justify doing it. Our main concern is to manage our overheads (including marketing) so that we keep a tight grip on costs to produce PEP in line with partner expectations”.

These objections to undertake independent appraisals of client relationships assume that a firm already has all the information it needs, or that the knowledge that each individual partner and associate already has is effectively

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shared and sufficient to ensure that the relationships are managed in an optimal way. Our experience contradicts this benign view of the world.

We find that even in extremely well run firms with excellent partners who share a strong sense of client care in service management and delivery, a formal client research program will produce new insights, increase everyone's sensitivity to the key concerns of clients, identify new trends in the market, provide valuable information on competitors, and, perhaps most importantly of all, lead to opportunities to strengthen and build client relationships. It adds, not detracts to the bottom line. And clients participating in such programs also find them worthwhile; appreciating the opportunity to input into a process whose aim is to improve the service they receive.

And where a firm or practice group is less well run, the findings from client research can quite literally be transformational and at extreme, 'relationship-saving'.

Of course partners are always seeking to improve their understanding of clients. In the main, however, this focus is on completing the current instruction and hence there tends to be a task-oriented, shorter-term perspective.

Unfortunately, even when partners do receive valuable input from clients it is often somewhat anecdotal (is this a one-off occurrence or an indicator of an on-going trend?) and there will likely be no structured way of sharing this information with a wider group of partners or management. Furthermore, human nature can conspire against obtaining more critical information: the client may feel reluctant to be fully frank in giving feedback face-to-face to a partner with whom he is or has recently been working and even if such criticism is given unambiguously, the partner may not 'hear' what is being said. He may become defensive in reflecting on it, and convince himself that it is invalid, or addressed at his firm rather than himself, or is the client's fault anyway. Lastly partners may have little time or inclination to focus on higher-level, longer-term issues.

So while such anecdotal feedback gathered by individual partners is of value, it is unlikely to provide a wholly complete or accurate picture and there is a high likelihood of considerable bias filtering into both its collection and onward communication.

The good news is that more firms are establishing robust client research programs; we have seen a significant increase recently. As firms transition from either no formal program, or an episodic client interview program, there are a few best practices to consider, including:

- **Make it a management priority.** While the marketing group can lead and support the effort, management must make a significant commitment to the initiative on an on-going basis.
- **Identify clients thoughtfully.** While clients who spend significantly with the firm should certainly be included, also include clients where fees have flat-lined or dropped; feedback from such clients is often more instructive than wholly satisfied clients.
- **Customize the process.** Some clients may warrant the attention of the firm chairman or senior partner; others may be best undertaken by an independent third party.
- **Set a schedule.** Client research should be an on-going process, not an occasional, discrete initiative. Establish a regular schedule for client meetings and a process for collecting, evaluating and sharing the feedback.
- **Follow up.** Ensure follow up with clients who participate. There is nothing worse than clients believing that constructive feedback they have given has not been acted upon.

There is no law firm that positions itself as anything but wholly client-centric. Having up-to-date, accurate and objective input from clients is central to this. It is truly critical input to helping ensure that the firm will continue to

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meet the needs and expectations of its clients to the very best of its capabilities. And never more so than during periods when demand is relatively flat and clients ever more demanding.

In our experience as long as the findings are acted on client interview programs are investments that invariably deliver an excellent return.

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