

# Sorry seems to be the hardest word

Client service problems affect earnings, and sometimes the best way to recover, retain the client and win more business is by saying sorry first. **Laurie Young**



There are times in every professional's relationships with clients when things go wrong. How an accountancy firm manages that critical point in the relationship will dictate how successful they are in retaining clients and winning more business from them.

## Challenging times

Attitudes to the professions have changed profoundly. Clients are much more likely to challenge advice, demand extra attention and seek second opinions. And after the Enron debacle – and subsequent big name fraud scandals – trust has been dented. Even the best practitioners can stimulate suspicion if they do not acknowledge a difficulty or offer an early apology. If inadequately handled, problems can lead to a perception of cover up and small issues can rapidly escalate.

Clients often judge the service on different criteria from that of the provider. Whereas the professional is likely to focus on the technicalities or speed of the work, the client is likely to value bedside manner just as highly. In fact, the latter can cause clients to question the former. Because practitioners tend to focus on the technical detail of service issues rather than the client's emotional needs, difficulties can be easily exacerbated.

When suppliers do not respond to problems, clients form unfavourable impressions of the whole firm, damaging revenues. If dubious client care is the result of a partner, or is representative of the firm's entire approach, its long-term survival might be threatened. By contrast, a firm with good client service is likely to grow in both revenue and

reputation. This is because of the fundamental way in which practices grow – through reputation and recommendation. Client service is therefore a major determinant of margin, revenue and success. It should be treated as carefully, seriously and thoroughly as any piece of client work.

Most difficulties with client service begin when an individual's practice grows into a business of any size. As volume increases and staff are added, mistakes can occur. The owner of a single partner practice can become so entangled with growing the business and supporting the infrastructure that insufficient time and attention is paid to individual clients. Alternatively, larger firms can

accounts, if there has been an accumulation of unattended service errors. Firms need to determine which issues influence client views sufficiently to enhance or degrade reputation. They have to understand the components of the service which clients value and build appropriate processes or techniques to ensure that the firm delivers on these.

The best firms deploy these approaches at all levels. For instance, Jerry Leamon, global managing partner of clients and markets for Deloitte, says: 'Deloitte vests considerable authority and responsibility in the lead client service partner, whose role encompasses every aspect of our

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cause affront through simple administrative processes such as people being unavailable and clients being referred to voice mail.

The initial affect of such aberrations can be minimal if the general client relationship is healthy. But it can be the final straw, even for large

interactions with audit clients or consultative clients. These partners use a variety of client service assessment protocols to monitor the quality of our relationships, ensure recognition of service that goes above and beyond the call of duty, and provide early warning of potential difficulties. Well understood referral channels are in place to ensure that any problems are addressed and resolved timely at the appropriate level of seniority within our organisation.'

There are also a number of recovery principles that need to be put in place to avoid and limit

**Laurie Young is a specialist in service strategy. His latest book *Marketing the Professional Service Firm* is published by Wiley. For more information, visit [www.lauriedyoung.com](http://www.lauriedyoung.com)**

