CLIENT LISTENING IN 2021

In this 3-part series of short articles, we explain how law firms are using "independent client listening" to generate new business, strengthen ties with clients (referrers and business partners too); to develop new service propositions valued more by clients, innovate on service delivery and develop a client-focused culture across the business. It helps lawyers to find tangible new ways to differentiate from competitors and future-proof relationships with clients.

Our independent client listening is just one part of the feedback gathering exercise. It runs alongside regular partner reviews, client satisfaction and experience questionnaires, online reviews and matter reviews, which are all most effective if they are used at all key stages of the work. They help to identify where you should focus your client listening initiatives.

PART 1: Develop New Options to Match New Expectations

"For the smartest firms the opportunities are waiting to be seized, but it will take a dynamic and questioning mindset and an ability to look at the business from the client's point of view, to be consistently successful."

The Age of the Client – LexisNexis Bellwether Report

This is a great time to listen hard to clients. You know their expectations have changed ... but how? You have changed how you use technology under the lockdowns and so have they. You are probably more in synch on how you use technology now than ever, but are you talking about it? If you do, there are plenty of opportunities to add more value to your service, when your competitors are not.

What do they want to achieve now after the lockdowns … for the business and for themselves. You want to know what your practice can do to add more value to your service for them.

The best way to find out about this is to ask and explore options; but ask with an open mind and a willingness to change, adapt and develop what you currently offer, to develop and deliver new service propositions.

Independent Client Listening is …

- **The best first step** when you want to introduce (or re-launch) a meaningful CRM "Client Relationship Management" strategy or initiative; one which enables you to differentiate your practice from competitors.
- **A catalyst to develop new services** and methods of delivery that add value to your services; which differentiate your practice from the competition. It enables law firms to explore options to disrupt the status quo for the better and to innovate; do things very differently.
- **Shared Reflection and Innovation** – to identify what might be possible; then explore options and find solutions that hadn't been considered (possible) before.
- **Ammunition to help change attitudes and practices**. Once lawyers know what clients really want, they generally knuckle down to find the best way to deliver it. It gives your people confidence to innovate and makes a more interactive relationship with clients more rewarding.
- **A successful way to generate substantial new business from existing clients**.
- **Not just for clients.** It works for introducers, referrers and business partners too.

Help Lawyers Visualise What Can Differentiate

Our experience shows that most lawyers need help to envisage – sometimes radically different - new ways of working with and providing services to clients and business partners; often involving more collaborative and integrated working relationships. With long-standing relationships, it can be very difficult to see the wood from the trees as handling day-to-day work the way we currently do becomes the norm. It is very difficult to consider any significant change, if it is all running along nicely; as it often does. But then …

> *"80% of lawyers think they're delivering above average service … but only 40% of clients say they are receiving it."*
>
> *The Age of the Client, LexisNexis Bellwether Report*

The way people do business has been transformed in even the last 5 years, with dramatic developments in IT, communications, working practices, efficiency, restructuring of business, working patterns, attitudes to collaboration, use of data and much more; all of which creates new challenges and opportunities. Every owner and manager in business clients you work with is considering how best to respond and capitalise on these developments – now and for the future.

Do you know what they are thinking and how best to respond?

Every business owner, CEO, FD and COO thinks – just like you - that what they do makes a difference; they can't all be thinking and doing the same. They are looking to play to their strengths and the strengths of their business to make them successful in their world.

How can you play some part in making that happen, even if only in some small way for now?

What changes could be made in the way you deal with them and their business to help them achieve their personal and business goals and objectives? Breaking the status quo is otherwise very hard to justify.

Does Client Listening Work?

Resoundingly, yes. As a direct result, we can demonstrate that:

- Closer and more personal working relationships have developed.
- Radically new service propositions have been introduced.
- Issues that would have remained hidden have been exposed and addressed successfully.
- Clients that would have been lost have been retained.
- New instructions have started to flow from new parts of the business.
- More collaborative and integrated ways of working together have been developed.
- Lawyers get inspired by clients and become more confident to innovate.

This kind of approach enables your good people to get better in managing client relationships, which we see as even more critical for law firms going forwards.

The 10 Key Steps

We will elaborate on each of these in Part 3 of this series "Getting Started: How Independent Client Listening Works In Practice" but so that you can see what is involved here, those key steps are:

1. Choose the clients – between 5 and 20 for a pilot.
2. Audit and review each with us – with your key contact at each
3. We research the business, the people and the sector
4. We agree discussion topics with you.
5. You get approval to engage from the key contact at the client
6. We engage, set up and deal with a batch of meetings on Zoom or Teams
7. You thank the client after the meeting and give timescales for a response
8. We report back to you with findings, conclusions and recommendations. We run at least one internal workshop to explore information gathered and response
9. Further internal discussions to share learning, agree and action steps needed to respond
10. You report back to client on proposed actions – and proceed from there.

What does Independent Client Listening Feel Like?

We will explain in Part 2, why independent client listening is highly effective. For now, here are a few of the questions we are likely to include in the tailored "Discussion Topics" document that we use as the starting agenda for an interview with each client involved

Some examples to give a feel for just part of the territory we cover with most clients:

- What do you see as your main business challenges and opportunities over the next 18 months?
- Where is your personal focus likely to be during that time? Your key priorities? What would success look like for you? Any performance measures?
- Have you discussed/considered how a strategic relationship with providers of lawyer services can be most valuable to your business? What bearing could this have on which law firms you instruct?
- What changes (if any) would you like to see made to the team within [Law Firm] that deals with your work and how they operate?
- How would you like to see the relationship with the firm develop over the next 12-24 months?
- If the firm were to make just 2 key improvements, what do you think they should be?

For more information or to discuss how this could work for your practice - in confidence and with no obligation - contact Allan Carton on 07779 653105 or at acarton@inpractice.co.uk

www.inpractice.co.uk

PART 2: Why "*Independent*" Client Listening Works Best

Focus Initiatives on whatever clients value – make it tangible.

Law firms should combine *independent* "client listening" with other relationship, account and business development activities as all have a part to play.

We use independent client listening at the front end of most projects, to get a perspective for our clients - from theirs - about what they would value as tangible outcomes for them of the initiative we are about to work on. It helps dramatically to inform the project and the results our clients want to see from it.

Bear in mind that all our key areas of work have a direct impact on clients, so this is very pertinent. All are aimed directly at adding value to our legal clients' services – revolve primarily around technology, client relationships (from CRM strategies and systems, through research and systems), process improvement (including "lean") and development of the skills needed to make the most of these enhancements to the capability of the practice.

Client listening can be used in many different contexts, some of which we outlined in the first article, but overall it:

- Is not rocket science
- Explores the personal and business objectives and priorities of the client; their world.
- Is personal, to actively engage with clients, meaningfully about their views and plans.
- Recognises that people run your client's business and that they don't all think the same
- Makes clients feel valued and involved
- Identifies some trends for groups of clients and sectors
- Enables your practice to make decisions based on client preferences and strategic needs
- Takes the guesswork and navel-gazing out of how to deliver legal services
- Brings people closer, creates creative thinking time and positive debate.
- Results in action
- Generates new business.
- Enables lawyers to innovate with confidence

The best results are produced from one-to-one, face-to-face interviews and we are reluctant to carry out any relatively small scale initiative in any other way. As the numbers rise, it makes more sense to incorporate some other forms of listening; perhaps telephone calls or Skype for one-to-ones at a distance, but interaction is essential. Focus groups can be very productive too in the right situation, but can be expensive and challenging to coordinate for the right mix of people.

Listening Looks Forwards – Not Backwards

Client Listening is not about "client satisfaction" related initiatives, which have a big part to play too and are much more prevalent in the legal sector. They tend to look backwards at what service has been like, asking "how are we doing, what could we do better?".

Client listening looks forwards to what the relationship and services should look like in the future asking "What can we do differently … to give you more value from our relationship and the services we deliver for you?". Everything should be up for discussion - no holds barred. The past has got you this far, to establish the relationship, but expectations and possibilities have changed radically.

Independent Listening – A different perspective

Independent Client Listening involves the introduction of an experienced, objective view to add a new dynamic and a different perspective. Our experience has shown that this involvement very often opens up new, totally unexpected, opportunities that would not otherwise have been identified.

Why this works so well, so often?

- The business people we talk to have generally never experienced this kind of investment and interest in a relationship with them from a law firm. They recognise it as exceptional now. Perhaps it wouldn't have the same impact if all firms did it.
- Being independent, we can talk candidly and very directly about their personal and business objectives and explore the concerns that could generally keeps them awake at night to find out about them and their business world, setting specific legal services aside for good parts of the discussion – but experience tells us where to draw the line.
- We assure them of confidentiality in any areas they don't want attributed to them. In practice, it is rare for clients to exercise this right to anonymity, but it lets them talk without any inhibition or reservations.
- We explore options; what might be possible – we don't agree any actions, making that clear to the person we interview. It is agreed that we take their comments "back to base" for the law firm to chew over and come up with any proposals from there, with a clearer understanding of what the client wants to achieve.
- We make it clear that we really don't know anything about the detail of past transactions, which means we don't get bogged down in that detail. We are only interested in looking at how the relationship and services should develop going forwards.
- In that context, we can use our wide experience of the market for legal services and our research into their sector to identify (alongside our client's views on untapped opportunities) to open discussion on their view of the legal service they want in the future. What could that look like for them?
- We explore options from all angles, with our experience of technology, process, relationships, skills etc; asking any questions we want because there are no boundaries to this discussion on either side. Anything could be possible.
- Talk about what other firms do and DON'T do – for real
- Allow them to explore freely, without the restraints of the current relationship;

You will find that Independent Client Listening can be used very effectively in a wide variety of situations to help develop your business. It should be a resource that every firm should use one way or another as a matter of routine.

For more information or to discuss how this could work for your practice - in confidence and with no obligation - contact Allan Carton on 07779 653105 or at acarton@inpractice.co.uk

www.inpractice.co.uk

PART 3: Getting Started: How Independent Client Listening Works Inpractice

1. *Choose the Clients (and Referrers):*

The first step is to identify a group of key clients or introducers. They may well NOT be – and rarely are - your biggest clients or clients producing highest fees. You want clients where you and your colleagues believe there is untapped potential or perhaps where the relationship is at risk; or where you believe "there's something interesting going on". We can work with you to segment your client base and to identify an appropriate list of businesses to work with.

There is no minimum number of clients. The best way is to start with a "pilot" with a small group of clients. You don't need a big number first time around when you launch your first pilot. 10 would be good; 5 or 20 is possible and bear in mind that this works well for referrers and business partners too.

It is good to get buy-in from your partners, but there is a real risk that seeking consensus from too many people can mean nothing ever happens. At the outset, choose clients from the team or group of lawyers that keen to innovate. Get them involved and engaged in the pilot and then share the successes widely across the practice. Other people will follow once they begin to understand how this works. Few do at the outset.

2. *Client Relationship Audit - Get Your Key Client-Facing People Engaged*

We help you to conduct a relationship review of each client we intend to contact, sitting down with each of your lawyers responsible for each of the clients you want to involve. We aim to get a feel for the current work and relationships, to agree objectives and some key points you might want us to cover during the meeting, which we incorporate in a "Discussion Topics" document. It will include some key questions, but also identify wider areas to explore where appropriate.

3. *We research the business, the people, relationships*

Not just the business and their market, but also the individuals involved, their relationships and other advisors, so far as the information is available. It's surprising how often this throws up useful connections that lead to new opportunities. We generally know more about the business than our law firm client at this stage and can then extend the Discussion Topics document.

4. *You get agreement for us to engage*

Generally, this involves a telephone call from someone at your practice – usually the partner in charge of the relationship or the managing partner / CEO – to the key contact at the client who we are to meet. You explain the positive context for the proposed meeting along the lines of … "to identify opportunities to constantly develop and improve our services to match your changing needs - and to ensure meaningful engagement to deliver these improvements. "

The client agrees to us making contact and you hand it over to us from there. Generally, 8 or 9 out 10 clients will agree to take part. The reason for others not doing so tends to be lack of time, so you can always come back to them in the future, hopefully having told them more about what improvements were initiated so far from these sessions.

5. We engage with the client; and meet them.

First contact is generally made by email, referencing the lawyer's conversation with their client, re-iterating the same positive message and proposing a virtual meeting using Zoom or Teams (whichever they feel most comfortable with), which may last up to 45 minutes. These meetings often over-run because the people we interview get so engaged in the discussion and we are pleased to allow that to happen.

It can be useful to share a copy of the discussion topics at the meeting (but rarely before) to help keep us all on track, but making very clear that we expect to veer away from it when there is something worth exploring outside of that. It's a good opportunity to make sure they understand that nothing is "out of bounds" in this discussion and to talk about confidentiality.

Other guidance to bear in mind during these structured meetings:

- It is critical to "listen actively"; to allow the CEO / FD etc to express themselves, but to take the right opportunities delve deeper into their thinking and not let these opportunities pass by.
- We start with a clean sheet, largely avoiding discussion of the current operations, to avoid getting bogged down in historic detail. We want to look forwards and anything they want to discuss is on the agenda.
- We ask open questions and invite candidness to the most we can out of the discussion.
- There is no effort to sell legal services and we avoid any "defensive" comments
- We focus on looking forwards, not (just) backwards (although some historic information can warm the discussion at the outset. Our initial interest tends to be on their challenges:
    - In the business – what is happening in their world
    - Running the business – what does success look like
    - Their role, their life – what keeps them awake

I have never had any adverse reaction to these meetings from anyone I have interviewed. The feedback has always been positive. Even when the MD's and CEO's have found the discussion challenging, it has been positive; and we have learned how to use "Columbo moments" in the right situations to gather as much candid thinking from the people we meet as possible.

6. Show Your Appreciation

It is important at this stage for you to say thankyou to the client for their time and for you to give them a timescale for your proposed response, saying no more than that at this stage; allowing enough time to follow through all the steps outlined here realistically.

It is best to complete all the interviews to be able to identify any trends before reacting to one or a few isolated comments, so we prefer to only report back when we have completed all interviews. However, if there is clearly some issue or opportunity that needs to be addressed immediately, we would of course report that back immediately to enable you to respond.

7. Report, Findings, Conclusions & Workshops to Explore

Another area where objectivity and independence adds to this exercise is in the production of our report, which your lawyers should accept as unbiased and fair, whatever it says. Also, in our ability to challenge established perceptions within your practice in online workshop sessions that usually follow. There we help you to explore the conclusions, stretch ambitions, agree action for each client and the steps required to ensure they are carried through.

8. Further Internal Workshops

It is likely that further internal discussions will take place to agree and begin to implement agreed action from the exercise; for the individual clients involved and more widely, taking full advantage of the lessons learned.

9. Report to Client & Action

Having agreed the actions to be taken as a result of the various discussions, it is essential that your people go back direct to each client to tell them about your plans, get their agreement and further input to refine and introduce whatever actions are proposed. How this is done depends on the circumstances. It could be just an email or letter; it is more likely now to be a virtual meeting in Zoom or Teams, or even a workshop involving them. There are occasions when no action is appropriate, but they are rare. Even then, it is essential that your team respond to your client and tell them so. In most cases, there are

Getting Started, Making It Happen

- Do this right at the beginning of any initiative that is likely to influence or impact on your relationships with clients and referrers. The initiatives where it can be particularly helpful are around business and marketing strategy, online services, process improvement, implementing CRM systems or Key Account Management and innovation more generally.
- Get buy-in from the senior management team; and more widely from the people who manage clients that are likely to be involved in a pilot, so far as possible. However, you don't have to wait until all are on board from the outset. If the pilot client listening exercise is managed effectively, with insights gathered and successes shared, others will readily buy in for the future.
- Not everyone is going to want to do this, but the people that resist it are unlikely to be the right people to manage client relationships in the future. That begins to show itself.
- Let us help you decide how to segment and select the clients for a pilot project.
- JGDI – just get on and do it; don't waste time thinking too deeply about it. At this stage, you don't know what it will produce, but there is no doubt that lawyers need to listen harder to what clients want.
- Don't just do it as a one-off. If the pilot is successful, you will find that Independent Client Listening can be used very effectively in a wide variety of situations to help develop your business. It should be a resource that every firm should use one way or another as a matter of routine.

For more information or to discuss how this could work for your practice - in confidence and with no obligation - contact Allan Carton on 07779 653105 or at acarton@inpractice.co.uk
www.inpractice.co.uk