

Relationships with Business Partners

Experienced legal administrators know that close business relationships can be advantageous to the firm. There's nothing new or radical in this.

We once used the term "vendor" to signify all those who sold us goods and services. This term implied a one-way, guarded and impersonal relationship between the two with all of the power residing with the buyer. The National ALA organization encourages us to use the term "business partner" with the new term connoting a two-way, on-going relationship between seller and buyer.

It is fair to say that savvy sales people work to develop a special relationship so you will continue to give them business. If you are working with someone who has long provided you a good or service, you may wish to talk with that vendor and work to change the relationship to that of one between business partners. This change can be advantageous to both. But, both the legal administrator and the sales representative must recognize the existence of the relationship and understand some the rules that should govern it.

When you have developed a relationship with a salesperson into that of one as a business partner, it assumes some responsibility on both sides for this relationship to work. The following provides a framework for this relationship to work in an ethical and reasonable manner:

1. The administrator and business partners must keep each others' interest in mind. This doesn't mean, of course, that the firm blithely shoves business to business partners. It does mean that:
 - a. the administrator will provide adequate information on the firm's needs to business partners;
 - b. the administrator will immediately notify business partners whenever a problem arises and give adequate time to resolve it;
 - c. the administrator will recommend business partners to others and actively work to send business their way;
 - d. the administrator must explain in clear terms who in the law firm is the actual purchasers of the good and services, i.e., gate-keepers. The business partner should know who makes final purchasing decisions and be familiar with the firm's purchasing process.
 - e. the administrator and business partners take an active interest in each other's business and celebrate wins. Both the legal administrator and the business partners must be people of good character who follow standard business practices. If you have doubt about their business ethics, don't have them as a vendor, much less as a business partner.
2. The management committee or managing partner in the firm must be aware of the relationship with the business partners and agree to the relationship. The relationship is not solely between two individuals, the legal administrator and the sales representative. The relationship should be between the law firm and the sales rep's company. The administrator and the sales rep are simply one visible manifestation of the relationship.
3. The relationship must be grounded on mutual trust as well as a mutual understanding that both parties have an equal stake in working to make the relationship last.
4. Business partners must understand that
 - a. the firm may stop using goods/services owing to events in the normal course of business, e.g., loss of an annual bid process, poor service.

- b. business partners will play and abide by the same basic rules of fair dealing among all competitors who want business with the firm;
 - c. the firm will maintain a level-playing field among all competitors;
 - d. business partners will work diligently to ensure that the law firm is getting the most from each dollar it spends for goods and services;
 - e. business does not automatically go to the lowest bidder. The firm may give business to a business partner even if another bidder comes in with a lower price. However, the firm must have valid business reasons related to service or something else that overrides a difference in price. Just as a business owner may not hire the cheapest lawyer in the phone book, a firm may justify paying a higher price for a good or service; and
 - f. the firm's managing partner or management committee will be fully informed on all aspects of the relationships.
5. Both the administrator and business partners understand that problem-solving is to be
 - a. constructed in terms of talking about solutions, not assigning blame;
 - b. construed in win/win terms whenever possible; and
 - c. done in the most cost-effective manner.
6. The administrator must educate business partners as to how the goods or services will be used by the law firm. This means extended and on-going conversations between the two. Each law firm is different; the administrator must explain what is unique about his/her law firm so the business partner can provide the correct solution.

While this list is not exhaustive, it does provide a basic framework for a good working relationship between the firm and the business partner. If handled properly, the relationship can work to the advantage of the firm, which is our ultimate responsibility as law firm administrators.