

# **THE RECORDER**

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## **FINDING FINANCIAL SECURITY THROUGH SATISFIED CLIENTS**

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In the business of law, the single most important asset is satisfied clients. They are the foundation of financial security. Satisfied clients pay their bills, they provide additional work, and they refer their contacts.

On the other hand, the negative impact of dissatisfied clients is significant. Unhappy clients can create low morale within a firm and a tarnished reputation in the community.

### **TRAINING DEFICIENCIES**

Margaret Morrow, the newly elected president of the State Bar, has made client relations a primary goal. In her inaugural speech, she said, "We must ask, first, what we as a profession can do to improve the quality of service we deliver to our clients. As lawyers, we are trained in the substantive law, in legal analysis, in skills which enable us to draft contracts and appear in court. What we don't learn is how to nurture the lawyer-client relationship, how to ensure that our clients are kept informed and involved as decisions are made and their matter progresses."

With all of its importance, it is clear that for many attorneys, client relations is not a priority. According to Morrow, "We have forgotten, if we ever knew, that communication is as important as technical competence. Of the 90,000 calls the State Bar Discipline System receives each year, approximately 60,000 are from clients whose lawyers don't communicate with them. Large numbers of malpractice claims are also triggered, not by incompetent legal work, but by client relations/client communications problems."

### **AN INFORMATION BUSINESS**

Of course, quality legal work is the first step to quality client relations. However, clients must appreciate the quality of that work and feel comfortable with the entire experience. For example, in addition to quality work, clients report that they also expect to receive courteous treatment, quick responses to phone calls and understandable invoices. Following are some tips to maximize client appreciation.

1. Begin each new relationship with an in-person procedural review. New clients generally have no awareness of what to expect. Review all procedures including billing, delegation and time lines.

If you are concerned about the amount of time necessary to personally provide each client with a procedural review, consider using an introductory video about your firm's procedures. Videos can be easy and relatively inexpensive to produce. They also insure accuracy in the delivery of important information to new clients.

2. Develop active listening skills. According to many lawyers who specialize in malpractice, most malpractice complaints are due to lack of attention to clients' conversation. Lawyers who presume that they know enough about a matter to ignore their clients are clearly at risk.

A simple technique to assure quality communication is to demonstrate an understanding of the client's concerns. Restate the client's position on every point and ask for confirmation of your explanation. To minimize client anxiety, acknowledge the validity of both the emotional and intellectual concerns expressed by the client, reassuring them that the concerns are heard and will be addressed.

3. Keep clients informed. Institute procedures to send copies of all correspondence to clients unless otherwise instructed. To minimize unnecessary client response, include a note indicating: "For your information only, no response required." Calendar periodic status updates by phone, mail or in person. Notify clients of any changes in procedures in advance rather than after the fact.

4. Train everyone in the firm in client communication skills. Clients who may already feel anxious regarding their case can be easily alienated by an inadvertent comment or tone of voice. Quality telephone and in-person interaction should be taught and practiced beginning with the receptionist and following with everyone in the firm.

### **CORRECTING PROBLEMS**

5. Make billing and collections a positive experience. Create invoices that are easy to read. Each billing should have a cover sheet and comprehensive backup attached. Be sure to identify work that is provided at no charge.

In dealing with delinquent clients, call promptly and encourage them to verbalize their problems at length. While your first impulse may be to delay discussion of delinquency in order to preserve relationships, in fact, you could be damaging relationships.

For example, if clients are not paying because they are angry or dissatisfied, an early call allows you to correct the problem. If delinquency is due to financial difficulty, early detection improves your ability to offer guidance that may ultimately increase your billings as well as improve your chances of collecting.

6. Use client surveys. Surveys provide you with two significant benefits: they demonstrate to your clients that you care about them, and they help you improve and maintain the quality of your service. Clients appreciate surveys. Conduct surveys in person or via telephone for your largest or most important clients. Written surveys may be used for less profitable clients. However, keep written surveys concise and easy to complete. One page surveys, rated on a scale from 1 to 10 are preferred by many clients.

We also recommend blending your survey with a client report. Tell the client your opinions about how you would like to improve the relationship.

7. Take a leadership role with your clients. Use every opportunity to guide your clients. Participate in strategic planning and goal-setting. Help them get focused on the future.

8. Network your clients. Consider which clients would benefit from meeting each other. Mutual contacts strengthen client relationships.

9. Entertain your clients. Entertainment adds an element of fun to a business relationship. Socializing opens the door to non-business conversation. Hearing about your clients' personal lives enhances your ability to serve.

Consider having parties for your clients, especially if you are concerned about the time and expense of entertaining each of your clients individually. Parties give you the ability to entertain large numbers of clients at a fraction of the time and cost.

10. Stay in touch with your clients. Newsletters and on-site seminars disseminating relevant information are highly valued by clients. Newsletters can be simple and inexpensive, and give your clients the added satisfaction of knowing that you are concerned about their welfare. They can also be used to feature clients by publishing articles or interviews.

If you are concerned about the enormity of the project of publishing a regular newsletter, you may be surprised to learn how infrequently a newsletter needs to be published in order to have significant impact. Two or three issues per year will give you a significant presence in the minds of your clients. Furthermore, a newsletter can be partially or totally delegated to support staff.

Seminars are another technique for enhancing client relations by staying in touch. Seminars are of particular value because they offer knowledge and at the same time give your clients a chance to meet and interact with each other as well as the partners in your firm.

While it's true that a quality client relations program requires an investment of time and attention, you will find that the benefits are well worth the effort. Not only will client relations minimize the risk of lawsuits from dissatisfied clients, but also, it will enhance the profitability and future security of your firm by nurturing and strengthening valuable relationships.