

The 7 Firms GCs Are Telling Their Friends To Hire

By Karlee Weinmann

Law360, New York (April 22, 2013, 7:16 PM ET) -- Word-of-mouth endorsements have always been a key tool for corporate law firms to bring in new business, but in an environment where companies and their general counsel are more reliant on recommendations than ever, a few lucky firms are on the tip of in-house attorneys' tongue.

Tightened budgets and a shaky economy have made corporate clients more risk-shy than ever, a trend that extends into their vetting process for outside counsel hires. With 57 percent of in-house counsel saying they would hire an outside firm based on a single peer recommendation, testimonials cement their place as the surest route to a new contract, according to the 2013 BTI Brand Elite: Client Perceptions of the Best-Branded Law Firms **report** from The BTI Consulting Group (Wellesley, Mass.).

"It's more important than last year because of the more risk-averse environment," BTI President Michael Rynowecer said, adding that clients are placing a greater emphasis on their preliminary evaluation of prospective hires to be sure they recruit firms that will serve them well.

The report named Baker & McKenzie LLP, DLA Piper, Hogan Lovells, Jones Day, Latham & Watkins LLP, Morgan Lewis & Bockius LLP and Skadden Arps Slate Meagher & Flom LLP as the firms that general counsel most frequently recommend and keep in their Rolodexes for work on future matters.

Baker & McKenzie, Hogan Lovells, Jones Day and Morgan Lewis are all repeat honorees also featured in last year's rundown.

For the report, BTI conducted extensive interviews with general counsel at more than 530 companies to gauge clients' perceptions of law firms. The report focused on three factors key to corporate counsel hiring: peer recommendation, a firm's reputation for commending premium rates and delivering returns, and a firm's creativity and innovation.

Each of the top-tier firms has developed a reputation not only for good client service, but for doing work that is far superior to their rivals. Whether a firm can offer in-house counsel and the companies they represent a personalized, prompt and professional experience that far outmatches expectations is the top consideration for general counsel, dwarfing other concerns.

The featured firms are also seen by their clients as a great value — but that's more about a return on a client's investment than an hourly rate, Rynowecer said. It's also about a deep familiarity with a client's business, as well as providing them what they need — and what they don't yet know they need — in short order.

Combined, perceptions of superior client service and value drive clients' decisions in recommending and hiring law firms. About 65 percent of general counsel's decision-making process revolves around those two factors, according to the report.

But while the factors are weighty ones, nailing down a favorable review often comes down to a simple paradigm shift, Rynowecer said.

“They've got to try to view what they're doing from the perspective of the client as opposed to the perspective of the law firm,” he said. “What's important in any client relationship is [the law firm's] decision, their action or their inaction — and what message it sends to the client about your investment in the relationship.”

Winning law firms make it second-nature to consider their policies for communication, billing and disclosure rather than leaving their clients to field too much paperwork or deal with other bureaucracy. For example, using easily accessible, client-friendly terminology on invoices can help clinch a favorable review, as can a streamlined billing system that consolidates payment and balance information.

Additionally, making sure clients understand where projects stand budget-wise is key, feeding into a broader notion that working alongside clients instead of just for them cinches a place at the top of general counsel's minds for future work.

And often, in-house attorneys are working with numerous other firms. Being the first to respond to questions and needs helps fortify client relationships — and ultimately, seal the deal on recommendations.

“It's all about the client experience,” Rynowecer said.

Also listed among the most recommended and most frequently short-listed are Foley & Lardner LLP, Fulbright & Jaworski LLP, Holland & Knight LLP, K&L Gates LLP, King & Spalding LLP, Kirkland & Ellis LLP, Ogletree Deakins, Reed Smith LLP and Sidley Austin LLP.

--Editing by John Quinn.