

This Firm Delivers Best Value For The Dollar, GCs Say

By **Lisa Uhlman**

Law360, New York (November 30, 2011, 5:16 PM ET) -- When it comes to law firms that offer the most bang for your buck, corporate counsel tend to look most often to one firm with the ability to execute three key strategies for optimizing value, a new survey shows.

In-house counsel chose Holland & Knight LLP as the firm that provides the best value for the dollar in the BTI Client Services A-Team 2012 report from The BTI Consulting Group (Wellesley, Mass.).

The rankings come from a survey of more than 240 corporate counsel at Fortune 1000 companies and were published as part of the annual report, which singles out the top 30 law firms with the best client service overall, as well as the best in 17 distinct areas integral to client service.

“With firms that deliver superior value, you'll find generally a partner in a relationship that brings an extraordinary depth of knowledge about the client and can act quickly,” BTI President Michael Rynowecer said of the 130 firms nominated for best value. “They don't have to take time coming up to speed; they can make decisions virtually on the spot.”

Along with Holland & Knight, named the best of the best at delivering value, general counsel identified three firms as leaders of the best, the second-highest achievement level designating leadership status in client service: Faegre & Benson LLP, Shook Hardy & Bacon LLP and Reed Smith LLP.

The layout is a big change from last year's list, which saw Thompson Hine LLP top the list and 10 firms make the leaders-of-the-best list, including Alston & Bird LLP, Baker & McKenzie LLP, Bradley Arant Boult Cummings LLP and Foley & Lardner LLP.

Being recognized for providing more value for the dollar — one of the best ways a firm can realize superior financial rewards — involves delivering a level of value at which clients believe they are getting substantially more back than they paid, according to the survey.

That ability to give clients what they want translates directly into higher profits, rate premiums, fees and client retention, it said.

Firms can achieve those benefits by employing three distinct strategies: communicating outcomes, such as time saved, costs avoided and better-than-expected outcomes, in client-friendly terms; using the same metrics and terminology as clients to measure success; and making suggestions to reduce risk, better track compliance and cut overall legal costs without cutting rates, the survey said.

Holland & Knight, for instance, is “very good at communicating what the fee is going to be, why it's going to change, providing alternatives [and] determining whether the client wants a fixed fee,” Rynowecer told Law360. “All those things combine together to say, 'I not only know what kind of value I'm going to get; I can count on that value.'”

Steven Sonberg, Holland & Knight's managing partner, chalked his firm's value ranking up to “a combination of not just our billing structure and our commitment to alternative fees, but also a commitment to providing excellent service to the clients, listening to the clients, and reacting to the problems they're dealing with in a proactive manner and not necessarily trying to cram down solutions that don't fit their problems.”

Rynowecer emphasized communication as the key to the balance between value expected and perceived value delivered, adding that firms that shine as providing the best value are good at communicating, and not just noticing, changes in conditions or strategy. When a firm is doing a good job of delivering value, that value only counts in the end when the firm is able to communicate it to the client.

For instance, while law firms often provide services to clients free of charge, they are not perceived as providing value to clients unless they communicate those benefits beyond just the invoice.

“Because invoices are so complex and so hard to read, the client really has no idea that the law firm has made this investment and not charged them for the time,” Rynowecer said. So savvy law firms will list such services and mark them as “fee waived,” he said, “so that the client sees very specifically that the firm has made an investment.”

And as for the bottom line at a value-focused firm like Holland & Knight?

“I think it reflects well on our bottom line; we're sensitive to client needs, we're sensitive to our cost structure and how we can effectively deliver our services to clients,” Sonberg said.

“It manifests itself through our being sure that our operations are efficient and effective, and we think that delivers value back to our partners in the form of the profits we realize, and it delivers value to the clients in the form of strong value for the services we're providing.”

Delivering that kind of value is especially important in a shaky economy like ours, when legal budgets are not growing but legal departments' workloads are, Rynowecer said.

Companies are saying, “I have to be getting more than I got before for my legal dollar, or else I'm just not going to make ends meet,” he said.

--Editing by Elizabeth Bowen.