

# HOW TO TURN AROUND YOUR NET PROMOTER SCORE (AND MAKE THE RIGHT CLIENTS HAPPY)

#### BY SUE-ELLA PRODONOVICH

If you've been in professional services for any time you're probably at least a little familiar with the Net Promoter Score (NPS). It's the number between -100 and 100 that measures clients' loyalty. It also reveals how quickly your business is likely to grow.

A lot of professional services firms use the NPS as one of the main indicators of relationship effectiveness and even a tool through which to judge their own fee earners when it comes to their contribution to the firm's growth. So if your NPS is looking a little down right now, here's my guide to turning it around.

# 1. WHAT'S A GOOD NET PROMOTER SCORE (NPS)?

Before we get into the specifics of how to shift your NPS, it's worth understanding a little bit about what it is. Your Net Promoter Score is simply a measure of how likely a client is to recommend your service to others.

Your clients are asked that very question and then told to answer it on a scale of zero (not at all) to 10 (extremely likely). Those who answer zero-to-six are classed as 'detractors'. Those who answer 7 or 8 are 'neutrals' and those who answer '9 or 10' are 'promoters'.

Once everyone has answered, the neutrals are discarded and your NPS is then calculated by simply subtracting the percentage of detractors from the percentage of promoters.

A good net promoter score is one that is improving over time. My advice is not to focus on, or trumpet about, a number – what matters more if your score is changing.

#### 2. WHAT IS A GOOD NET PROMOTER SCORE FOR PROFESSIONALS?

You can probably already see the problem here. In my experience, a lot of people will give a 7 or 8 to something they're satisfied with. Some even make 8 the highest score they ever give (we all had teachers like that didn't we). Others will even see 6, which falls in the detractor category under the NPS methodology, as a pass mark.

This means you're highly unlikely to get an NPS of 100 or anything close to it. In fact, a study by US-based legal software providers Clio found the <u>average NPS for law firms</u> was just 25%. In the UK, <u>law firms performed</u> even worse coming in with an average of 19% - so, interestingly, do accounting firms.

In my experience, Australian law firms often register a bit higher than that (our clients tend to be a bit more generous). However, ratings tend to vary wildly between firm sizes and the type of work they do, with the large commercial firms doing best and the mid-sized firms offering a multiple services receiving feedback that's a little more 'patchy'.

An even more interesting is the correlation of profit to an absolute NPS number – after all firms can go backwards making the wrong clients happy.

With that in mind, if you still want your score to budge a bit, here's how to do it.

# 3. FOCUS ON THE NEUTRALS

Turning a detractor - especially one who's marked you near the bottom of the list - into a promoter usually takes serious work. There wouldn't be a whole industry in romantic comedy films if it were easy to go from a relationship based on hate to one built on love, would there.

But my view is to not get all When Harry Met Sally about it.

Don't begin by trying to turn around those people who think you're a jerk (or at least the ones who think you give bad service). Instead, focus on the neutrals. After all, it probably wouldn't take too much effort to shift the dial a point or two just by giving them a little more love and attention.

So get in touch with the people who gave you a 7 or 8. Find out what you could better. Ask them where their pain points are and then figure out how you can fix them. These guys are one of the most important keys to NPS success.

# 4. CUT YOUR LIST

Next look at your detractors. Ask yourself why is this relationship not working? Is it your fault or theirs? And, most importantly, do you want to work for them at all?

You're usually going to be both happiest and most productive and your clients will also be most satisfied if you work with people you like - and vice versa. If you've read many of my articles you'd already know that I'm a very big fan of periodically culling the client list and the NPS can be a good indicator of who should go. Chances are if you don't like working for someone, they won't like working with you.

So if you got a low NPS and the feeling's mutual, it's time to say Sayōnara (so long, as you can cut them - see three below). There are so many ways to do this, from raising your fees to referring them to a better match and from moving work back to them to taking something off the table.

You can read more about how to break up with bad clients here.

# 5. WORK ON THE CLIENTS YOU WANT TO PROTECT

That said, there are likely to be clients in the detractor category you want to keep. These could be flagship clients who look great on your books, 'all-of-firm' clients who you need to keep servicing for the good of everyone, 'gateway' clients into other work or sectors, clients who are good payers or just clients who give you interesting work.

Making these guys happy and turning them into promoters is going to be more of a challenge.

Ask them what they want to change. Is it the way you're advising them? The people involved in advising them? The quality of work you're providing? This might provide you with some hard truths but they may be ones you need to hear - especially if they're coming from multiple clients.

So be thick-skinned and suck up their feedback, even if you think it's unjustified. Switch the team servicing them if you have to and see if you can reboot the relationship. The worst thing you can do is nothing.

## 6. TREAT THE CLIENTS LEFT AS STRATEGIC CLIENTS

Finally, I've noticed that a lot of firms treat some clients very differently to others depending on whether they see them as 'strategic' or not. It's a recipe for disaster, as some clients become dispensible (many of these are probably the ones giving you a rating of 0-6) and others get all the attention.

Here's a tip: if you've made a commitment to service a client, service them to the best of your ability. Treat every single client on your books as a strategic client who's vital to the future of your firm. It's an insult to do otherwise. Besides, by going through the process of eliminating the bad ones in step two above, you should only be left with clients who are important one way or another.

Now get out there and meet with each of them when you can. Invite them into the firm when you're having seminars or events. And put your best BD foot forward at every turn.

#### IN SHORT...

By following these four steps you'll be using a low NPS as a springboard for action and not as a measure of your own failings. You'll also put yourself in a position to turn things around both for your next NPS score and for your profitability more generally.

#### **WANT MORE?**

If you want to know your own NPS and then use it to improve your practice's profitability, email <u>Sue-Ella</u> or <u>get in touch</u>.

In 2012 Sue-Ella did an intensive Net Promoter Score ® accreditation course in London with Bain & Co Fellow Fred Reichheld - the 'high priest' of client loyalty and founder of Net Promoter ® Client Loyalty Program.



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#### **FURTHER READING**

Fred Reichheld (2011) "The Ultimate Question 2.0: How Net Promoter Companies Thrive in a Customer Driven World", Bain & Company

Rob Markey & Fred Reichheld (2011) <u>"Introducing The Net Promoter System"</u> Clio (2018) <u>"Legal Trends Report"</u>

Law Technology Today (2019) "How Does Your Law Firm Stack Up"

Dr George Beaton (2017) <u>"Lawyers Provide Better Service, Say Clients"</u>, AFR, 7/5/2017

S Prodonovich (2017) "What To Do When You Get Patchy Feedback"