INSIGHTS & COMMENTARY ON RELATIONSHIP BUILDING WITHIN THE INTERNATIONAL LAWYERS NETWORK



Change or Die? A General Counsel Panel - Part II

Posted on March 23, 2012 by Lindsay Griffiths

In my <u>last post</u>, we talked about the first part of the client panel session from the Legal Marketing Association's Annual Meeting, with panelists Jeff Carr of FMC Technologies, Janet Dhillon of J.C. Penney and Ron Barger of the Archon Group. The second part of the session was equally as valuable as the first.

One of the interesting points that the panelists made during their comments was that they

need their attorneys to elicit the real end game from them – they went as far as to suggest that attorneys should ask them directly "What does 'winning' mean to you?" Jeff said lawyers need to get their clients to be specific, because they often won't volunteer that information.

He joked that business development is like a relationship – people don't get better with time. They're on their best behavior in the "marketing phase," so attorneys need to get past that, and force their clients to be specific about the results that they want.

The panelists then revisited to the issue of cost, and challenged those in the audience to go back to their managing partners and executive committees and talk to them about how to harness the information that is resident in their technology. The more information that firms have, the more competitive they can be - firms need to figure out their costs.

Jeff made the point that it used to be the "practice" of law, but that's no longer the case. Now it's the "business" of law, and firms need to behave accordingly.

What DO GCs Like About Their Law Firms?

Following on the question of what the clients don't like about law firms, the moderators asked them to comment on what they do like. Janet relayed the story of when one of her firms seconded a strong associate to them when their in-house staff was struggling, and at a very fair price. Since the associate was mid-level and very valuable to the firm, it was a squeeze for them, which made it that much more valuable to the client.

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Jeff says that he likes having a performance-based discussion with each of his firms every year and after every matter, to discuss results. He said "Lawyers don't like to be told they're 'average.' So we don't use that word anymore. We say 'you're meeting requirements.'" (So on a related note, this jumps out at me as a red flag for firms doing client interviews – if your client tells you that you're "meeting requirements," that client isn't happy. What can you do to change that?).

Ron then went back to Janet's story about the secondee, and gave the audience a practical tip – he said that if a firm is sending a secondee into a company, they should prepare them for that company and use them as their eyes and ears. It's a way to gain valuable information about the client, particularly if the firm takes the time to debrief them and share the information with other attorneys at the firm.

Ron emphasized that it's important to have the secondee thinking not just about doing legal work, but also about the company and how to be proactive about things they notice there.

Does Size Matter?

The moderators then asked the panelists to talk about what they consider to be a good approach for smaller firms who want to get in front of them to take. Jeff began by saying that he was conflicted, because he wanted to say that size both does and doesn't matter, but he feels that smaller is generally better. The reason for this is that as firms have gotten larger, they have failed to leverage their knowledge to drive effectiveness.

For his company, about ten firms make up 85% of their legal spend, and they vary from having three to ten people to firms made up of hundreds of attorneys. He commented that all of the firms are equally effective. Smaller, more regional firms, can come to them with more flexibility than a bigger firm. He added that he hates when a firm comes to him with an engagement letter – he won't ever sign it. He said that the firms are HIS providers, so they'll sign HIS letters.

Jeff went further to say that the size of the firm doesn't matter to him, because they can and do form teams of attorneys from multiple firms if they need to. What matters are the skills they bring to bear.

Janet joked that they are really busy people, so it's difficult to carve out time to listen to a law firm talk about themselves. Although she was making light of it, her point was well taken – firms should come in with a focus on the client and how they can help them, not listing their accomplishments and accolades. Her recommendation is for firms to offer to come into a company and provide CLE programs to the inhouse lawyers, particularly free programs. She said that meeting attorneys in a relaxed session like this is much better than having them do a big pitch.

Along those lines, she told the audience to stop doing these big presentations, which just make money for people who make printers. She also said that firms should stop calling their CEO or Board members,

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which doesn't endear them to the in-house attorney. She emphasized that it's all about trying to establish that personal relationship (that's what I'm always saying!), and to see if you share values.

Ron agreed and said that if a firm sends him a brochure, he throws it out. He told the audience to get rid of them (and if there are attorneys who are wondering if the marketing people wrung their hands in despair at this comment, they didn't – they cheered). He said attorneys should create relationships by mingling with GCs at events that they go to – THAT gives you an entrée.

The takeaway there is that attorneys need to get involved in associations with GCs, where they can share dialogue and build relationships.

Janet said that in her case, she also gets recommendations from other GC colleagues to develop her shortlist – not surprising, as most people will seek recommendations from those they know, like, and trust. She trusts these colleagues because they have the same pressures that she does.

Janet also emphasized that attorneys need to be nice to everyone at her company – not just her. She said that if an attorney is rude to her assistant, she doesn't want anything to do with that firm, because it's a reflection on their character, and as Ron had commented earlier, if a firm doesn't share their culture, they're dead.

Quality is not a Differentiator

Jeff commented that he doesn't want firms to talk to him about quality, or Supreme Court clerks – "Quality is not a differentiator; get over it. Quality is the price of admission." He said that he's never had a firm come in and say "I know you have other firms and other choices, but here's how we can provide value to YOU." In his book, that would be a differentiator.

Jeff said that their work, for the most part, is not rocket science. They just need good, competent providers, so firms should market based on the value they can deliver. Ron agreed, saying that they have a lot more problems than you can think of, so attorneys should bring one to them that they can solve, and explain how. That would be their price of admission.

Jeff added that lawyers need to understand what the business of law is today and what they can do. The business of law is about content, processing, advocacy, and counseling. He's happy to pay a lot for counseling, but most lawyers are just doing content and processing. He said that it's no wonder that lawyers are unhappy, because they want to be involved in strategy and counseling, which is what he wants too, but instead, they're doing content and processing.

Jeff doesn't care who the firm is for the content side or where they are, but having lawyers do process and content is inefficient and expensive.

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There was then time for some audience questions after that, so someone asked about client alerts and websites. Ron admitted that he does look at firm websites, but mainly to see what an attorney looks like so he'll recognize him or her when they meet. Jeff said that he pays zero attention to law firm websites unless they have a tool that he can use. (Again, start thinking about your law firm websites as a client – what do they see when they come to your home page? What would make it valuable for them?)

On the subject of client alerts, they said that they don't want to receive a ton of them. They agreed that they're good if they're timely and well done, but it's amazing how many of them aren't.

Jeff left the audience with two key takeaways – he said that at the end of the day, it comes down to who does he want to spend time with? He added that most legal work is commodity, but the exercise of judgment is not a commodity, so lawyers should use it.