

Listen to Your Clients

By Kate Costello

The Client Culture

Australian business is being encouraged to export goods and services to Asian markets. In order to be successful in these new markets, we are told it is important to understand them and the cultural differences inherent in the way business is conducted there. The same can be said of clients in the Australian professional service sector. If we attempt to understand better the "culture" and expectations of clients we will provide a superior service.

In order to understand our clients better we must listen to them. Only by listening can we appreciate the client's perspective and match the professional service provided most closely with the client's requirements.

If we are prepared to approach our clients with an open mind and learn from them we will succeed in improving the standard of the service we provide. A Chinese legend, "The Wisdom of the Mountain", rephrased from an article on leadership qualities (*Harvard Business Review July-Aug 1992 - W Chan Kim and Renee A Mauborgne*) best illustrates this point.

In ancient China, an enlightened one, Hwan, lived in a temple on top of a mountain. As a wise man, Hwan had many disciples, one of whom was Lao-li. Lao-li had been a student of Hwan's for more than 20 years and, while he was bright and determined he was not yet enlightened — the wisdom of life was not his.

Having struggled in vain with the search for wisdom, Lao-li decided to leave the mountain, giving up his hope of enlightenment. He told Hwan of his decision and the Master promised to accompany him on his journey down the mountain the following day. The next morning, just before Hwan and Lao-li began their descent, Hwan asked Lao-li to describe what he could see from his position on the peak of the mountain. Lao-li replied;

"Master, I see the sun beginning to wake just below the horizon, meandering hills

and mountains that go on for miles and, couched in the valley below, a lake and an old town".

Hwan smiled and the two began. All day they descended until eventually they came to the foot of the mountain. Once again Hwan asked Lao-li to tell him what he could see. Lao-li replied;

"Great wise one, in the distance I see roosters as they run around barns, cows asleep in the sprouting meadows, old ones basking in the late afternoon sun, and children romping by a brook."

Hwan did not reply. Instead, the two continued until they reached the town gate where they sat down to rest under the shade of a tree. Hwan then asked Lao-li what he had learnt that day. Lao-li did not respond.

Eventually Hwan continued;

"The road to enlightenment is like a journey down the mountain. It comes only to those who realise that what one sees at the top of the mountain is not what one sees at the bottom. Without this wisdom, we close our minds to all that we cannot view from our position and so limit our capacity to grow and improve. But with this wisdom, there comes an awakening. We recognise that alone one sees only so much — which, in truth, is not much at all. This is the wisdom that opens our minds to improvement, knocks down prejudices, and teaches us to respect what at first we cannot view. Never forget this last lesson, Lao-li: what you cannot see can be seen from a different part of the mountain."

The legend finished there. But a postscript rumoured that Lao-li returned to the mountain to live out his life, and he became a great enlightened one.

The moral of the story for the legal service is obvious — it must have the capacity to view things from the client's perspective if it wishes to provide a superior service.

To Sell or to Market? That is the Question

Legal service providers tend to mouth platitudes about the need to market their services. In reality, these lawyers have often confused marketing with selling. Marketing professionals draw a distinction between the two. Selling presupposes that the service provider determines what services the client requires and the manner in which those services will be provided. Sales persons invariably "off-load" products on the market place regardless of the real needs of the market place.

Marketing is different. Marketers work backwards. They speak to the market place, determine what it requires then create the products and the means of delivery which match the market's needs. In marketing, the market itself dictates which goods or services will be produced. Selling involves an element of tricking the client whereas marketing is concerned only with satisfying the client.

When lawyers traditionally speak of marketing their services they are usually describing a selling process. They continue to produce and structure services in a traditional way, then attempt to foist those services on clients.

Have an Open Mind

Most practitioners have not yet learned to see things from the client's position on the mountain. It is especially difficult for some to grant to the client a position on the summit and accept, for themselves, the base.

It seems legal service providers often suffer from a degree of arrogance which prevents them from altering their traditional position. In comparison, the general service sector (e.g. the hospitality industry) has understood for some time that the term "service" derives from the verb "to serve".

The problem of changing the perspective/attitude of academically successful individuals is incisively canvassed in the article "Teaching Smart People to Learn" (*Harvard Business Review May-June 1991 -*

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Chris Argyris) where the author states:

"... because they have rarely failed, they have never learned how to go from failure. So whenever their single-loop learning strategies go wrong, they become defensive, screen out criticism and put the 'blame' on anyone and everyone but themselves. In short, their ability to learn shuts down precisely at the moment they need it the most."

Try to See Things From the Client's Perspective

Practitioners may assume they understand the needs of clients and to a certain extent they do. However, they often misinterpret the order of priority which clients place on aspects of the legal service: they equate doing good work with giving good service. Their clients, on the other hand, will normally presume that the work is technically excellent and, instead, judge the overall service along more tangible lines; speed of response and personal communication.

The best way to discover what clients want is to ask them and then listen to their response. This can be done literally and metaphorically. In the metaphorical sense, lawyers can begin to understand the market place by staying abreast of trends reported in the media, particularly legal management and client industry journals. This provides some assistance in ascertaining client perceptions. The literal approach is better. Not only should practitioners take the opportunity to speak with clients about their needs when acting on a particular matter for them but, also, time should be set aside to undertake market research with a cross-section of clients. Information should be collated and acted upon.

Listening to the client can be a tortuous process and acting upon the findings even more so. Client needs will affect and pervade every aspect of law firm management. Great

operational flexibility will be required as clients become more and more sophisticated in their demands for better and more personal service. Firms which can match their client needs will be the great survivors.

Practical Examples

Let's turn now from theory to some practical examples of ways in which legal firms can respond to client expectations:

- *Segment your client base.*

Do not assume that all clients have similar needs. Even without asking it is patently obvious that a family law client involved in a bitter custody dispute will have markedly different needs from a commercial client involved in a public company float. Less obvious, however, are the differing sensibilities of public and private sector clients. In my experience, most public sector clients still regard firm briefs, newsletters and bulletins as useful literature whereas most private sector clients do not. They have been inundated with this type of correspondence over the last few years and are likely to convert it into a paper plane for flight into the nearest wastepaper bin.

- *Personalise your legal services.*

Cater for client idiosyncrasies wherever possible. If a particular client requests a monthly report aimed at keeping track of bills to date and the value of w.i.p., make sure you provide it. If you discover a client hates receiving invitations to cocktail parties, make sure he or she never receives them. If you enter into a set arrangement for fee paying with a client, make sure you don't send automatically generated reminder letters.

- *Arrange your internal structures flexibly and in accordance with industry rather than law practice areas.*

Clients are flattered if lawyers understand their business and its

industry. This is less likely to occur while law firms perpetuate internal structures which mirror areas of legal practice only e.g. property, corporate, commercial litigation groups. Instead, emphasis on industry relevant internal structures (technology, manufacturing, hospitality groups etc.) will encourage lawyers to focus more on the external environment — the environment in which their clients operate. Flexibility would be a necessary by-product of such internal arrangements. Practitioners would need to belong to more than one internal industry group. This would encourage more effective cross-marketing, as group demarcation lines and inter-group rivalry would erode.

- *Be flexible with your method of charging.*

Traditionally, lawyers have charged on a time costing basis. Clients believe, quite correctly in some instances, that this has encouraged inefficiencies in the provision of legal services. Other professional service providers e.g. architects and engineers, are accustomed to a quotation or tendering system where a fixed fee (subject to price rises etc.) is set. Tendering itself is becoming a more accepted way of selecting legal services for complex or protracted instructions. Lawyers must be prepared to price their services using methods which produce greater certainty for the client. This may involve fixed fee and daily-rate charging methods in lieu of time costing.

- *Employ and continue to train staff who possess the all-round skills attractive to clients.*

Intelligence and practical legal skills are obviously important but, not at the expense of a general ability to communicate and get along with people. David Corkindale, a marketing academic at the University of South Australia, in his marketing seminars, quotes from an anonymous American

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physician who, when addressing a graduate class at an American medical school, advised the graduates that the keys to success in order of priority were:

- availability
- affability
- ability

Clients want to deal with people who care. This is true regardless of whether the client is embroiled in a family law dispute or is the group managing director of a corporate conglomerate.

• *Communicate regularly with clients.*

During the course of a matter, communicate at regular intervals so that the client understands that the matter is progressing although there may be no other outward manifestation of that fact.

The cardinal rule is to return phone calls. If you can't manage to do anything else, do this, on the same day (or get a secretary to phone back at the end of the day to explain that you have been unable to return the call, giving a reason, and the time you will get back to the client) and you will be successful.

• *Communicate in your clients' vocabulary.*

Have you ever sat in a meeting as a new committee member where the "old" hands speak in acronyms universally understood, except apparently by you? If so, do you remember how this secret terminology made you feel — awkward and ignorant? The same is true for clients whose lawyers forget, in their familiarity with the profession and the practice area, that clients don't have the benefit of years of practice and a knowledge of the legal system and can't, therefore, comprehend a

learned treatise or technical explanation of the solution to a legal problem. I remember once being privy to what I considered a superlative expose of a point of law given by a senior practitioner to a sophisticated commercial client. On conclusion, the client, responded simply: "Yeah, well I am sure that's fascinating but what I want to know is can I do it or can't I?" Which leads to the final point ...

• *Provide solutions.*

During the course of acting for a client on a particular matter it may become evident that the client's modus operandi, standard documentation etc. are deficient in a way that may give rise to future legal problems even after the immediate issue is resolved. If so, the practitioner should advise the client of wider implications and suggest a remedial course of action. Similarly, a lawyer advising a client that it is not possible to do what the client wishes, should look to understand, more comprehensively, the context of the client's request in order to achieve the desired result by some other means, if possible. Reactive roles are not acceptable for legal service providers.

The Final Injunctive

If you have listened, really listened, to your clients you will already be providing professional services which accord with these characteristics. If not, if you still believe the position of legal practitioner is an exalted one which entitles you to ignore the demands of a changing business environment and a more demanding and discerning client base, you might do well to remember the lesson of evolution — adapt or perish.

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Details wanted for directory

Northern Territory lawyers are being invited to submit a complimentary listing of their practice details in the 1994/95 edition of the **International Directory of Advocates & Lawyers**.

This directory is being compiled by Point to Point Publishing in London, England.

It will be circulated in more than 120 countries and is due to be published on 1 October, 1994.

Lawyers' practice details, including name, postal address, telephone and facsimile numbers will be inserted free of charge, while specialisations, languages and other details can be included for a nominal cost.

Lawyers who would like to be included in the directory should write to Henry Forbes-Wilson, 22 Shrewsbury Mews, Chepstow Road, London W2 5PN, United Kingdom.

How to use Halsbury's

Practitioners now have access to a comprehensive package on Halsbury's Laws.

The package — comprising a video, student manual and tutor's notes — is a joint production of the University of Central Lancashire and Clear Image Video Production.

Among other things, the package explains step by step how to use the encyclopaedia to help solve legal problems and provides a complete "off the shelf" training program which can be incorporated in a training scheme.

Meanwhile, the accompanying video shows the overall structure of the encyclopaedia, how to use the subject index and the purpose of the annual abridgements and indexes to cases statutes.

The Law Society will send practitioners an order form on request. Call 81 5104.