

Stating your case to the client

Differentiate yourself by showing how your services produce tangible value

Consumers of legal services have no shortage of options, yet recent surveys indicate that many clients are less than satisfied with the services they receive from their lawyers. This would suggest that there are plenty of opportunities for attorneys who provide superior legal services to gain clients and build a successful practice.

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Rather, the key to differentiating your services is to provide greater value than the competition. Let's be clear: Value does not necessarily mean a lower price. To the contrary, many analyses show price is the weakest form of differentiation. It is perfectly acceptable for your fees to be higher than your competition's as long as you

can articulate and illustrate why yours represent a better value.

One key to building and maintaining a successful practice, then, is ensuring that your clients understand the value of the services you supply. Lawyers provide myriad valuable services: solving problems, resolving disputes, vindicating rights, facilitating agreements, and clearing away obstacles in the client's path to success. In each instance, it is important to help the client translate the results of the engagement into actual dollars saved or earned.

Transactions

When a legal matter involves the acquisition or disposition of something of value, such as a business transaction, it is tempting to assume that your client recognizes the value of your services in the price of the acquisition/sale. It is quite possible, however, that the client views the transaction as something separate and apart from the services you provided. Thus, it is critical that you identify — and the client acknowledge — your “differentiating value.”

In what ways did you supply more or better assistance, or legal insight, than another lawyer might have done in that same engagement? Think critically about how your experience, industry knowledge or relationships contributed to a successful conclusion and will facilitate success in the future.

With regard to a business transaction, did you identify and troubleshoot any issues that may have led to more

successful integration of the new business, more stable growth or a “better deal” for your client? Did your knowledge or experience allow you to identify and resolve issues that others might have missed or dismissed without consideration? Did your counsel make the process go more smoothly or efficiently?

In litigation

When it comes to litigation, clients often see the associated costs and fees purely as expenses, particularly if they are facing claims asserted by others. This can make identifying the value you provided more difficult — but all the more important.

One way to add value is to use the litigation as an opportunity to identify and resolve systemic issues, so the same or similar problems do not recur. For example, did inadequate or improper processes contribute to the likelihood that a third party would assert a claim? Would better documentation or policies have made resolution easier or less costly? If so, use that analysis to help the client review or revamp its policies, procedures, training or other areas to improve its operation.

At the conclusion of the matter, and perhaps at some interval thereafter, you can conduct “lessons learned” reviews to illustrate how your counsel led to a successful resolution — and is helping the client avoid future problems.

Especially in litigation, you should accentuate not just the resolution you achieved but the means by which you

achieved it. At the beginning of your representation, always discuss and identify the client's goals, the various options for resolving the matter, the pros and cons of each option and how it relates to the client's overall objectives.

For example, if the client is facing a claim and cost is its primary concern, it may be more cost-effective to enter a quick settlement in which the client pays a bit more, but avoids other litigation-related costs (or the possibility that time or litigation could increase the value of the claim).

In contrast, if your client is concerned about the possibility of copycat claims, refusing to settle may be the more effective strategy. While litigation-related expenses may be costly in the short term, a no-settlement policy can offer long-term benefits if it dissuades others from pursuing similar claims in the future.

Not just an expense

As these examples illustrate, you need to make sure your client understands and appreciates the short- and long-term strategic value of your counsel. This requires you to make special efforts to identify the additional or differentiating value that you added, so that your client sees you not just as an expense, but a strategic partner.

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