

## people

► Mishcon de Reya has announced the appointment of Oliver Goodwin as its new head of planning and environmental. Goodwin joins from Campbell Hooper, where he was head of planning. His group will form part of Mishcon's property team.

► City law firm Kingsley Napley has announced the arrival of three new solicitors. Lucy Thomas joined the firm's divorce and family breakdown team as an assistant solicitor from Hughes Fowler Carruthers, while the clinical negligence and personal injury team was strengthened by the arrival of Louise Whiteside from Evill and Coleman. The third arrival is Bethan Owen, who joins the real estate team from Teacher Stern Selby.

► Kathy Mylrea has rejoined CMS Cameron McKenna as a consultant after leaving Simmons & Simmons in December. Kathy worked for Camerons prior to joining Simmons in 1992.

## in brief

► The majority of legal professionals claim to be fatigued with the long-hours culture, according to research by recruitment and HR consultancy Hudson. More than 2,500 employees from organisations across the UK were surveyed about their attitudes to the workplace. More than 100 were from the legal profession. More than a quarter of legal employees expressed concern that the law's long-hours culture was acting as a major deterrent for potential recruits to the profession, as well as encouraging those within it to consider their exits. Almost three out of five believed that working long hours – more than 10 hours a day and some weekends – is unacceptable, with 55 per cent saying the profession lagged behind other industries in the adoption of a healthier approach to work-life balance.

# Negotiating fees: know your worth

*Blindly slashing fees is not the way to win work.*

**Kate Fleming** reports on providing value for money



ASK MOST partners or fee-earners what scares them most and the answer is likely to be negotiating fees. In today's climate, clients can flex their financial muscles and the pressure to negotiate is high.

#### Don't assume you have to negotiate

If the client says: "Your fees are too expensive", what exactly are they saying? Most fee resistance comes from scepticism about the value clients perceive they are getting. Your first response to any challenge on fees should therefore be to demonstrate the value of your service, highlighting

wherever possible the positive factors in your proposal compared with their alternative.

Clients buy on value; professionals tend to sell on price often because they lack confidence in their true value to a client. Be ready to reinforce the value of your proposal before resorting to price concessions.

#### Know what you are negotiating about and make a plan

Legal services are high-value services and clients do not just buy on price. A client has a range of needs and it is your understanding of the full range of those needs that enables you to build value and reduce price concerns. As well as technical capability and payment terms, clients look for other factors such as training, sector experience and technical back-up.

#### Know when to negotiate

Lawyers often avoid negotiating or do it too early, before the selling phase is finished. This phase is about identifying client needs, developing a solution to satisfy them and agreeing with the client that what you propose meets its requirements. Negotiating is agreeing the terms of how you will do business, including the fee, and comes once selling is finished. If you separate negotiating from selling you will have a full understanding of your client's needs and be able to demonstrate your value before you even talk about fees. Resist clients' attempts to talk money before you have established what they want and have demonstrated your value.

#### Know how to negotiate

Successful negotiators trade more and concede less. Where possible, exchange concessions. Every time you give to the client it costs you, so for everything you give you must have something in return. Maintain the deal's value by balancing costs and value via the trading process. Remember: the more you give away, the more you will be asked to give.

#### Be creative in your pricing strategies

You will negotiate better fees which are more attractive for the client and profitable for you if you can move away from focusing primarily on hourly rates.

Clients are now demanding a degree of cost certainty and fixed fees are becoming the way forward in many cases. You need to show imaginative ways of charging by being prepared to share some of the risk at the front end, taking on some of the risk of the transaction or combining risk and reward – firms generally want all the reward and none of the risk. Contingency fees, balloon payments at the end of transactions against agreed quality measures and volume discounts are all being offered to clients as more attractive ways to structure fees. But remember: if you are prepared to offer volume discounts, you need guarantees of work in return with an agreement to pay it retrospectively.

*Kate Fleming is a director of Ridley Fleming, specialising in management and business development training for professional firms*

*Be ready to reinforce the value of your proposal before resorting to price concessions*

## The work-life quiz

Paul Matcham, head of construction, Maples Teesdale

**What was your first ever job?**  
While at school, delivering Christmas mail for the Post Office.

**What was your worst experience as a trainee?**  
Being asked by leading counsel, who was on his feet about to open the case, to pour him a glass of fizzy mineral water and the bottle exploded.

**Where's the best place to go if you want to find out what's really going on in the office?**  
The pub with the trainees, the newly-qualified solicitors and support staff. The knack is to remember what was said the following day.

**What time do you usually leave the office?**  
It varies, but usually between 6.00-6.30pm.

**What do you do at weekends?**  
Read newspapers, tabloids especially. Listen to Jonathan Ross on the radio. Pick up bargains on Portobello Road. Spend time with my boys and friends.

**What's your favourite restaurant?**  
The Ivy, when I can get a booking, and The Dockmasters Indian Restaurant in Canary Wharf when I can't.

**If you weren't a lawyer, what would you have been?**  
I would have loved to have been an antiques dealer.

**Who was your mentor or role model?**  
John Carleton, my headmaster at Westminster School, Stuart Surridge the former Surrey cricket captain and a number of people at Maples Teesdale have been mentors. As to role models, I would like to have emulated Mohammed Ali, Lord Denning, Eric Clapton, Nelson Mandela, Michelangelo and Jack Nicholson.

**What's the best thing about your job?**  
Not having to deliver post. The people. The variety of problems to be tackled in a day.

**What's the toughest thing about your job?**  
Convincing just about everybody that what I do during my working day is as exciting as I think it is.

**What's your biggest work/career mistake and what did you learn from it?**  
Buying a fizzy bottle of water for leading counsel and running back to court with it. I learnt that running with fizzy water can lead to accidents in court and that, in general, running while at work is unnecessary and, in my case, undignified.

**What car(s) do you drive?**  
A Saab Convertible.

**What book are you currently reading?**  
*The Curious Incident of the Dog in the Night Time* by Mark Haddon.

**What's on your CD player at the moment?**  
The first Scissor Sisters album.

**What's your favourite children's book?**  
The Winnie the Pooh series.

## events

### EMPLOYMENT LAW FOR COMPANY LAWYERS

19 January 2005, Manchester

Even for the non-specialist employment lawyer, there is an increasing need to keep an up-to-date working knowledge of this difficult and changing area of the law. Already, parts of the Employment Act 2002 have been brought into effect and there are more scheduled changes in domestic and EU law affecting employment relationships. This half-day course will provide a general overview

of and a more detailed configuration of selected topics for the company lawyer. For more information visit [www.thelawyer.com/events/53986](http://www.thelawyer.com/events/53986)

### EMPLOYMENT CONTRACTS – 50 TRAPS TO AVOID

14 January 2005, Bristol

This course will look at how to anticipate problems when drafting employment contracts. For more information visit [www.thelawyer.com/events/53942](http://www.thelawyer.com/events/53942)