



DEVELOPING BENEFICIAL RELATIONSHIPS WITH VENDORS

Ellen Freedman, CLM

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Some attorneys don't understand a basic business management concept; it is in your best interest to maintain good relationships with your key vendors. In fact, let me take this concept a step further by widening the application to all vendors, rather than just key vendors.

Most vendors have a niche. Not all are fungible and easily replaceable. Destroying a working relationship may leave you searching for a replacement that is not as easy to find as you thought in terms of price, service level, skill, or any combination. Many vendors operate in a relatively small universe, where word of mouth travels quickly. This word of mouth – if negative – can result in undesirable consequences such as other vendors declining to bid on your work, or charging you a premium for products and services.

Your relationship with your vendor can make or break your success in hiring. Savvy employees at **all** levels who may be considering a change of employment know vendors are important sources of information about a firm's culture. And a good vendor can even assist a firm in filling key positions by getting word out to the right people at other firms. There are always people who aren't actively looking, but will apply when made aware of an opportunity. Some of my best hires over the years were accomplished with the assistance of vendors. It was my top secret tool. Now you know too!

In an industry where word of mouth is paramount to successfully building ones book of business, it surprises me that some attorneys don't realize that the

vendors they mistreat are potential clients and strong referral sources. In addition, they come in contact with so many of your colleagues, your bad treatment may quickly become part of your “brand” – don’t think that your colleagues won’t enjoy hearing and sharing gossip about your bad actions.

What goes around comes around. When a regional disaster occurs, or if you have an emergency need for your firm, oversubscribed vendors first service those clients who have been fair and reasonable, have paid their bills without undue argument, and have treated them with respect. Will you be at the top of the list?

Following are a few solid tips to building healthy and mutually beneficial relationships with vendors. There is a limit to my article length, so I can’t include all the best practices I’ve utilized over the years. These are among the most important.

You have a responsibility to ask questions. Insist that any vendors who are successful in gaining your trust and business and hard-earned dollars work for it by teaching you what their product or service can do. Don’t be afraid that you will look “stupid” by asking questions; even basic questions. Don’t let vendors “blow smoke” or attempt to establish some level of superiority by talking “technobabble.” Insist on plain English explanations. Insist on practical information about how things get implemented, and clearly define what your role is, and what theirs is. Make no assumptions about what the vendor will or will not do. Ask. Be clear about what you’re buying. If you have expectations, explain them clearly and ask whether they can guarantee they will be met. Get it in writing.

Do not sign what you don’t understand. You would never advise a client to do otherwise. And as an attorney, you will have no standing if you later say “I did not understand what I was agreeing to when I signed.” If you’re not sure, reread the paragraph above.

Make your expectations crystal clear. Many attorneys are vague in expressing what they want to happen or get as a result of engaging the vendor’s services or purchasing their products. This greatly increases the likelihood of a dispute later.



I am often contacted on the hotline by attorneys in dispute with vendors, who ask me to help resolve the matter. Many times the vendors are tried-and-true; someone I have previously recommended to the caller, and others. On rare occasion, after talking to the vendor and reviewing the associated paperwork, I may find that the vendor did not do what they were supposed to do. Usually my involvement motivates them to make it right. However, more often I find that this situation arises from lack of understanding about what the lawyer wanted all along. I often become a translator to help the vendor really understand — in words they can relate to — what the lawyer wants, so the vendor can make him/her happy. That's what they want, after all. They rely on word of mouth too.

Take ownership of your purchasing decisions, even the bad ones.

Mistakes happen. Sometimes lawyers get buyer's remorse. Or worse, realize that they made a poor purchasing decision. Maybe the decision turns out to have a much higher long-term cost than anticipated. Perhaps it doesn't really provide the anticipated results. (Often lawyers are unrealistic in their expectations.) Very often, lawyers don't anticipate and plan for what they will need to do to make the purchase or use of the service successful. You have to do your part too! That means getting training, and repeat training, on products such as case management or time and billing before you declare it is too difficult. It means writing blog posts before you declare the blog designer inept, and the strategy a failure.

The worst mistake you can make is to play the blame game. Or demand a refund for your bad decision. Or threaten to sue the vendor because of your poor decision or dropping of the ball on your end. This is where attorneys — those who act unreasonably — earn their bad reputation in the industry. It makes you look bad. It also adversely influences pricing and contract terms from vendors to other lawyers in the future.

Don't set up obstacles for the vendor to jump over at their expense.

Know what is required to ensure the vendor can deliver what you want. Make sure you understand any requirements on your end. There is just no substitution for due diligence and solid planning. Because lawyers rely on the evolutionary process used to turn out documents and deals, they do not feel that the vendor has any right to charge for last minute changes to plans and/or specifications. They usually consider it a "cost of doing business". Unfortunately, the vendor does not. Making your lack



of planning or last minute changes the “vendor’s problem” often strains the relationship to the breaking point. If you cannot adequately plan, be realistic in your expectations. At the least, recognize that the vendor has the right to charge for overcoming unexpected obstacles.

I could go on. If I had unlimited space I would share a number of illustrative examples taken from actual hot line calls. And I would list at least another half dozen tips for working well with vendors. Let me close by saying that an occasional “Thank You” wouldn’t hurt!

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