

## Client Service as a Differentiator

By Marni Becker-Avin

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When most of us think of client service, we envision the customer service department at a department store, possibly a bank of call collectors at the cable company or an automated system; however, today, client service has become a differentiator. In fact, it is arguably *the* differentiator. Look at Disney, Ritz Carlton, TD Bank, and of course, the quintessential client service leader of recent times, Apple.

In a professional service Firm, such as a law firm, accounting firm, or doctor's office, client service has historically been about providing the requested professional service and then sending a bill. That is no longer an accepted expectation. Because of downward pressures on pricing, the services themselves are increasingly tending to become commoditized. Firms that used to compete on reputation and skill are often now forced to compete on price. Jack Trout, author of *Differentiate or Die*, states that "what has changed in business over recent decades is the amazing proliferation of product choices in just about every category." This applies to services too. Because choice is spreading so rapidly, everyone is competing for the same business. [Trout]. How do we, as professional service firms, resist that race to the bottom and market ourselves without devaluing what we do?

We need to add value, and in this economy, where the differentiator must be relationship development and client service, that client service needs to be a practical application not just a conceptual one. Do you know what your customers are thinking? How about what the typical customer service complaints are for a professional services firm? For most professional service firms, the answer would be probably not. Why not? Because when clients express their dissatisfaction with a professional service provider, they talk with their feet. They simply take their business to a competing Firm.

Isn't there a benefit to learning what the clients are thinking before they take their business elsewhere? I believe that we can never have too much information about what our clients are thinking. The only way to exceed expectations is if we know and understand what the expectations are, and make no mistake about it, we must exceed those expectations. At Becker & Poliakoff, we have implemented what is probably the first department in a law Firm dedicated to client service, the Client CARE Center. Not only do the clients appreciate having a place to call, but the client service center truly does create loyalty among clients, and hence, helps with client retention.

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Harry Beckwith states it nicely in his book, *Selling the Invisible*, wherein he explains, “A product is tangible. You can see it and touch it. A service, by contrast, is intangible.” Because you can’t assess it with your senses, and because there is no pre-determined price tag, clients begin the service relationship uncertain and fearful without any guarantees. [Beckwith]. Therefore, professional service firms may or may not be surprised to note that the number one reason for client defection is the perception by the client that there is a lack of communication. Professional service providers of all types have varying degrees of communication skills and sensitivities, and the client’s perception tends to center around the sophistication level of that client. Having said that, even the most sophisticated clients want to get their phone calls returned.

There are also billing inquiries regarding such issues as disputed work or charges, or billing errors, along with other categories, such as work product, professionalism, generic questions, new matters, change of address, cost/fees, etc. Communication, however, is the highest percentage. Communication is a broad term, and in this case, it can be defined as a multitude of things, such as requests being ignored, callers getting transferred too many times, not providing status updates, timeliness, not listening to directions, failing to get approval for something, poor attitude, and being unresponsive. It all boils down to one thing: Clients need to feel heard. They do not like to feel as if they are bothering us by calling. The Client CARE Center helps ensure that our clients feel important, and let’s face it, they are important. Without clients, we would not have the lights on in the buildings. Without clients, we would not have paychecks.

Clients should not have to feel as if they are begging us to take their money, like they are not significant. A client who must repeatedly call to get answers because they are not getting a return phone call is made to feel exactly that, unimportant, when in fact, the reality is, the client is *the* most important part of the practice. Any professional service firm reading this will get all of the aforementioned complaints if they ask their clients to be candid with them. It is delusional to think any professional services corporation will not find clients raising these issues, whether justified or not. The clients’ perception is our reality. So to debate the merits of the complaint is to ignore the fact that you have a dissatisfied customer. You can win the debate and lose the client.

It takes years to create client loyalty, and it takes only minutes to destroy it. In this technology advanced age, with the ability to track client information, there is no excuse for not finding out about what our clients are thinking and giving them an easy way to communicate with us if they need to. USA Today recently ran an article about the impact of internet access and instant feedback on the ultimate service sector, the hospitality industry. Eric Danziger, CEO of Wyndham Hotels, was quoted as saying, “I believe the quality of the product will improve (because) now you have direct feedback from a consumer.” This is no less true in a law firm or other professional firm.

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There is a lot to be said for participatory value. By providing the client with information and allowing them the opportunity to provide feedback, the service provider is involving the client in the process. This gives the client a sense of empowerment, helps to build trust between the attorney and the client, and strengthens the relationship. According to David Maister, former Harvard Business School professor, expert on professional service corporations and author of *The Trusted Advisor*, factors affecting clients' perceived value of a service include understanding, sense of control, sense of progress, access and availability, responsiveness, reliability, appreciation, sense of importance, and respect.

Only by engaging in proactive client service can we instill in our professionals and other employees the value of such service. We must think from the perspective of the customer if we are going to continue to strive for success in this economy. Consider for a moment how you feel when you wait at a doctor's office for two hours (after your scheduled appointment) or when you call the phone company and get transferred a hundred times to different people and have to keep repeating the issue. It is extremely frustrating, and likewise, our clients tend to feel frustrated when they perceive a lack of responsiveness.

At my Firm, we have always prided ourselves on being pioneers in legal areas, and we are especially proud of the advances we have made in client service in our industry. All other businesses in America seem to comprehend that client service is a necessity, and yet professional service firms are the only businesses that do not have a dedicated client service department. Providing a safe place for clients to call if they have an issue is a win-win. It provides the Firm an opportunity to fix concerns before they evolve into big problems. Our client service technicians are trained to know more about the Firm than most other people in it, to follow up with the client to make sure they were satisfied with the resolution, and to communicate with a smile. We understand that client service is the ultimate competitive advantage.

In fact, while tracking client complaints (by type, by lawyer, by practice group, by office) is important, we take it a step further. In addition to computerized analysis of incoming requests, we annually call at least 20 clients served by each attorney to find out how we, as a Firm, are doing for the client. We ask them to rate the attorney on a scale of 1 to 10. Our lawyers know that their scores on this survey are a major factor in their bonus potential, that only 9's and 10's are good and nothing less than 8 is acceptable. Of course, there can be aberrations, and to avoid those we use an "Olympic" scoring, dropping the highest and lowest score from the average.

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Clients want expertise from the practitioners they hire, so continual training is an absolute. We have a three-tiered program, B&P University, which focuses on various skill sets, both substantive and procedural. We offer courses, mandatory for our attorneys, in substantive legal areas, leadership skills, client service, and communication. Firms tend to measure success in terms of productivity, and they may balk at the cost expenditure of developing such a client-centered program. “Service has sunk so low because companies want proof that investing in service will earn them more”, but that is a chicken and egg scenario, because “think of all the times you’ve received extraordinary service. How much more did you end up spending with that company, and how many people did you tell about the experience?” [Beckwith] We must realize that the initial investment will be repaid ten-fold in the long run by the sheer numbers of new matters, paid accounts receivables, and client retention.

In addition to stopping potential problems in their tracks, developing client loyalty and retention, and expanding client relations, offering exceptional client service also has other crucial benefits. A client service initiative can help avoid a host of problems a Firm may not have considered, such as, for example, curtailing receivable problems. Clients may not always be right, but the client is always right. So by resolving the underlying issue, whether it is a billing complaint or a communication problem, the clients are then much more willing to pay their accounts receivable. Another example of value derived from a client service centered approach is the dismissal of professional complaints, whether administrative or otherwise. This, in turn, can lead to an extremely positive impact on malpractice premiums. Additionally, Firms will be afforded the opportunity to discover, monitor and evaluate employee performance issues. We are able to track client complaints/inquiries by attorney, office, and practice group and determine if any are “out of norm.” All of these side benefits, just from talking to our clients. So simple, and yet professional service providers, Attorneys especially, remain cynical. How much more evidence do they need to truly comprehend the current industry landscape?

Resistance is futile, but if you are embarking on a Client Service initiative, expect it anyway, especially if your corporate culture is (as it is in most law firms) to resist change. The fact is that professional people do not like criticism of any kind, and client service is essentially designed to give clients a forum to be critical. Attorneys tend to be focused on themselves, want control over their clients, and have an ingrained big brother paranoia of sorts. Accordingly, they question [and dismiss] any process that is perceived by them as threatening their objective of remaining the sole point of contact for that client. There are some flaws in that analysis: It ignores what the customers want. It ignores finding out about how the employees are doing. It allows competitors to get an advantage. As Jack Trout and Al Ries point out in their book, *The 22 Immutable Laws of Marketing*, “when a company makes a mistake, footprints quickly show up on its back as the competition runs off with its business.” Imagine if there was a way to minimize that from happening. Most importantly, the skepticism is focused on “me” and not “we”. Once the attorney learns to focus on the bigger picture, (i.e.: the Firm, the industry, the community) and realizes that the objective is to keep the clients happy while protecting the Firm, the resistance will begin to fade, and support will thrive.

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Most of the resistance will likely stem from those who (coincidentally?) get the most client complaints. People who take pride in customer service have no justifiable argument against a client centered program. The core values of the Firm must support the client service concept. It must be modeled from the top down, and client service must be a top priority for the Firm. Accordingly, there must be a system of accountability in place for those that do not adhere to the Firm's core values.

At the end of the day, professional service, when provided well, is essentially relationship based. No relationship survives a lack of communication: Not a marriage, not a friendship, and not a professional association. We know this to be true, so why fight it? David Maister, author of *Managing The Professional Service Firm* wrote, "Relationships must be nurtured. Clients do not like to be taken for granted and they expect their suppliers to invest visibly in the relationship to earn future business." Firms do not inherently want to spend time on non-billable engagements; however, client service should be viewed as an exceptional investment rather than a non-billable activity. Why? Because it is valuable, and it will generate a high return. According to Maister, and I agree, by listening to the client, we are "super-pleasing" the client, and hence they are delighted with our representation. The likelihood, then, of getting more work from a client is significantly higher than, say, someone that does not return their phone calls.

In order to gain a client's confidence, "the professional service Firm needs to project a caring image. Clients want to know they are not getting lost in the shuffle." [Maister] In reality, clients care more about communication (i.e.: the relationship) than they do about ability or the quality of the work product. The attorneys and staff that comprise a Firm must demonstrate good active listening skills, and that they are consistently responsive to clients. This is essential for client retention, but also for protecting yourself and the Firm from a malpractice suit. For example, if an attorney makes a mistake or loses a case, the client is much less likely to file suit against the attorney if that attorney has established a solid relationship with the client by keeping the client informed and letting the client know they have been heard and they are valued.

The Client CARE Center is not a substitute for direct communication between attorney and client, but rather a safety valve, a way to let the clients know they are appreciated, by giving them an open forum to have a dialogue and get all their concerns addressed in a timely and professional manner. Think of it as back-up for the attorneys, helping them to stay in contact with their clients, following up to make sure the clients are satisfied with the resolution, and keeping the lines of communication open so that the client does not talk with their feet. Providing excellent client service is the hallmark of success today, the ultimate barometer. So the question remains "What is Client Service in the professional service context?" The answer: A differentiator.

**Marni Becker-Avin** is a Florida barred Attorney with a Masters of Science degree in Mental Health Counseling. She practiced as a trial consultant for many years before being named Professional Development Director at her Firm. As PDD she is responsible for all of the Firm's recruiting, training initiatives, CLE and leadership programs, evaluation process, and the client service department. Becker & Poliakoff is the first firm in Florida and possibly the country that has a department solely dedicated to client service.