RELATIONSHIP PHASE

DELIVERY

CLIENT'S BUYING PROCESS

Becoming a Repeat Client

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BUILD CLIENT LOYALTY WITH FIVE STAR SERVICE

Clients are more loyal to professionals who are proactive about providing service than ones who just react. Our Five Star Client Service® training is patterned after the service you receive at a Five Star Resort. The Five Star Client Service System helps your firm reduce staff turnover, improve internal communication, raise the level of trust inside your firm, and ultimately achieve more loyalty from your clients.

In order to deliver Five Star Service, professionals focus on steps like the following:

Taking the Order

Waiters who take your order in fine restaurants have a big responsibility. Incorrect orders result in enormous cost increases from the rework of the food and customer dissatisfaction.

In a professional firm, when the order is not taken correctly, review notes and reworks abound. If you track your cost overruns and delivery delays, most of them would relate to not taking the order exactly. Many times a partner takes the order from the client and then plays "pass-it-on" to an associate. At each level of "pass-it-on" the message becomes garbled. The person lower on the totem pole does not want to press the issue of slight misunderstanding. He or she wants

to move forward with the work and will do so without a clear picture of the order.

In order to take the order exactly correct, the partner must commit to a few more minutes with the client. It is necessary to listen carefully, take notes, and repeat the order back to the client. The associate must do the same, even though the partner may seem anxious and you may feel rushed.

Connecting

How would you feel if, after you have placed your order in a fine restaurant, the waiter did not check back with you? Many professionals commit this error for various reasons: tight work schedules, a fear that the initial order wasn't taken right, communication reluctance on the part of the service provider, a lack of care, or simply a lack of awareness of the importance of connecting with the client.

Connecting allows us to strengthen the relationship. We achieve this not only by simply keeping the client informed of progress and making contact, but by asking three simple questions:

- "What are we doing so far that you like....?"
- "Is there anything that we can improve on right now..?"
- "How do you feel about things so far...?"

These questions serve to uncover any hidden emotional concerns and problems before they occur. They also serve to strengthen the bond between you because the client feels attended to. Connecting also helps to overcome price anxiety, collect the fee, and plant the seed for further services.

Conclusion

Great service is dependable. Success in service excellence happens when you develop a system that delivers consistent, dependable responses every time.

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YOUR MOST IMPORTANT CLIENTS

Outstanding client service begins with the people you work with everyday - your internal clients.

An internal client is an employee of your firm. For example, when a tax preparer compiles the return, he or she is the internal client of the partner who provides insight and guidance. And vice versa, as the partner reviews and signs the return, the partner is the internal client of anyone who may help in the processing of the return.

Delivering great service depends on keeping staff turnover low. As outlined in the book *The Customer Comes Second* (by Rosenbluth), reducing staff turnover and increasing staff satisfaction is the key to staff making clients happy.

Do Unto Others

Unfortunately, in both law and accounting firms, too often we witness a "Dr. Jekyll and Mr. Hyde" approach: the partner bends over backwards for the external client, but takes internal clients for granted.

How external clients ultimately get treated is a direct reflection of how internal clients treat each other. As a business, you cannot give better service to your external clients than you do to your internal ones.

We are experiencing one of the most dynamic labor markets in history. Most law and accounting firms say their big-

gest need is not marketing, but finding qualified associates to do the work who have 5-10 years experience so they can hit the ground running.

Just this week, I worked with a large firm with the following characteristics: Ten partners, 50% travel; 70 staff members, average work year for all employees 2,600 hours. Employee compensation is average for the market, yet the firm had only lost three employees in the last two years. When asked about this excellent record, the employees said "The partners treat each other with great trust and respect and they treat us the same way. Because we feel valued, this is a great place to work."

Treat Internal Clients with Respect

How can you expect to provide great service if you treat each other with disrespect? We thank our clients, and we always should try to thank our employees for providing good internal client service. Both those thank yous are equally important.

Conclusion

During a number of our training sessions, the professionals develop excellent client service ideas. These ideas apply equally to our internal clients—for example, to make our clients feel respected and recognized in a variety of meaningful ways, to be more responsive by returning client phone calls within 4 business hours, and to keeping clients better informed as to the progress of our work. You need analogous internal service standards.

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PARTNERS: LEADERS IN SERVICE TO INTERNAL CLIENTS

In the last chapter, you were reminded that the way people insidethe firm treat each other greatly impacts how the employees of the organization treat clients. Both internal and external service initiatives must be coordinated.

Implementation of client service opportunities must begin with the partners. Norman Vincent Peale once remarked, "Nothing is more confusing than people who give good advice but set bad examples." It's important for partners to lead with verbal guidance, but it isn't enough. They also must lead with their actions.

Ron Zemke, in his book *Service America,* says "There must be a client-oriented culture in the organization, and it is the leader of the enterprise who must build and maintain this culture." The way employees are treated by partners greatly impacts how the employees of the organization treat clients.

Internal Service

As covered in the last article, external service starts with internal service and respectful treatment. Sometimes reinforcing the right norms takes forceful intervention.

A partner, with a large international firm, told me that when he was a manager, he called a partner in Chicago. The partner did not return the phone call. The manager called again

the next day. Still, no return call was forthcoming. The manager reported to his own partner in Atlanta that the client matter was being delayed awaiting a response from the Chicago partner. The Atlanta partner called the unresponsive Chicago partner, got him out of a meeting, and reminded him of the policy of respect for each other. And that respect included responding to any employee anywhere in the firm.

Role Modeling External Service

In law and accounting firms all across America where service is excellent, the partners do a lot more than tell employees what they want. They act as role models and show genuine concern for clients by taking time to listen and help them. And they back up their commitment to client service by looking for, measuring, recognizing and rewarding performance that results in good service at all levels and in all jobs.

We don't want to support the old proverb that familiarity breeds contempt. Rather than breeding contempt, we really want to look for the good in others and utilize that good to provide great service to our clients. Recognition and praise are two of the most powerful motivators of all, yet you'd think that paying someone a compliment cost a thousand dollars.

Conclusion

If you see any other employee without a smile, give her one of yours, and maybe she will pass it on to one of your clients. If you see any opportunity for improvements in this area of your firm, perhaps your training programs should emphasize internal client service this year as the basis for great external service.

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CONSISTENT SERVICE BUILDS BRAND LOYALTY

Service consistency is a goal most mid-sized professional firms strive toward. It provides control over your customer service. It is also a great reason to contact your clients.

The journey to firm-wide consistency is difficult because of the lack of communication with existing clients about the quality of the current service being delivered.

None of us want to hear bad news, but talking with clients is crucial. The difference between a satisfied client and a highly satisfied client can be night and day. For instance, Xerox found that customers who rated them a 5 on a 5-point satisfaction scale were 6 times more likely to purchase further products than customers who rated them a four! Accountants seem content to send out useless client surveys in the mail, but hesitate to go see the clients personally.

Standards of Service

The only way to establish service consistency is for the owners of a firm to set down the service laws:

- promptness in dealing with client concerns,
- maintaining client comfort in difficult circumstances,
- insuring regular communications during engagements,
- no training of junior staff on client's nickel, and so on.

Develop Consistency

For every significant engagement the managing partner or marketing professional should visit the client and ask the two key questions: How did we do? How can we get better for you?

The service consistency equation becomes more difficult when a firm is focused on growing inexperienced staff members. Will each one of them be able to deliver fine service consistently, or must an owner always be present? McDonalds delivers a consistent product with minimum-wage employees because they have clear service standards and train the young team members to deliver your food the same way, every time.

Conclusion

Before advertising your service excellence, make sure that you can deliver services consistently and that your whole team is on board.

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CLIENT SATISFACTION SURVEYS ARE PASSE

The Client Satisfaction Survey is one of the most misused marketing tools employed today. Most surveys fail to obtain reliable information. Even worse, many surveys obtain misleading information.

The single most important reason to perform a survey is to determine client intentions. What your clients say doesn't always equal intentions. A few years ago, in a focus group, Sony Corporation asked teenagers which color of boom box they would prefer? Black or yellow? The overwhelming response was yellow. At the end of the three-hour session, the teens were told they could pick up their choice of a free boom box as a gift for participating in the focus group. The overwhelming choice was black! The key to client intention is not what people say, it's what they do.

Ask Questions That Deal with Client Intentions

Following are a few ideas to improve your use of client surveys so the information you receive is more reliable and useful.

"Will you come back to us for your next need?" "Have you or will you refer us?" "Would you use us for other services?" Use questions like this to reveal client intentions.

Design a Competent Survey Methodology

Professionals who understand anything at all about statistical sampling realize that a 35% response rate from clients probably does not reflect the true responses of your client base. Were the responses from your best clients or your worst clients? Were the responses completed by decision makers or influencers of your clients?

Use a methodology that will give you reliable feedback on your most important clients. Personal or telephone interviews of your largest clients will receive a much higher percentage response rate than mail surveys. If you insist on using a mail survey, at least send a gift to reward your client for completing the questionnaire for you.

Ask Yourself, "Should We Do a Survey?"

If you do business with a limited number of clients and send them a survey every year, you will create survey burnout. If your clients have a complaint about your service, your people or your billing methods, many will not want to put it in writing. You may be better off to visit your clients individually and explore their perceptions in-depth. All clients' comments are not created equal. But in a typical mail survey, a $300 tax return client's responses receive the same weight as a client who pays you $100,000 per year.

Conclusion

Surveys offer little chance of discovering anything unexpected over and above the topics being queried. The problem with this is that your own thinking contaminates and limits the thinking of your clients.

Surveys can be useful tools to help firms grow and respond competitively to the marketplace. But to gain new information, you must be careful to design a process that will give you useful and reliable information.

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WHEN YOUR CLIENT HIRES A NEW CHIEF

When a new CEO, COO, CIO, or CFO joins your client, your relationship may be at high risk. Smart professionals never take a client for granted, but they are particularly sensitive when there is a change in top management. In many cases, the new chief will not know you and probably will have some level of loyalty to another firm. Your key is to make life easier for the new chief.

Be Proactive

If your first reaction is to lay low, or to wait for the new chief to call you, this is the wrong approach. You should be proactive in building communication links. Your first role is to educate the new chief by reviewing the services your firm has provided the client. Show how you have had an impact on past cost savings, legal structure, business success, or other significant events. It is good insurance for you to review the past while emphasizing the reasons why you should continue.

Most new chiefs will bring new ideas, new initiatives, and a new team to their new roles. Some chiefs' approaches may be radically different from their predecessors. So, you don't want to represent the "old way." If you have had significant management or internal control recommendations, bring them up early in the new chief's tenure.

Increase Communications

Professionals who have weathered management changes offer some good suggestions:

1. Begin to mentally prepare your next proposal to your client. If the new chief has a relationship with another professional, they are probably asking for an opportunity. You would do this if one of your best friends took over a new client.

2. Don't assume that business will go on as usual. You must give more attention to the client's personnel with whom you have worked. You may be asked to alter your services package to suit a new direction for your client. It will be better for you to be a part of this planning process, if you can engineer it.

3. The quickest way to alienate a newcomer is to act superior or overconfident. Treat the new chief with great respect. You must recognize the new chief's ability and stress your wish to serve in the new environment.

When Family Members Become the Chief

The time to build relationships with family members who may become the chief is months or years before they are promoted. Often, successful CPAs have built strong relationships with the elder chief and avoided the children. Meanwhile, the children are forming their own relationships. Perhaps, now is a good time to focus attention on the sons and daughters of your client's owners.

Conclusion

A change in leadership is a time of both danger and opportunity. If you are mentally prepared and build your relationships broadly within your client firms, you will be better positioned.

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DO YOU HAVE 2ND CLASS CLIENTS?

On a plane from Orlando to New York, I sat beside a meeting planner for PricewaterhouseCoopers. She told me a story that bears repeating.

The meeting planner had asked the catering department at Disney World to prepare an event for the PwC partners. Disney's caterer priced the affair at $50,000. But the meeting planner's budget was $35,000. Disney dropped its price.

Later during the event, the PwC meeting planner noticed that every item in the original event was included in the program. She mentioned this, with great appreciation and astonishment, to the Disney caterer. His reply was, "Disney may reduce our price, but we never will reduce our service."

Clients Who Pay Less

How do you handle clients who cannot pay your first-class price? Many times, I have observed these clients receiving second-class pricing and third-class service. Often, partners and others resent the discounts afforded some clients. Discounting and resentment often lead to a downward spiral of service and even greater discounts or to unhappy and lost clients.

You would be better off avoiding low-class service to any client. The undertone of resentment by the partner and staff will be transmitted to your client personnel in many ways.

Slower phone call returns, slower reporting, lack of a management letter, and yearly staff-turnover occur when you resent your lower fees.

How to Serve Budget Clients

A better approach would be to provide the same excellent service to your budget paying clients as you do to your first-class ones. But, how can this be possible? "Everyone can not be treated like my number one client," you may say.

The way to make this work is to create trade-offs with your discounted clients. For example, determine if the work can be performed during a period of your year when a premium is not charged. Determine if the work can be staffed and managed by a lower billing-rate individual. Determine if the work can be a joint venture with another firm, so you can spread the discount.

Commit to first class service for all your clients: meeting your promised deadlines, promptly returning phone calls, making unsolicited visits and phone calls, maintaining continuity of staff on, and providing management recommendations to your discounted clients. If you cannot make money on a client, it may be better to not serve the client than to give them second-class service.

Conclusion

I have witnessed numerous discounted clients willingly increase the fee structure when high quality is received. After all, before they started, they didn't know what to expect, and thus were cautious about costs. Most clients leave firms because the value and level of service is not up to the pricing. Don't let yourself fall into the downward service spiral of some professionals.

Use the Disney motto, "We may reduce our price, but we will not reduce our level of service."