

What's important to clients when selecting lawyers to work with?

Over the last 3 years I've interviewed over 200 clients of professional services firms in New Zealand and 83% said they hire the individual rather than the firm.

However, the backing of a large firm is an important criterion for many clients, particularly when matters, projects or Cases are large and complex.

Clients define the right individual adviser as:

- someone with the necessary technical competence/expertise as defined by:
 - their past experience working on similar projects/matters/cases
 - their reputation, including their ability to influence decision makers
 - their knowledge of their subject area
 - their level of professionalism.
- someone who is the right fit:
 - at both a personal and a team level (including the wider team of consultants and other experts).
- someone who understands, or shows they are willing to learn about, the client's business:
 - an adviser who will anticipate needs and protect the client's interests.

This 'horses for courses' approach to appointing professionals provides huge opportunities for lawyers who can **demonstrate** they are the right person for the job.

As you would expect in a tight market, cost is becoming an ever more important factor for clients when selecting advisers. While clients accept that professional fees are often expensive, many of them evaluate performance according to the outcome achieved relative to the cost, and so are increasingly looking for fees to be outcome related. They want greater cost certainty both in terms of fee levels and when costs will be incurred.

More often, clients are only willing to pay higher fees for areas of expertise they perceive as being particularly specialised or for bet-the-company advice, using less expensive lawyers for more "general advice".

Other things clients said are important to them are:

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- The quality of the adviser's advice (see 'How do clients evaluate an adviser's performance' section below for further information)
- The value the adviser can add:
 - their ability to help with strategic planning
 - their ability to pre-empt issues likely to impact the client's business
 - whether they look for opportunities/risks for the client
 - whether they can help the client to brief them more effectively.
- Client service criteria such as:
 - how easy the adviser is to work with and how good his/her/their communication skills are
 - how accessible and available the adviser is
 - how adaptable and flexible the adviser is
 - the adviser's turnaround/responsiveness
 - the adviser's ability to listen
 - the adviser's ability to manage the client's expectations
 - whether the adviser provides the client with a dedicated point(s) of contact within the firm. While some clients do only want to deal with one or two people, others would like to know the team working on their files.
- The historical relationship:
 - trust is very important as is a lack of ego for many clients
 - the adviser's performance on previous deals/projects for the client

Often, clients use a range of advisers. They want their advisers to be able to collectively provide the best advice and to show an understanding that the relationship is long term. They expect their advisers to support them, no matter who they may ultimately get to do the work.

- Geographic location:
 - this is particularly important if working on a matter that will need a lot of to'ing and fro'ing or where a knowledge of the local area is seen as an advantage.

How do clients evaluate an adviser's performance?

Clients tend to evaluate performance using the same criteria by which they select an adviser. It overwhelmingly comes down to "was I well advised?" The most notable criteria mentioned were:

- What the outcome was/the results
 - whether the adviser provided practical, robust solutions
- The quality of the advice given, including whether the adviser:
 - identified the issues
 - challenged the brief where necessary
 - demonstrated commerciality – did the adviser put the advice in the context of the client's business and did he/she/they make a call where required
 - provided strategic input (where required/requested)
 - provided timely advice
 - provided advice in the format the client wanted – did it do what the client wanted it to do? Was it written in plain English?
 - wrapped up the project/transaction with no loose ends.
- How effectively the adviser(s) worked with the client
 - how 'easy' was it to work together?
 - did the adviser keep the client informed?
 - were changes in scope/costs/planned approach clearly communicated/discussed with the client?
- The costs involved versus the benefits to the individual/company of that advice
 - did it represent value for money?
- The adviser's understanding of the client's business, goals and values
 - internal feedback and level of comfort with the advice given
- Contestable arrangements typically every few years
 - how do the various advisers compare against a range of criteria?

As an adviser, two of the most important things you can do are:

- to demonstrate why you're the right person for the job
- to find out client expectations and how they will evaluate performance at the outset.

How can advisers demonstrate they're the right person for the job?

- **Position yourself as an expert in your field** by sharing useful, relevant and timely content with your target audience(s) via a variety of channels both online and offline, including (and most importantly) in person.
- **Provide evidence of your technical competence/expertise** through the content you share as well as via case studies and client testimonials (subject to your Law Society or Bar Association's rules).
- Seek to **demonstrate how you work** and your fit at both a personal and team level via client testimonials, testimonials from other practitioners who have worked with you on a deal/project, case studies, and your bio. When meeting with prospective clients in person, view this as an opportunity to demonstrate how you work.
- **Ask your clients and prospects questions to find out about their businesses**, do your research and then share relevant content with them. Call them to let them know about things which may impact their business. Share case studies and testimonials of work you've done in their industry. If you don't understand a prospective client's business, ask pertinent questions, and then tell them how you will get up to speed.

How can advisers understand and manage a client's expectations?

Ask your clients what they expect at the outset of every project/matter. Show you are interested and demonstrate you care by asking lots of intelligent, relevant and informed questions. Demonstrate you have done your homework and understand the law but do not make the assumption that you understand the answers to questions such as:

- What timeframe is the client working to?
- What are the important project milestones (including, but not exclusively, work in your area)?
- What are the ultimate goals of the work?
- What are the main obstacles the client believes there will be?
- What other advisers are they engaging for the project (e.g. accountants, bankers etc)?
- How frequently and by what means does the client want you to provide updates? Make suggestions on what you have seen work in similar circumstances.
- How will the client evaluate the success of this project? Summarise your understanding in writing to the client so they can see you have grasped what is important to them, and can come back to you on any points you may have misinterpreted.