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## **Must-Do Tips No 46: Added Value or Commodity?**

These days (we hear), client relationships are all about providing "added value" services. Whatever that means. The problem being that when you talk to clients, it means different things to different people. Real perceived added value in one arena may be the provision of a short-term admin. secondee to help out a client who is in a hole. But in another situation for a big pitch, clients may be asking of their potential advisers the offer of free, near-permanent rolling secondments, *as a pre-condition before even doing any business*. Which is a discount by any other name, and places your so-called "added value" well on the path to being a commodity. Getting the added value thing right is thus not easy - so here are three things that can help.

### ***Tip 1 - Don't assume***

The application of added value service elements is not a rigid formula to be applied to every client, willy-nilly. Good professionals know this and take the time to probe and understand what individual clients value as "a bit extra" that they would more than just appreciate. They then tailor what the firm does to ensure it focuses delivery on these important extras. And then keep probing and adapting what the firm does in this area, because client circumstances and personnel change.

### ***Tip 2 - Measure & monitor cost***

The problem with secondments, client training programmes and the like is that they can be very expensive to provide. And very costly if no-one is including their costs in the calculation of client profitability. If your firm does not calculate, include and monitor these costs, then don't be surprised if your professionals end up giving profit margin away - out of ignorance.

### ***Tip 3 - Small is (often more) beautiful***

In our experience, there are some very simple and cost-effective ways to add value to a client relationship, once we have a handle on what a client's particular hot buttons are (see Tip 1).

And they need not be resource-hungry or expensive. What about advice provided in a form that in-house lawyers can pass straight on to their board or internal clients **without** having to spend endless hours amending it? Or the provision of regular budget/expenditure updates to make sure that the client does not get any nasty surprises? For many clients we have come across, this sort of thing is REAL added value!

*A detailed exploration of "added value" activities and tactics in a professional service context is provided in the People Scope Resource Paper "The Ties That Bind". To obtain your free copy, hit 'Reply' and type 'Ties That Bind'.*

People Scope works with firms to analyse, calculate and plan client relationship activities like the provision of added value services, so that they have a real impact. To know more, hit 'Reply' and type **Client Plans**.



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Best regards.

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