

## Using Team Spirit to Rally the Clients

For the best client teams, law firms learn to focus more on relationships than on dollars.

BY FELICE WAGNER

The trend among corporate general counsel to consolidate the number of law firms they work with—often known as convergence—has been well documented in surveys and studies over the past several years. One legal industry research firm reports that the average number of law firms a Fortune 1000 company retains has decreased from 75 in 2001 to 40 in 2006. Somebody's getting squeezed out, and law firms around the country are making significant efforts to strengthen and deepen their relationships with key clients—if only to remain on the roster.

One of the most critical tools that law firms can use to strengthen client relationships is what some firms call the “client

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team,” and others call a “key client program.” These teams usually are made up of all of the people within a law firm who work with a particular client, from lead attorneys to paralegals and accounting staff. The goal of the team is to deepen the law firm's understanding of and relationship with the client firm in order to win more of the client's work and loyalty.

The economic and marketing logic behind the idea of client teams is compelling. Loyal clients are less price-sensitive—and therefore more profitable—the longer you retain them. Sophisticated law firms around the country are turning to client teams as a way to build strong, long-lasting, and profitable relationships with existing clients who hold the potential for growth. While they aren't a quick fix, client teams offer the promise of “institutionalizing” a client within a firm, revealing cross-selling opportunities, and securing that elusive, long-term, profitable relationship.

Sugarcrest, a Washington, D.C.-based consulting firm, gives seminars and training programs to law firms throughout the country on business development and client loyalty. We have

worked with a number of AmLaw 100 firms as they launch and try to improve the success of their client teams. From that experience, we've been able to figure out some of the reasons we've seen client teams succeed—and how law firms can avoid having them fail.

#### YOU WANT MORE WORK?

The first critical component in client-team success is the firm's intent. A client team is bound to fail if the firm's primary and short-term focus is simply getting more work from the client. The client can always tell, and general counsels are repeatedly quoted as saying, “What's compelling about telling us you want more of our work? We know that already.”

Obviously, everyone, including the client, understands that one of the goals of any client initiative is to secure more work. But, if a client-team initiative is to succeed, the primary goal of any individual team should be to improve the level of service to the client. Key to this is truly understanding the client's objectives and focusing the team on helping the client to achieve them. The firm must genuinely want to help the client in its business. If the team succeeds in this, then more work will follow.

One important thing to keep in mind is that not all clients warrant the creation of a client team. And choosing the right client isn't as easy as looking to a firm's top 10 or 20 clients. Those clients may not be the most receptive or firms may have already tapped into all the work they could possibly do for them. The successful firm mines its client list with an eye toward potential, no matter where the client falls in the current pecking order.

We have found the client-team process varies widely from firm to firm, depending on the firm culture, management structure, availability of resources, and the types of clients a firm serves. But no matter how these characteristics shape the process, every firm and every team must honestly assess where it stands with the client for which the team is formed.

If a firm has a client-satisfaction program, then this information already should be common knowledge. But most law firms still do not seek feedback from their clients. Without this feed-

back a client team is like a ship that has set sail with a destination, but without any knowledge of the location from which it came. An effective client-team process must, therefore, include a client-satisfaction interview. This type of interview is the only way a firm can truly know how to improve this client's loyalty to—and even enthusiasm about—the firm.

### TAKE ME TO YOUR LEADER

A strong predictor of a client team's success is the leader the firm chooses for the team. Too often, firms appoint the top-billing attorney or the attorney with origination credit for the client. While that person may well have the qualities of a great client-team leader, just as often he or she doesn't. Unfortunately, most firms find it challenging to choose a team leader other than the lead biller, even when that person is not a good manager.

It's important to recognize that successful client teams aren't built in the traditional matter-driven team model, with a senior person leading a team of subordinates. Unlike a matter-driven model, where the client and the matter itself determine time lines, tasks, and success, the client team is driven by a shared vision and goals built by consensus.

The successful client-team leader is someone who can create a vision and motivate people to buy into it. Often, members of the team are peers of or senior to the team leader. Simply assigning tasks to team members is not enough to create a sense of obligation in them—team members need to be brought into the process and committed to the team's goals. Team members need to actually care about disappointing their teammates and feel a responsibility to both the group and the process. A leader who can create an atmosphere of joint responsibility and accountability is key to a team's success.

One of the primary reasons that client teams fail is that they launch with inappropriate expectations. These expectations can be unrealistic about how soon the firm will see results, or how committed attorney participants will be, or the amount of time and resources needed for the effort.

One approach to ensuring that the law firm has appropriate expectations, and a successful ongoing process, is to begin with several rounds of training for team members, and, especially, a

leaders summit. A leaders summit brings together all the team leaders to explain the initiative's purposes and goals, to provide training in motivating team members, and to emphasize the program's importance for the firm. This meeting also provides a forum for the team leaders to criticize, complain, or be excited—but at least to have their say. Consequently, the summit results not only in an understanding of the client-team initiative, but also in endorsement of the program.

Successful client-team programs require participants to commit ample time not only to launching the team, but also to maintaining the team's momentum. Most law firms have never before spent a significant chunk of dedicated time just thinking about one client, bringing a lot of minds together to think about that client's issues, opportunities, and challenges.

The time commitment involved in the client-team process is particularly daunting in the billable-hours-based legal world. The average client team meets once a month for several hours, taking up about 24 hours per year, per attorney. Actual responsibilities for team members are above and beyond that, typically resulting in a time commitment of 50 to 100 hours per person, per year. None of those hours are billable.

Just as it is with compensation models that impede cross-selling, compensation models that fail to reward team behavior also can contribute to the failure of a client-team process. So, it comes as little surprise that firms that have experienced success in the client-team process have compensation models that incorporate factors beyond hourly billing. At some forward-thinking firms, attorneys are given credit for "investment" time such as client-team activities, management activities, mentoring associates, and managing clients.

Client teams can be truly financially rewarding for a law firm by binding loyal clients to the firm, rather than just to individual partners. They also are complex relationship-building efforts that require strong firm management, an eye to the long view, and a sincere desire to help clients in their business, in addition to a desire to expand and strengthen the law firm.

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