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Building Better Business Partner Relationships

By Katie Bryant, CLM



As the legal industry changes, competition is increasing. Your organization's competitive advantage must not only talk the talk but also walk the walk. As a legal management professional, your role in that process often depends on the business partners you choose to do business with. The right business partners can help you run a smooth operation and increase your profits; the wrong business partners can harm your organization's success.

The Exhibit Hall at ALA's Annual Conference & Expo is probably one of the best resources for sourcing these important relationships. ALA's business partners are experts in their fields with a wealth of knowledge to share with our members. As you navigate the Exhibit Hall and decide who will make it to the next stage of your selection process, here are some things to keep in mind.

- 1. Prepare:** Before the conference, get your employees' perspectives on any work issues you've noticed — how they came about, what they see as a positive solution. Solicit the opinions of people you trust in different roles, as each person has a different viewpoint about their interaction with hardware, software, people and problems. These conversations will ensure you have the information you need to speak with business partners in the Exhibit Hall.
- 2. Price:** You may want the lowest price, but remember that if your business partner cannot make a reasonable margin on your business, then something is going to suffer. And if the business partner doesn't cut somewhere, they may find out too late and put the entire business at risk. That's risky for you if you don't have a backup.
- 3. Service:** Does the business partner only emphasize price, cost savings and/or technological bells and whistles, making little or no mention of customer service? Do they reference any customer service employees by name as an example of their great service? Keep these questions in mind. Time and time again, clients rate service and quality as their top priorities. If a business partner isn't emphasizing customer service, that's a red flag — they're likely focused on the short game (a quick sale) rather than a long-term partnership with your organization.
- 4. Quality:** Is the business partner focused on improving their products, services, systems and processes? Are they constantly pursuing excellence or are they resistant to change? Are they committed to understanding their clients' needs and then meeting those needs — or even better, exceeding expectations — both now and in the future?
- 5. Recommendations:** Many business partners will have a list of happy customers for you to contact at the ready. But their list is biased. Thankfully, as an Annual Conference attendee, you have instant access to peers with different opinions on the quality of the business partner. Keep your eyes and ears

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open — network during lunch, beverage breaks and social events, and look for roundtable discussions related to your areas of need.

Once Annual Conference has concluded and you get back to the office, your selection process for business partners will continue. Consistency is key. Be sure to ask the same questions and require the same information from each business partner you consider. The following is a list of information you should collect as you do due diligence when selecting a product or service provider.

1. **Interview potential business partners.** Ask trusted partners or employees to sit in on initial phone calls and meetings to point out any blind spots you may have. Often, your office management staff or paralegals most frequently deal with business partners. It's important to have buy-in from them and other influencers before you commit to a new business partner relationship. Consider these topics:
 - a. Is the business partner willing to invest in frequent research to best align products and services with your organization's changing needs? Do they think creatively to help your organization become more effective? A business partner needs to be aligned with your long-term interests.
 - b. Ask about the financial solvency of the business partner. If they are willing to give you a copy of their latest financial statements, even better. There are dozens of stories about companies that abruptly close their doors, leaving their clients without a vital service or product.
 - c. Ask about their company history. Get bios of management and key personnel.
 - d. Discuss their ability to deliver expected levels of service and the personnel and tools they have in place.
 - e. Does the company have a data breach policy? Do they have data privacy policies and/or conduct training for employees with access to your data?

2. **Interview references.** Develop a list of questions to ask of each reference so you will have a comprehensive data pool and a truer idea of the quality of the business partner. The more references you can find, the better off you will be.
3. **Tour the business partner's facility if possible.**
4. **Research complaint history.** If you find something troubling in online reviews or elsewhere, ask questions.
5. **Verify the business partner's insurance.** Ensure they carry adequate limits.
6. **Obtain a current copy of their business license or official business certification from their local jurisdiction.**
7. **Review the contract.** Are the terms, renewal/notification requirements, required service levels, etc. agreeable to you and your organization?

Due diligence will vary, and you will need to decide what is reasonable for your organization. One way of being reasonable is to conduct due diligence proportionate to the business partner's perceived risk. The greater the risk, the more diligence should be conducted. Additionally, it's not enough to perform diligence only during the initial vetting period. Remaining diligent throughout the relationship, especially with your critical business partners, is necessary to avoid getting blindsided down the road. ■

ABOUT THE AUTHOR



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