

CONDUCTING CLIENT INTERVIEWS

I WAS RECENTLY CONFRONTED BY A MANAGING PARTNER WHO HELD SOME STRONG VIEWS ON WHO SHOULD BE INVOLVED IN INTERVIEWING HIS FIRM'S CLIENTS. AS HE PUT IT:

My contention would be that if your outside law firm is really serious about soliciting your candid views of the service, quality and value they provide, and the particular business issues that you may be facing - then they should send their managing partner, practice leader or a couple of senior partners to visit with you - but not some outside consultant. And if the lawyers in a firm aren't prepared to invest the time to come in and speak with you, then what signal does that send the client?

Being absolutely neutral on this subject, I thought the very best source to access would be those closest to the voice of the client. So I reached out to a few close friends in the in-house community to get their candid views.

CONFERRING WITH SUSAN HACKETT

First up is **Susan Hackett**. Susan spent 22 years at the Association of Corporate Counsel, most recently as Senior Vice President until setting up her own consultancy (Legal Executive Leadership) a couple of years ago to "help law departments, law firms, and other legal service organizations work smarter." Here is what Susan told me:

"I'm now one of those self serving consultants who is now being retained to help firms evaluate their service to clients. But personally, I think the role of the consultant is to help prepare the law firm lawyers to get the info themselves, and to help them think about what the heck they'll do with the feedback when/if they get it. It's not to become their surrogate."



A note or caveat on this: Many law firm leaders who agree that they should go off on the client tour are doing so for the right reasons, but they are not really engaged in evaluation, but rather in re-enforcing the personal relationships they enjoy with client leaders. While there's nothing wrong with the managing partner coming to visit a major client and taking the GC out for dinner, the result of that dinner is not likely to include any critical evaluation or meaningful review of the work – it's a feel-good event: the firm leader will say, "How we doing? We value your work!", and the GC will say, "You have a great team and we value our relationship with you." But the managing partner and the GC alike don't usually know enough about the work to talk about more than general outcomes - they aren't engaged in evaluation in any meaningful way. At best, they'll discuss the larger tensions in the client organization to cut expenses and to assure more consistent results – but the conversation is rarely "actionable."

What I'm seeing is that it's a huge hurdle to get a group of firm clients to agree to provide meaningful feedback on a regular basis, and most firms have not worked to find ways they can do so. Shame on them both. Some success stories include those that Jeff Carr originally suggested to ACC, which led to the ACC Value Index. Jeff can speak for himself, but as I understand it, he deployed a mechanism in his matter management system (Serengeti) that prevented a matter from being closed by his lawyers until the matter had been simply evaluated. Jeff chose to share those evaluation results with his firms (but most of the Serengeti clients I ran across who used that mechanism did not share results or do anything meaningful with the data: go figure). It is worth noting that the vast majority of clients using

Serengeti turn that function off, or simply enter a zero in the space in order to force the system to move to closure – they refuse to engage at all in the simple evaluative process the system offers.

As a result, most of the information captured on client satisfaction tend to be one-off collections: a vendor runs a survey of what clients think of their firms and include one-time answers on overall satisfaction without detail, attribution or means by which the firms can re-evaluate their services to improve if there's any kind of negative report.

The real question I see in the larger issue is why are lawyers so averse to evaluation processes: both those that evaluate how they did, and those they are asked to provide evaluations to others. By and large, the vast majority of lawyers avoid evaluation processes like the plague. Do we really think it's too difficult to squeeze into our busy schedules? Is it somehow unprofessional or uncomfortable from a professional standpoint to evaluate legal services like you would the performance of your new coffee grinder? Are we unclear what benefits can flow from evaluation processes? Do we just not want to be graded or hear that we're not living up to expectations?

Another point: let's say we find the magic wand that makes all lawyers love the idea of evaluation – both evaluating others and being evaluated: then the larger problem replaces this one Namely, how do we get folks who receive constructive and critical evaluation to think about how to change their behaviors to improve their performance going forward, and how do we get leadership in firms and departments to reward lawyers who "partake" of evaluation and suggest changes to address the evaluation's sugges-

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tions, rather than punishing them for not having been perfectly scored.

CONFERRING WITH JEFF CARR

Susan insights led me to speak with Jeff Carr. **Jeffrey W. Carr** serves as Senior Vice President, General Counsel & Secretary at FMC Technologies Inc. and is responsible for the design of the company's ACES law firm engagement model. Jeff has been extremely active with the ACC over the years and never shy to share his views on effective inside-outside working relations. Jeff was quick to contribute to this discussion:

I remain mystified by the failure of other Serengeti clients to use the incredibly powerful tool that they've embedded in their system. I've said before that the real reason lawyers avoid these things is that they tend to be introverts, and introverts are inherently bad at having that kind of very intimate discussion involved in giving and receiving criticism – even if constructive.

Third party feedback is OK – but not really. Effective counseling requires effective

communication. Effective communication requires that the client sets the expectations as to objectives and service clearly, that the service provider understands and accepts those expectations, that there is an assessment – by the client – as to whether those expectations were met (if so how well, if not, why not), and then finally (and most importantly) the provider and buyer have a meaningful discussion in an after action/lessons learned (what do we keep doing, what do we change).

In my view, a third party simply cannot do this effectively. Arguments about “honesty” and “openness” being more likely with a third party are nonsensical. If your relationship is not good enough to withstand a fair, open and meaningful conversation about performance, then you don’t have a very good relationship. If as the reviewer you are “uncomfortable” in having that conversation – then you deserve what you get as a client. If as the service provider you are uncomfortable getting feedback, then you probably should be looking for another line of work.

Any feedback is valuable. To make it powerful, however, requires discipline and consistency. I’m such an advocate of the AVI and similar types of evaluation tools because then these things are comparable – service provider to service provider; evaluator to evaluator. In the selection of service provider, a standardized system provides some consistency in evaluation (think wine – just how good is a 90 score? Well that depends on whether it’s from the Wine Spectator, the Wine Enthusiast or somebody else). The same is true in the use of such scores as the evaluator of services performed. In the former one wants to make the right selection. In the latter, one wants to either validate that selection, foster improvement, or justify a change.

In my particular world, one needs to take one additional step. Evaluations also need to be connected to compensation. This is so for two reasons: from the service provider’s point of view the linkage to compensation forces them to pay attention; from the evaluator’s point of view, it forces them to be honest (great evaluations should merit greater compensation, poor evaluations lesser – good, as expected performance should merit neither more or less compensation -- and all of those factors go into budgeting).

Finally, in order to overcome that inherently introvert resistance one has two techniques: force them to do it; and make it easy – the Serengeti model makes both of those things happen. Incredibly elegant, powerful, simple and forceful – and you know me – while I may not be all that elegant, I do tend to favor power, simplicity and forcefulness.

CONFERRING WITH ELISA GARCIA

I also had the opportunity to hear from another director of the Association for Corporate Counsel, **Elisa D. Garcia**. Elisa serves as the Executive Vice President & General Counsel and Secretary for Office Depot, Inc. in West Palm Beach. Elisa was quite succinct in her views:

I have never received a request to talk with a third party consultant about how a firm is doing, and I would have mixed reactions with such a request. I am not sure I want to spend the time. I would much rather be providing direct feedback to the lawyers working on my matters. The firms we work most closely with get that feedback, formally and informally, but I understand that there may be some firms we are not doing as good a job communicating with. That is usually the perceived case where the dollar billings

have gone down substantially or if a senior relationship partner is being circumvented (I hate senior relationship partners).

I do not have much patience for “interviews” but am always happy to talk with the partner leading a matter and asking for feedback. I am very skillful at avoiding the lunches / dinners, by doing it over sandwiches at my office and I require my in house team that has worked with the firm to attend and provide honest feedback.

CONFERRING WITH MIKE ROSTER

Michael Roster has been a vocal advocate for re-thinking the management and philosophy of running a legal department. He began developing his innovative strategies while serving as managing partner of Morrison & Foerster’s Los Angeles office and was able to put his ideas into practice as General Counsel both at Stanford University and at Golden West Financial Corporation. For the past few years, Mike has co-chaired the ACC Value Challenge Steering Committee. Here’s is what he had to say:

I have somewhat more mixed sentiments on the subject of using third party consultants or others, to talk with clients to measure client satisfaction.

As a general counsel, I used to hate requests from law firm chairmen and others who wanted to meet with me and discuss how the firm is doing. Frankly, my day at both Stanford and Golden West was far too busy to set aside an hour or more (not that that much time was needed, but since the interviewer was making a special trip, it’s what they would typically asked for and anything less would have been considered rude; worse, most wanted to have lunch on top

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of it all). Interestingly, most of my deputies adamantly refused to sit in on these sessions, and for all of the right reasons.

Where our relationship with outside counsel was structured in the full partnership arrangement, as we had at Stanford and in selected areas at Golden West, the relevant communication was ongoing and quite precise, just as it was with my own in-house lawyers via our monthly priority planners and quarterly assessment sessions, on top of the daily interactions which automatically included informal corrective action. So the need for someone from the law firm to ask “how are we doing” was non-existent.

Also, while I have no doubt that Patrick is very good at training the firms he works with, most lawyers are terrible at doing this sort of thing. It takes a certain skill and diligence to get the client interviewee to stop saying everything is fine, or to harp on a single narrow irritant. Also, it takes a certain skill to get the in-house lawyers to stop talking solely about their own likes and dislikes and start thinking more in terms of the business client, who is the true end user and on which all of this really should be focused.

Having spent over 20 years as a partner and senior manager at two law firms, I also have a healthy distrust of the law firm people doing the interviews. If it's the regular team, they should already have ongoing interactions that accomplish all of this, although a periodic assessment meeting is extremely useful as well. But if it's the firm chairman or someone especially designated, these people often have no idea whatsoever what a specific practice group actually does. Worse, some have pre-conceived notions of which practice groups and lawyers in the firm are especially worthy and which aren't (management tends to favor the lawyers who bill high amounts or who are easy to manage, even though easy-to-manage internally is not always the best skill for what the client wants), so their notions may or may not even match up with mine as the client (or more importantly as I've said, the actual business clients). As a result, I often found I was having to spend time overriding their own notions of client service because of their preconceptions and misconceptions of practice groups and individual lawyers, as well as what they think is good client service versus what I and my business people thought was important.

Regarding the use of outside consultants, I have the same concerns the others have raised. On the other hand, I've actually been surprised at how good the outside consultants often have been. First, they are usually much better in how they make the inquiry. But far more important, often the third party consultant was interviewing not just me, but also a large number of other clients and thus I knew the aggregate reviews (whether of the firm as a whole, specific practice groups or whatever) were probably going to have far more usefulness in confirming what is going well and what needs to be changed than my comments standing on their own.

That instinct has been strongly re-enforced when I've met with various law firms as part of the Value Challenge and the firm's management has shared with me highly confidential (and usually quite expansive and expensive) third party reports. Those reports have huge credibility coming from a third party and also because (a) the reports represent an aggregate evaluation from a lot of key clients, (b) the reports both verbally and visually show how the firm (or practice group, or whatever) compares on very specific criteria with competitors, and (c) the reports often provide very specific road maps for improvements in areas where improvements clearly are needed, especially when you properly focus on the outliers, both good and bad.

In the past few months, I've also been involved in some joint sessions involving both a firm and a major client of the firm, and where the firm has had its head of client services interview a fairly large number of in-house lawyers at the client ahead of time. Usually this head of client services is not a lawyer but understands the firm inside out, is highly trusted by people at all levels within the firm, and typically has high trust from the clients as well. The written reports I've seen from these client service people have been extraordinary in identifying what is working well and what needs improvement and why there may be a disconnect between what the firm is doing and what the client is actually thinking. The client service personnel also typically have a very good working relationship with firm's and practice group leaders, so when they propose some major changes, those changes are usually taken very seriously. Obviously, this also turns on the quality of the people functioning as client service managers, but the recent crop is proving to be very capable and professional in what they are doing.