



Competitive advantage through customer service

Lessons for Consumer legal services



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Foreword

How do we deliver excellent customer service every time?

Many people think that in high-volume consumer businesses, occasional lapses of customer service are inevitable.

Most firms have customer service protocols and complaints teams in place but we'd like to highlight the other structural causes and practices that lead to great (or less great) customer service.

In this short report, we provide evidence for why customer service matters, what customers want, how the best companies approach the topic differently and we offer some tangible steps to improve your own customer service standards.



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Why customer service matters

- Poor customer service hurts firms financially
- These costs can be direct or indirect



Remediation time for staff to resolve issues

In our experience, the cost of time spent by staff on remediation makes up between 16-84% of costs relating to complaints. This time is often unseen and unrecognised, even with time measurement in place (as it often looks like regular casework activity)



Refunds Including waived fees / good will payments

Policies vary by company and by practice area, but refunds and other payments are a source of cost that are seen consistently.



Acquisition costs Reduced organic recommendations

The most cost-effective way to generate new business is through direct referrals from existing or previous clients – in which case, acquisition costs are zero. This channel is reliant on great customer service. In contrast, typical acquisition costs through other channels (such as use of referral partners) can run into the hundreds of pounds per case.



Enterprise value Loss of business value

Proliferation of negative online reviews following poor management of customer service can have a significant impact on the brand value of consumer legal businesses, reducing sale value.

Customers want case progress and communication





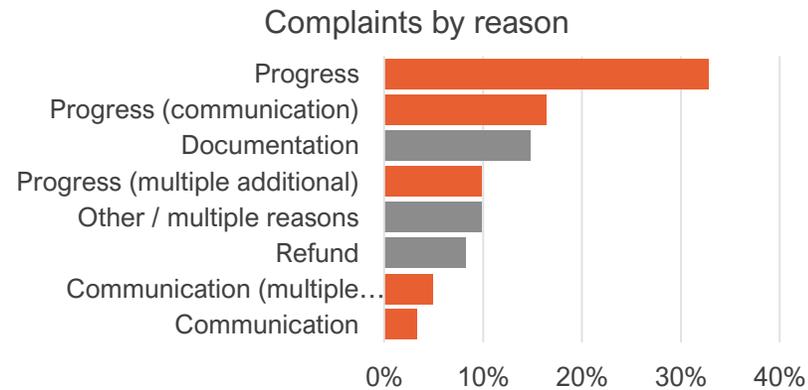
Case progress
For work to progress as expected



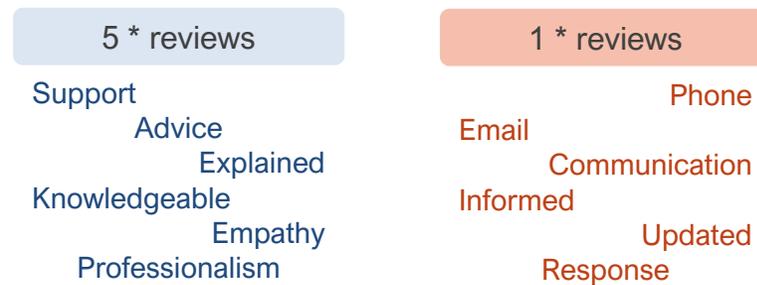
Communication
To be kept informed about case progress

This is supported by data from multiple sources:

Firms' own customer complaint data



Trustpilot reviews



Our interviews with customers and referral partners

What matters most when working with [a solicitor]?

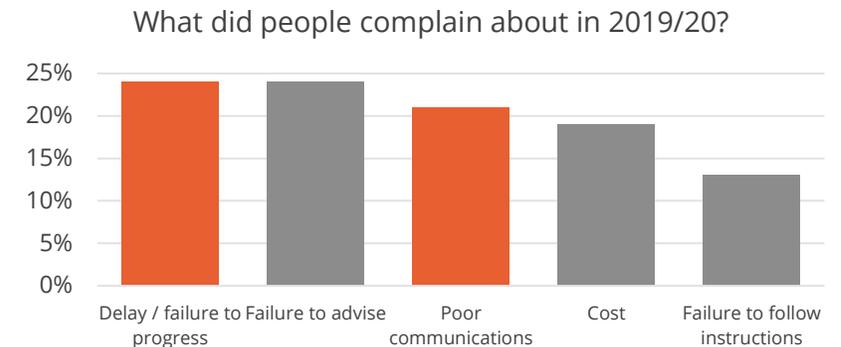
“Communication matters the most. Speed is second.”

“Speed, and knowing everything is under control.”

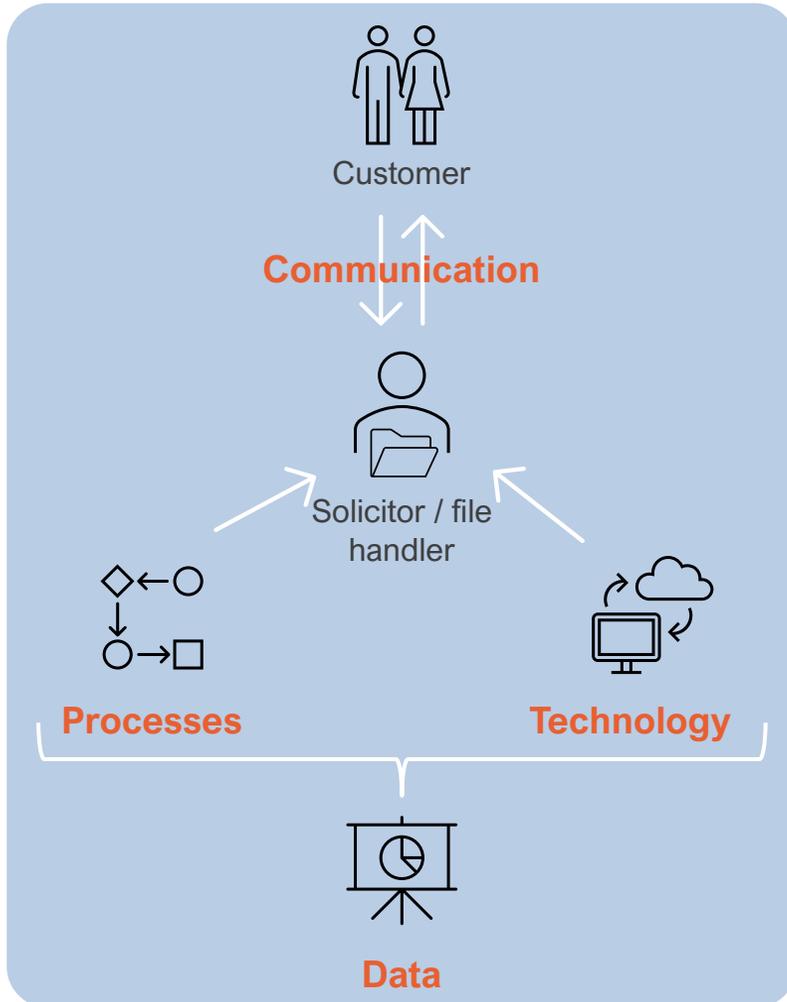
“Making people aware of what's going on and what's next. What to expect and what will happen right from the off.”

“Telling me what is going on and keeping me updated on progression.”

Legal ombudsman annual complaints data



4 areas of the business must work together to give great service



Typically, firms will focus on one of these areas, but all 4 need to work together as part of a firm wide way of working if great customer service is to be achieved.

Communication

How file handlers interact with customers must be effective.

Example problem: Late or no response to inbound customer enquiry
Common cause: Lack of fee earner capacity and competing priorities

Processes

Processes must support file handlers to make easy decisions, and for customer service to be consistent.

Example problem: Case reallocation process not robust in all cases leading to failure to progress.
Common cause: Lack of a robust process with fail-safes to manage all forms of staff sickness, absence, onboarding and offboarding

Technology

Technology must be fit for purpose, supporting file handlers to provide a seamless experience.

Example problem: Case and task management systems don't integrate effectively such that key dates are missed and work is incorrectly prioritised.
Common cause: Insufficient attention or resources provided to system implementation.

Data

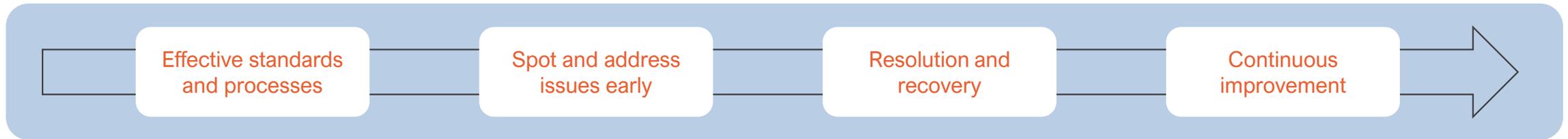
Processes and tech rely on accurate, accessible data to function correctly.

Example problem: Case management systems are not kept up to date, meaningful reports are hard to extract, no actionable insight is captured from customer complaints.
Result: Decision-making is not evidence-based. Issues cannot be identified to root-cause and resolved.

The 4 business areas support 4 key customer service activities



Setting each activity up for success



1 Effective customer service standards and processes

- Understand your customers' expectations in detail
- Build your SLAs and processes around these
- Make your people aware, and incentivise them to deliver
- Check expectations are being met with data and monitoring

3 Resolution and recovery of any complaints

- Follow best practice for complaint resolution (quick, bespoke, empathetic)
- Go above and beyond
- Resolve public complaints openly

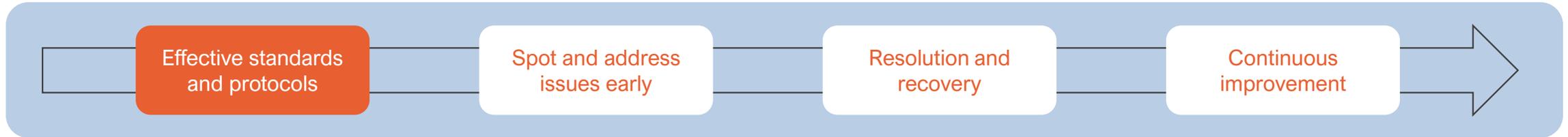
2 Spot and address any deviation from excellent early on

- Flag predictable lapses in service early,
- Train and empower staff to recover minor slips
- Be available to customers and provide timely, accurate information

4 Embed continuous performance improvement

- Understand and measure the drivers of performance
- Diagnose issues to root cause
- Review with action in mind
- Ensure time and skills for taking action
- Check expected changes in performance are delivered

Setting up each activity for success



1 Build effective standards and protocols

Understand customer expectations

Delivering great service begins with knowing what your customers want. Ensure you understand each segments and how their needs for communication and progress vary by matter type and proximity to key dates in their matter.

Align staff expectations and SLAs

Customer expectation need to be reflected in every element of how you service is delivered and staff should also be considered as a key stakeholder. They need to have the time, skills, tools and support to deliver on the customer promises made by the firm.

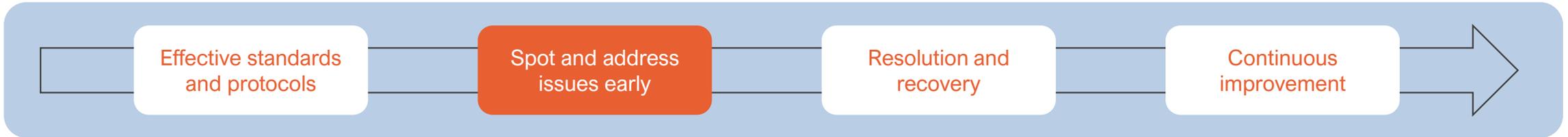
Make your people aware, and incentivise them

A two-way dialogue with staff on standards and the challenges delivering them is essential. Celebrate success, and look out for discordant incentives that put staff in tension with the aims of great customer services

Check they are being met

Accurate data capture, and effective monitoring, as well as Board sponsorship ensures focus is maintained on great service.

Setting up each activity for success



2 Spot and address any deviation from excellent early on

Flag predictable lapses in service early

Events that irritate customers are predictable, such as not responding to questions in an email or providing the wrong information. Often these can be prevented or spotted well before they lead to customer dissatisfaction and complaint

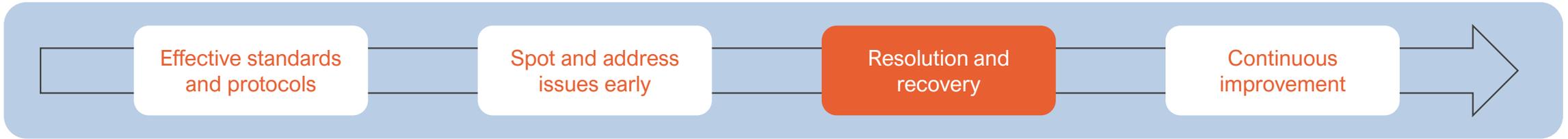
Train staff to recover minor slips

Empower your staff to resolve issues quickly and comprehensively in a spirit of openness and collective problem solving. Going above and beyond for the customer demonstrates you care, have their best interests at heart and can not only recover a faltering relationship but strengthen it too

Be available to customers

Connecting customers to the information they are looking for, when they need it and in a way that they understand, is the surest way to make them feel comfortable. If your firm is not doing this consistently, it can be a great focus for swift improvements.

Setting up each activity for success



3 Resolution and recovery of any complaints

Follow best practice in response

There are common elements of good practice for complaint resolution. The response should be quick, bespoke to the person (no impersonal template responses), and demonstrate empathy (including saying sorry where appropriate).

Go above and beyond

Don't just fix the situation that caused the complaint. Provide a financial response (e.g. good will payment or vouchers), and a personal one if appropriate (e.g. a note or call from a Director)

Resolve public complaints openly

When complaints or reviews are in the public domain, respond quickly and with a personalised response. Demonstrate that you take the situation seriously and are taking action to resolve it as quickly as possible. Avoid being defensive.

Setting up each activity for success



4 Embed continuous performance improvement

Understand and measure the drivers of performance

Capture the data you need at a granular level – on teams, people, caseload, and matter type. Ensure the systems you use allow for easy access to your data.

Diagnose issues to root cause

Use the data to create easy-to-interpret, actionable insight that allows you to problem-solve to root cause.

Review with action in mind

Hold regular reviews to monitor this intelligence, with the goal of identifying and resolving the most important challenges. Assign owners for those actions and set clear goals (including timescales).

Ensure time and skills for taking action

Time and capacity to drive changes is needed in the owner of the actions but also in staff involved.

Check expected changes in performance are delivered

Keep going round the loop of reviewing data and taking action until issues are resolved



We increase your profitability

We deliver improvements in cost, customer service, cash and risk



We work together to build on those results

We bring complementary skills and work seamlessly with your team to deliver guaranteed results that are sustained and built upon.



You gain a competitive advantage and an investment in your team

We don't just guarantee our results, we leave a legacy of continuous improvement and agency in the teams we work with

“They rolled up their sleeves and were impressive at sensitively challenging the scope we set and finding alternative approaches when challenges appeared during delivery. They have helped us deliver cost savings, and improved our visibility and control of key risks.”

CFO UK Top 50 Law Firm



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Results Delivered



What makes us different



We deliver a result, not just a project

We guarantee results, and embed the measures so clients know we've delivered them.



Our work pays for itself from benefits delivered

Clients will not be left out of pocket when working with us.



Risk is shared

Our results-guaranteed model means we have as much invested as you.



Costs are fixed

If the work takes longer than expected, we carry the financial risk.



Skills transfer

We work collaboratively with your team to allow you to drive continuous improvement.

“Feedback from across the business on their **approach and output was excellent** including from our Executive Leadership Team.”

Managing Director, Consumer Legal Services



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For an informal discussion on any of the points raised in this report, please contact us using the details opposite.

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