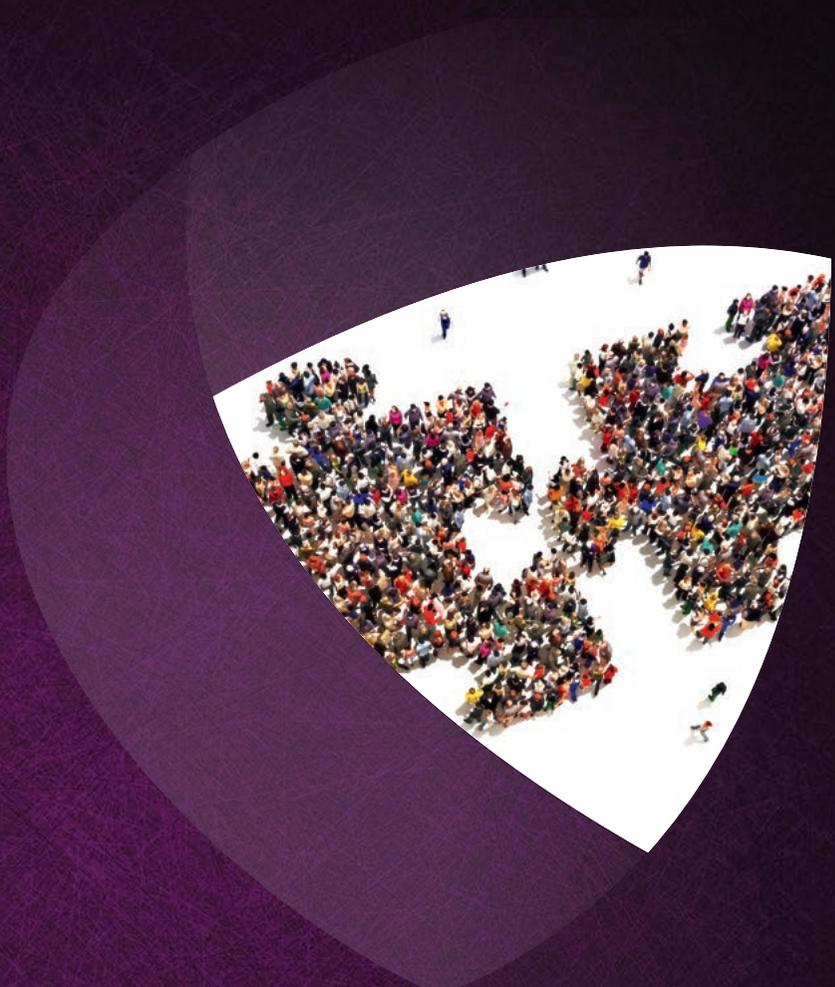


The Bigger Picture: Driving Client Value Through Collaboration



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Chapter 3:

The synergistic value of collaboration

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You learned in kindergarten that $1+1 = 2$. But as we have learned since, to compete and succeed, particularly in the competitive market for legal services, we strive to find circumstances where $1+1 = 3$ (or greater). With synergistic partnerships between law firms and clients – that is approaching client relationships as something greater than one-off assignments where ‘success’ simply means a good outcome – we can arrive at that equation where the sum is truly greater than its parts. This article discusses how to create and leverage such an equation through collaboration to achieve an alignment of strategic and economic interests. The proven results of such a relationship are improved legal spend and outcomes; greater overall satisfaction with the relationship; and business and operational improvements extending well beyond individual case outcomes.

Creating the opportunity

Everyone has different life experiences. This leads to varied philosophies, strategies, and operational styles. Complementary values and ideals feed off one another and create energy and enthusiasm. This creates the optimum environment for synergistic value and success.

As outside counsel, be sure you have your head ‘right’ – meaning be client-first-focused to position yourself to deliver the greatest value. Directly answer the questions asked. Better still, proactively partner with your client to hone the goals of your engagement, to explore the best pathway to achieving them, and then diligently work to solve the problem at hand. Make yourself available to help the client. No matter the pricing arrangement and no matter the impact to the law firm, the client and their needs must be the priority. Lawyers are service providers and therefore must make service a priority. If you get your head right,

your relationship with your client will come together and be long lasting, and the opportunity for synergy will flourish.

Next, recognise that you and your business partner (client) are a team. A mutually aligned partnership charting the same path towards the same goal leads to improved outcomes. Recognise that dynamic. Value your business partner as a teammate and fully engage them in exploring options and finding solutions to business problems.

In-house counsel bring a mix of business and litigation perspectives to the table. They are often bright, passionate, and energetic. They are also typically fiercely loyal, which inspires creativity to find better alternative solutions to the challenges their business must face. In-house counsel also have insider knowledge as to the true needs of, and the current demands on, the business (internal and external), which can help focus problem-solving discussions towards balanced actions that meet business as well as legal objectives. In-house counsel also typically have the trust and confidence of their business clients, which can help when exploring, vetting, and obtaining approval for creative recommendations to the business.

Outside counsel contribute an external legal experience and leverage shared experiences with other clients to help devise winning strategies. They see issues and obstacles from a different perspective, and have frontline knowledge of what has worked elsewhere and how to improve upon what has not. Outside counsel help to balance business objectives with practical realities from threats and risks in the minefields of claims and litigation.

Together, in-house and outside counsel can compile their collective opportunities, options, and potential solutions, and then soundboard obstacles and run issues to ground. The collective experience and energy fuels higher quality thinking and execution. And, by leveraging each other's experience, strengths, and wisdom (from past mistakes as well as successes), the ideas can be more effectively filtered to arrive at the best possible recommendations.

Last, think outside the quadrilateral parallelogram (the proverbial 'box'). Do not constrain initial thoughts, ideas, and possibilities. What at first blush may seem impractical, too expensive, or too risky, if developed and packaged appropriately, may turn out to be the best idea of the bunch. Often it is trudging through an ordinary routine and the failure to keep your head up looking around corners that gets the client (and you) in a tough spot. Forward-looking, open-minded thinking (and brainstorming) is both prudent and productive. That said, before

making a final decision, consider whether the proposed solution is the most simple, achievable option. Solutions are most effective when they are not unduly complex or difficult to implement. So, while all ideas go on the table, be sure to work through the details and logistics to ensure the solution is a good fit, all things considered.

In today's dynamic business environment, synergies arise from partnering with your client in a collaborative way that will enhance your client/law firm relationship and produce greater value legal services. Share the challenge of client problems: listen and learn; discuss options and strategies; clarify objectives; and find mutual understanding of the correct course direction. If you are up for the challenge (and opportunity), here's how this can be done.

Leveraging the opportunity

Improving legal spend and outcomes

Top of mind for most in-house counsel (and business clients, too) is how to save money on legal fees while still improving legal outcomes. Myriad factors impact how to reconcile these sometimes competing goals. But, did you know that you could leverage existing information to determine the specific factors that impact your client's situation? Did you know that some, if not most, of those factors can be controlled and improved? In-house and outside counsel need to collaborate and study, understand, and learn from existing information about the client's experience (whether transactional or litigation in nature). Basic metrics already captured by the accounting and matter management practices provide valuable information. This data must be analysed for trends, indicators, and warning signs. Additional metrics can further improve the data analytics going forward.

Taking claims and litigation as an example, would it be helpful to know how many claims a business incurs by claim category, how many of those claims advance to litigation, how many different firms were engaged to help defend those same types of claims, and which firm spends the least or most in defending them? Would it be helpful to know how many hours were spent by company (law department and business) personnel assisting each of the different firms in the defence of those same types of claims and the overall 'cost' of those claims incurred by the business? You can theorise possible opportunities now, based on anecdotal inputs, but having actual data from specific claims/litigation experience will enable you to concretely identify the specific factors that most influence legal spend and outcomes. Then, working in the

collaborative environment described above, you and your client can identify the best opportunities to reduce spend and improve outcomes, and can devise a strategic game plan to make that possibility an achieved reality.

Improving overall satisfaction and experience

The quality of the client/law firm experience also impacts the depth of client collaboration. Results are key, but the journey and experience are also important. Do you know what a ‘success’ means to your client? I hope you asked them at the beginning of the engagement, but if not, have you learned along the way? You can greatly improve the quality and value of the services you provide if you genuinely understand what it takes for this project, assignment, or case to be a success for the client.

Talk to your client. Ask what will make the law department a ‘hero’ in the eyes of their business client. Ask what the business client’s priorities are. You need to know, and you need to align the strategy, work activity, and often the timing of events, with what constitutes a ‘success’ for the client. Your client will appreciate being asked. They will remember that you cared about the people and focused on the experience as well as the legal tasks at hand.

Once you have learned how the client defines a ‘success’, be sure to determine what data/metrics you need to capture so that you can demonstrate that you and your client have achieved it. Anecdotal warm, fuzzy feelings of satisfaction are nice, but a quantifiable demonstration of success is even better. Work with your client to sort out what and how ‘success’ will be measured – track it and share it. Identify intangible items, too. To some clients, communication, responsiveness, and availability are highly prized qualities in the relationship. To others, it’s looking around the corner and helping to avoid surprises. If you don’t know, invite your client to lunch and talk about it. Put your heads together and find out how you can be of service. What is good for your client will be good for you, too.

Adding value above and beyond the assignment

There are a lot of lawyers who can handle a client’s substantive legal assignment. Greater opportunity lies in what value you can add beyond the four corners of the current assignment. Much like the previous opportunity, outside counsel should stop to consider how they can be of greater value, greater service to the client. Is there something you can do to make their job and their life better, easier, more efficient, and

more valuable and rewarding? You can offer assistance and friendship. You can offer information about events, industry happenings, and other information of use and interest to the business. You can share lessons learned from experiences with other clients. You can provide an after-action review of a recent assignment for the client to identify and discuss potential opportunities to mitigate future risk or otherwise leverage the outcome of the matter.

As suggested above, have lunch with the client and ask how you can help. Invite the opportunity to take work off your client's plate to reduce their workload or simplify their day (especially administrative, non-substantive work). Invite your client to a learning opportunity – an industry meeting, a CLE, an in-house counsel networking event. Put yourself in their shoes, open a dialogue, and identify how you can be of service. Your client will appreciate it. They may not always (or ever) accept the offers of help, but the attention, the conversation, and the earnest (and it must be genuine) effort to be there for them will be remembered. And, over time, the relationship will grow, the opportunities will continue, and the outcomes will be rewarding on many levels – because, in this environment, $1 + 1 = 3$ (or greater).

Conclusion

Personal, shared experiences create good things. Genuine, all-in collaboration with your client – the fusion of experience, energy, and a focused drive for common goals – is a catalyst for synergy that will yield greater value and better results than either you or your client can accomplish on your own. It's worth the effort. Give it a try!