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when you provide your  
client with:**

- > *an economic benefit;*
- > *a technical benefit;*
- > *a service benefit; and*
- > *a social benefit*



# The importance of creating “relationship value” with your clients

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“Relationship Value” exists between you and your client if you provide your client with the following 4 benefits:

An economic benefit;

A technical benefit;

A service benefit; and

A social benefit.

Looking at each of these in more detail, we provide our top tips on the ways professional services firms can create and enhance the Relationship Value they have with their clients.

## Economic benefit

“Economic benefit” is generally perceived as being the value I get in return for the amount I pay.

In other words: what do I [as the client] need to give up [in terms of money and opportunity loss] in return for the service you [as the service provider] provide?

In a highly competitive and challenging economic environment, professional service providers need to regularly re-evaluate their offering and ask the question: 'How do we show our clients that we are delivering a "value for money offering"?'

Sometimes this is achieved through offering alternative fee arrangements, such as fixed and capped fees.

But it may also be achieved in other ways, such as clear and transparent communication around:

who is on your team;

who does what, considering skillset and experience; and

how project management is handled for your clients.

This might also be achieved through a clear division of work between the in-house team and external advisors that results in a net economic saving for your client.

## Technical benefit

To be of any benefit, a "Technical benefit" needs to provide one or more of the following:

Increased revenue;

Reduced costs; or

A strategic benefit to the relationship.

Examples of some technical benefit initiatives include:

shared access to accounting software;

client extranets;

software packages that add value to the relationship;

knowledge sharing via the use of Wikis and shared use of task management software such as Asana.

As we move out of the industrial and into the knowledge management era, it is clear that professional firms will need to continuously look at how new technologies, such as ChatGPT and AI, can assist them to add benefit to their ongoing client relationships if enhanced Relationship Value status is to be achieved.

## Service benefit

How professional services firms can improve the delivery experience of their services to their clients is another area that has seen massive change in the 15 years since the GFC.

Customer experience (CX) delivery methods that were sometimes cited in tenders and capability statements pre-GFC are now commonplace and are no longer differentiators.

### **So, how can you stand out from the crowd?**

If you are not already doing them, then GSJ would suggest these include the following:

Training – both in-person and video;

Secondments – to your client's office one day a week at no cost (just sit in the office working as if it were a normal working day, but being present in case the need arises);

Matter debriefings and "lessons learned" sessions;

Quarterly boardroom catch-ups with others who have an interest in the sector to discuss likely economic and regulatory changes.

At GSJ we would also include that you establish a Client Pricing Committee (to discuss what pricing changes may be on the horizon) and a Client Listening Committee.

For both of these, invite a group of your key clients to be part of your business community to help advise you on how you might improve the method of your CX delivery and the way you charge for it – after all, you could be leaving money on the table!

# Social benefit

Providing a social benefit in the form of:

Environmental, Social, and Corporate Governance (ESG);

Corporate Social Responsibility (CSR);

Pro-bono,

is always going to be important.

Basically, it is no longer enough for professional services firms to make money (our *raison d'être*). We now also need to make the world a better place.

And while many professional services firms have very noble ESG and CSR programs, partnering with clients on these issues will undoubtedly improve your win ratio!

## Why does this even matter?

Reviewing your clients' values, ensuring those values are also values that your professional services firm shares, and agreeing to partner with clients on ESG/CSR projects, is an area where professional services firms can still differentiate themselves from the pack.

If you need help with any (or all) of these initiatives, get in touch with the team at GSJ.

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