

## Prize fight

Get ready to face LPO  
providers as competitors

### Spotting weaknesses

Change your  
firm's governance  
structure

### Central control

Why your firm needs  
a centralised approach  
to pricing

### Values beacon

Develop core values  
that transform  
firmwide behaviour

# Streamlining quality

Inter-office quality management is vital to creating a sustainable international brand for your new network, says Ernestine McKay

Quality is widely recognised as the cornerstone of good business management. Equally, a first-class product is the most persuasive evidence of a strong brand. If we look at professional services in particular, nothing instils cross-border client confidence more than the satisfaction of seeing high standards delivered consistently worldwide.

While many well-known law and accountancy firms have taken years to establish brands that inspire such levels of confidence, this is more of a priority when the service provider is a relatively new market entrant that is hungry to steal market share, especially in mature, flatter markets.

International alliances of independent firms often suffer from low profile (or non-existent) brands. While member firms' reputations may be widely endorsed in their respective domestic markets, it takes time and effort for these same firms to develop an international reputation, courtesy of the umbrella corporate identity provided by an international network.

The leaders of these associations would be well advised to keep high-quality service close to the heart of their strategies in order to fast track their efforts to build and sustain a genuine cross-border brand.

Similar to other commercial assets – leadership, entrepreneurial flair and efficiency – quality is difficult to define but is instantly recognisable. Many networks accept that professional knowledge and ability are only the first elements of a quality service or product. Add to that

integrated practice management systems, streamlined operational processes and transparent billing and they move closer to earning that all-important seal of quality. If they can supplement this with service innovation and regular thought leadership, especially on international topics, they shift into the top league.

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**“An overt quality programme is vital in demonstrating cross-border excellence and countering potential client concerns about the network simply being a loose affiliation of international offices”**

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Clients expect continuous service improvement and value for money. The most successful networks deliver this in abundance and are seen to be doing so.

## Defining quality

Outstanding quality doesn't happen by chance. It has to be planned, managed and reviewed in equal measure. In their bestseller *Delivering Quality Service*, professors Zeithaml, Parasuraman and Berry discussed how their 'servqual' framework could be used to measure the scale of quality in the service sector.

The matrix was specifically developed to measure the gap between customer expectations and experience (actual delivery). Ten aspects were originally measured: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the client and tangibles.

By the early 1990s, the authors had refined their criteria for the measurement of service quality into a 'rater' model:

- **reliability** – deliver on the promise of accurate, practical advice;
- **assurance** – inspire trust and confidence in your knowledge;
- **tangibles** – deliver the specific service as requested;
- **empathy** – tailor your services to individual demands and taste; and
- **responsiveness** – demonstrate a willingness and availability to deliver promptly within an agreed timeframe.

This simplified model allows firms to qualitatively explore and assess client service experiences and has been widely adopted by many service organisations.

There are specific actions that networks can take to ensure quality remains high on their agenda. It's important for everyone involved to understand and accept the measurement criteria and to refer to these continuously in order to manage any performance issues.

These same criteria also support the due diligence process during member recruitment to an international affiliation. Quality has to be managed effectively to



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deliver the genuinely seamless service that global firms have built their reputations on.

For example, international alliance lus Laboris has an annual member review in which firms undergo two separate assessments. The first invites them to review their own performance from an inside perspective. The second invites their peers in other member firms to review their service delivery from a client perspective.

Each firm’s services are measured against four key performance indicators that shape the network’s definition of excellent service delivery:

1. legal expertise;
2. international project management;
3. marketing communications and

4. business development; and
4. billing.

The quality assurance manager follows up on over 8,000 responses covering services in 50 countries and holds individual meetings to ensure that any delivery issues can be picked up and acted upon swiftly. This level of feedback provides management with a valuable basis for discussing sensitive issues that can be missed in desk-based exercises.

Another well-known global law firm network, Lex Mundi, submits its member firms to regular reviews of their performance against set criteria, with the ultimate sanction of asking any member

to leave the network if it doesn’t meet these standards.

As a result, the quality and consistency of service delivery is recognised as remaining high, despite the enormous geographical spread of the organisation. It’s one of the most influential benefits of membership of the network and allows its 160-member firms to recommend other Lex Mundi colleagues with genuine confidence in their ability to provide clients with a competent level of service.

**Increasing visibility**

An overt quality programme is vital in demonstrating cross-border excellence and countering potential client concerns about

the network simply being a loose affiliation of international offices.

Clients want to be reassured about compatible standards worldwide, tangible management controls and similar values to the big brand-name international law firms.

It's important to identify as soon as possible the vehicles required to establish and maintain quality services – internal reviews, external benchmarking, client feedback surveys, client relationship management initiatives and appointing dedicated resources with the authority and credibility to make changes to working processes and culture where necessary.

The Law Society of England and Wales's Lexcel quality accreditation has been adopted by many law firms and in-house legal departments. The international quality standard ISO 9001 has also been adopted by many law firms and corporates.

Meanwhile, LawNet (a network for independent UK law firms) has developed dual accreditation for members interested in both quality standards. Clients are increasingly insisting on their advisers receiving formal accreditation.

Banking groups Santander and HSBC have acknowledged the importance of the Law Society's conveyancing quality scheme by restricting entry to their lender panel exclusively to firms recognised by the scheme.

Once satisfied with service levels, the firm or alliance needs to tell clients what it does well by creating promotional messages on all service levels. It should also allocate time to select external communication channels to ensure the business not only delivers excellent services but is also seen to do so. Public promotion lets clients know of the investment in adding tangible value.

It's also worth balancing the formal, public face of accreditation with an internal communications campaign. Lawyers and marketing support are in a strong position to be able to cascade internal messages within their teams, which in turn will repeat these to external clients and prospects. An internal campaign, backed by relevant training, also ensures that staff are capable of delivering services to the required standard.

### Barriers to quality

There are some key pitfalls to avoid in

service provision by an international network, including:

- inconsistent levels of service;
- poor project management;
- slow response rates;
- missed deadlines;
- inaccurate fee estimates;
- inadequate communications; and
- lack of supervision of work delegated to junior advisers.

The most common trap networks fall into is aspiring to a false notion of quality assurance. It takes effort to put in place processes and resources, enthusiastically asking clients to tick boxes in seemingly endless questionnaires.

It is absolutely critical to address the issues raised and nurture clients or members who have used to this opportunity to raise their concerns.

If you resolve their issues, these critics will become your strongest champions. The real effort lies not in asking questions but in following through with honest dialogue, patience, a genuine understanding of the issues raised and, above all, regular communication.



**“Quality has to be managed effectively to deliver the genuinely seamless service that global firms have built their reputations on”**

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## “A valid quality management system is one of the most influential means of differentiating a business from its competitors and can help to ensure long-term survival in shrinking markets”

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Be wary of attempts to introduce quality by central mandate. There are very few single standards that can realistically be regulated across the network's offices worldwide. They have to be scalable. Criteria should allow for natural market differences, especially in cross-border services delivered through a virtual network of multiple offices. The approach also needs to allow for human beings and all of their idiosyncrasies, coupled with complex market demand, which by its nature is variable in different jurisdictions.

### Overcoming barriers

It is essential to invest in a long-term strategy to keep your quality programme on track.

The first priority should be to keep the momentum going. To be really effective, quality management has to be renewed and continuously invested in. It is more than the sum of the parts of a formal process. Businesses have to enter into the spirit of quality service far more than the formality of a set of rules. The results and know-how emerging from a structured quality programme have to remain at the heart of the business.

Senior management will benefit from consulting with clients on the main issues. Studies have shown that only four per cent of dissatisfied clients usually report their complaints to the service provider. The other 96 per cent quietly go away.

Dissatisfied clients are often more comfortable with telling their friends and colleagues about a bad experience than they are with talking to the offending business owners.

The benefits of talking to your clients

## SERVICE QUALITY: THE FUNDAMENTALS

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- ✓ **Technical advice** – provide clear, precise and practical responses to questions across a range and depth of required expertise.
- ✓ **Knowledge-sharing** – exchange credentials internally for the purposes of pitches, marketing and business development, and externally with clients who require an informed overview of a subject or area of concern before consulting their adviser in person.
- ✓ **International project management** – issue clear instructions, acknowledgements and regular updates during transactions, apply conflict-checking, use templates where appropriate and respect project timeframes.
- ✓ **English language** – apply good written and spoken language skills. This plays a significant part in being able to deliver a high standard of service worldwide. Non-native speakers run the risk of misinterpreting common legal terms, impacting both the accuracy of any advice given and the consistency of cross-border client communications.
- ✓ **Billing** – adopt more automated processes, providing up to date and itemised details, and agree standard fee rates for multiple-jurisdiction matters.

about the quality of work they have received far outweigh the risks, however uncomfortable hearing their answers may be. It's all about good working relationships – and it gets easier as the dialogue becomes more frequent. Taking the preventative measure of regular feedback is better than leaving it until it's too late and the client leaves.

The second priority is to be flexible in your approach to problem solving. If the concern raised is an operational one, there will be some type of process-driven solution. If the concern revolves more around the nature of the relationship with the client, key individuals need to take the time to become directly involved.

Automated remote processes, while practical and cost effective, have to be balanced with a mechanism to tune back into direct contact with the lawyers themselves. The further removed client services are from the personal touch, the greater the risk to quality.

Communication, as always, is key. The best opportunities to improve client satisfaction always rely on the people involved, far more than the processes. Also, be prepared to innovate your products and tools (for example through mobile apps, extranets and knowledge portal websites). Ensure your quality management controls are transferable on a global scale.

### A quality brand

In summary, networks and their member firms have a duty to clients and themselves to put in place a valid quality management system. It is one of the most influential means of differentiating a business from its competitors and can help to ensure long-term survival in shrinking markets.

To achieve high standards, management need to embrace an impressive agenda based on planning, control, measurement and continuous improvement. Controls must be applied diligently and regularly for them to be effective. Quality campaigns need to be understood and championed enthusiastically across the whole business: it's never the responsibility of one person or team.

Above all, quality is an opportunity to create and deliver on your brand's promise. Clients will repay the effort over and over again with continued loyalty. They will repeat business and champion your services to others, making your firm's business development and marketing messages all the more convincing. <sup>100</sup>

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