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the gift of Better Client Relations

How to make year-end a springboard for better collaborative relationships with clients.

By Ed Poll

Marketing to existing clients before looking for new ones is the best strategy for any firm. It is cost-effective (the clients are already in hand and don't have to be identified and wooed) and offers great potential for leverage (by offering additional legal services to the clients, and securing referrals for new clients from them). But it is equally important to emphasize that existing client relationships require work and planning if they are to produce additional marketing benefits. And the year-end holiday season is the best time to plan for bringing these business development efforts to fruition.

This, sadly, is contrary to the practice at most law firms. Too often year-end is viewed as the time for partners to put on a big push for clients to pay as much as possible on bills that have been left outstanding for months – and sometimes just to pay anything at all. Clients, of course, know the routine and they agree to pay on their large bills in order to wangle discounts because they know the remuneration system for partners is based upon how much has been collected by the end of the year. Any bills collected in January do not count for another 11 months, so the leverage is all with the client. Some clients attempt to get a year-end discount on their lawyers' fees for every matter. Worse is when law firms themselves propose the discount. Often on accounts for repeat clients with significant billings, the firm in its year-end push to collect fees will offer some type of discount just to get money in hand.

Why make year-end a time for adversarial game-playing? Instead, it should be used as the springboard for better collaborative relationships with clients in the year ahead. The goodwill of the holiday spirit provides plenty of opportunities for tactics that will strengthen the bond with your best marketing resource, your existing clients. Here are big steps and small that administrators can suggest for any firm to consider and profitably use.

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A GIFT ON THE YEAR-END INVOICE

Because legal services are often intangible, the more information the firm can provide on its year-end bill about all the things accomplished for the client, the more likely the client will be to perceive the bill as fair and to pay it promptly. For example, bills can document how quickly phone calls were returned (provided, of course, that the response time is good), how often you made and kept your promises, complete with examples of value and service as defined by both parties in the engagement agreement. Such value-added elements are key to billing statements that are easy to understand and that clearly list actions taken on the client's behalf while relating them to the time it took to realize that value.

An especially effective way to make that value tangible is to make a year-end gift by noting on the bill actions and items as time increments with "no charge." A good example could be how often their lawyer talked to clients at no charge to learn more about their business. That's a vivid way of letting the client know that, although a lawyer's time is valuable, the client relationship is valued even more. It's a simple gift that will be long remembered.

A YEAR-END STATUS UPDATE

Don't send clients a year-end bill without illustrating how highly clients are valued by how much is communicated to them. That reinforces reliability and trust. Demonstrating to clients what has been done for them is the best way to be confident when billing for it. Lawyers who feel defensive about their bills often haven't taken the time to really explain what they do. Lawyers help people improve their lives and should provide and account for their services in such a way that clients understand and accept the value as well as the cost of what was done. When that happens, fees are not an issue and lawyers do not have to apologize for what they charge.

Address this need by sending a year-end status report that gives clients a snapshot of what's happening in their matters now. Promise future reports and updates in the year ahead. Status reports can be particularly valuable because they demonstrate that lawyers are on top of their job and are actively working to accomplish what the client wants. Status reports do not have to be a detailed administrative burden. Give lawyers a simple paper or electronic form to show each client what is being worked on now and what might be needed in upcoming weeks. Clients will not see this as a bother; it will make them feel part of the team, and they will respond positively.

A FRIENDLY HOLIDAY VISIT

What could be more natural than dropping in on a friend to personally convey the compliments of the season? What could be more effective than for lawyers to pay a similar holiday visit to their best clients? Far too often lawyers are apprehensive about making such visits, but they should be reminded that clients will not be hostile or confrontational; otherwise they would not have remained clients. What they want is to feel comfortable with their lawyer. The best way to make them comfortable is to get them to talk about their business. A client visit should focus on listening to what clients have to say.

This article contains a checklist of what a lawyer should take into consideration when making a client visit. There is a strong focus on learning more about the client's business because year-end is the perfect time to plan for the year ahead. Clients want to share this information because they want to trust their lawyer. Clients whose lawyers ask about their plans and objectives begin to think of that lawyer as an advisor and friend, not just someone who sends out a monthly bill. And remember the point made earlier – this should be a "no charge" use of the lawyer's time.

A HOLIDAY "CARD" THAT IS SPECIAL

The topic of holiday cards is last on this list because it is the bane of virtually every firm administrator. First comes the debate over whether to send a card,

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then whether there should be multiple choices for different lawyers, or whether (in a small firm) all lawyers should sign a single card. It used to be common to lay out a series of holiday cards grouped by clients in a conference room, then have partners start at one end of the table to sign each card down the line. This assembly line "sentiment" is often received by clients in the same mechanical spirit with which it is offered. Now, of course, firms are moving to electronic greeting cards that can simply be emailed. They have motion, they have sound … and they typically are no more meaningful or highly regarded than the old paper version.

As an antidote, consider the power of the handwritten note. Such communication becomes ever rarer as technology advances, and will surely catch the recipient's eye given the effort that is required compared to mass digital or preprinted efforts. In marketing, the lawyer's primary goal is differentiation. As social trends move us away from ways of connecting with folks that were used in the past, using them currently becomes a differentiating factor. When people remember their lawyer because they know their lawyer cares for them personally, they will call when they have the need for legal services. A lawyer's handwritten note is unique, can be kept in a briefcase or desk drawer as a reminder, and symbolizes that he or she cares.

What to say in such a note is an extension of what to say in a client visit. It should be in the lawyer's own words, authentic and truthful and address such thoughts as why this client relationship is valuable; the positive impact that clients have had on the working relationship; what makes them unique or enjoyable to work with; what lawyer and client should try to accomplish together in the coming year. Close with a specific wish for the client based upon knowledge of their personal needs or goals. Such a note, when combined with any or all of the other steps proposed in this article, might make a bit more work for the lawyer in the holiday season – but definitely can pave the way for a happy new year of client relationships. ❋

CHECKLIST FOR PLANNING A CLIENT VISIT

- Schedule the visit at the time most convenient for the client and for any people the client wants to involve (which broadens your own circle of relationships).
- When the day for the visit comes, remember that you are there to learn about the client, not to pitch for new business.
- Never put clients on the defensive with a style of questioning you would use in a deposition or when structuring a contract. Try to avoid "why" questions which are likely to carry a judgmental tone. What you want to convey are empathy and rapport.
- Make all your questions open-ended. Phrase them to give clients the opportunity to provide as much information as possible.
- Do not feel you need to respond to everything clients tell you. Show interest and demonstrate that you've heard but resist the urge to push new services or ways to help.
- Make sure you've done your research. Clients want to tell you about themselves but they appreciate the respect you show them by taking the trouble to learn more about them.

About the author

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