



## THE VALUE OF COLLABORATING

### Why client retention is so important

The age of the customer has meant those working in professional services have to do all they can to keep hold of their valuable clients. With the increase in competition for law firms, from other law firms or new law, clients are now inundated with choice, meaning client retention is increasingly important. Businesses in general benefit immensely when they have higher client retention with it being 6 to 7 times cheaper to retain an existing client than it is to attain a new one (Bain & Company). Additionally, Gallup found businesses focusing on their client engagement and retention have 85% higher sales growth than their competitors.

Improving engagement and building relationships with clients, makes them feel invested in the firm, thus helping to ensure their loyalty. For this to be attainable, firms need to alter their client interactions to increase engagement and collaboration. If this is successful, not only would the firm have high client retention, but also clients who trust the firm. Trust is key as many clients then become loyal ambassadors by endorsing your firm to prospective clients. For

mid-sized firms, client engagement is especially important as competition to reduce client fees is high, making client retention vital for success. With this in mind, it's not surprising firms excelling in client engagement and retention find the majority of their new business comes from existing clients.

If we consider the Psychology behind a client's decisions, it is much easier to understand why it is so important to build a trusting relationship with them. The human brain is composed of two hemispheres; the right hemisphere being responsible for emotions and intuition, whereas the left deals with logic and facts. If a client is only focused on logic and facts, they will judge the company based on its size or how expensive their services are. This is where business is lost, as clients tend to favour larger companies who offer their services for cheaper fees. Whereas, if you focus on connecting with the emotional part of the client's brain, they are more likely to trust you and stay loyal, rather than switching to a cheaper option.



## Why collaboration is important

Research found 24% of firms aren't collaborating enough when engaging with their clients and consequently 27% admitted they had lost business due to missed deadlines. Effective collaboration is key to building trusted client relationships for any professional services firm. How a firm works both internally and externally is a direct identifier of how successful you are in delivering your client promise, building trust and retaining your clients. Without successful collaboration, you will find your business's client retention being low and having weaker client relationships. One collaborative software company found 70% of client losses are the direct result of poor collaboration and 18% of clients leave due to a lack of transparency. This means that firm-client relationships are largely dependent on a firm's ability to collaborate and without collaboration, it is hard to build them.

Strong client relationships, built with collaboration, means it's easier to solve problems as clients are more receptive to advice and assistance, making raised issues less frustrating for both parties. In addition, Heidi Gardner, found empirical research showing firms who collaborated correctly, achieved higher margins, had higher client loyalty and access to more lucrative clients.

## How to ensure client retention with collaboration

Now, I hear you ask – How does my firm ensure greater client engagement and retention by collaborating? First off, you need to ask your client what they want and need from your services, then with this in mind, figure out how to make their life easier. Too many firms assume they know what their clients want and without this initial communication, makes it impossible to successfully collaborate.

Once you know your client's needs, you need to choose the right tools to deliver them. Collaboration is effortless when using the right client portal that is tailored to their needs, making it easy to ensure satisfied clients, who stay loyal to your firm. By using a portal, you can present your clients with real-time task updates for matter progress, communicate in a shared community of knowledge and share files simply and easily, all from one secure central place. This means no more wasted time working on out-of-date documents or waiting for approval on segments of a matter. Time is money and collaborative portals ensure you waste as little as possible. With minimal lost time, you can finish cases efficiently, meet deadlines and leave clients feeling valued.

You need a collaboration platform that



allows you to create multiple client portals on one platform and allows you to customise each to suit a particular client's needs and brand. You also need to find a system that has granular rights, right down to the document level, as if there are multiple clients working on one case, you can use these granular rights to limit accessibility to confidential documents, but still collaborate together. Using these portals means you no longer need to use unsecure emails as a middle man between you and your client, as you can discuss, comment and share within the portal. This additionally means you won't lose documents in confusing email threads or open risky attachments, reducing stress and making your engagements seamless.

It is additionally vital you select a client portal that lets you integrate with your DMS and PMS to aid synchronicity and ease-of-use when sharing documents. Even the ability to integrate with Digital Signature platforms has a huge impact on how effortless it is to collaborate with your clients. Automation of these integrations helps reduce wasted time as they automatically run in the background after being set up. Clients care deeply about the quality of collaboration because it's the best way to gain efficient, high quality, customised counsel on a host of issues. Therefore, firms who take the time to ensure their lawyers have the tools to

collaborate better with their clients end up winning more loyal customers and thus have greater profit margins.

## **About Hubshare**

Our extranet and collaboration portal, Hubshare, is perfect to suit your firms needs and to ensure high client retention. With Hubshare you can stay in touch with your clients from anywhere, whenever you want, allowing for fluid collaboration. It also ensures your business's productivity is maximised with a dynamic portal, empowering your partners to collaborate with clients and build those all-important relationships. Hubshare can provide your business with all the tools you need, including granular rights, customisable portals, full DMS/PMS integration (such as with NetDocuments, iManage, eDocs, VisualFiles, Worldox), secure document sharing and a centralised portal where you can collaborate.

Not only do firms benefit from substantial financial benefits when they work hard to collaborate with their clients to improve client engagement, but they increase client retention and become a trusted advisor. Invest in Hubshare today.

