

# The value of conveyancing

MANY CONVEYANCING CLAIMS AGAINST SOLICITORS ARE ROOTED IN THE BUSINESS STRATEGY OF THE LAW FIRM. THIS IS OFTEN LED BY THE PERCEPTION THAT CLIENTS WILL NOT PAY FOR MORE ROBUST SERVICE. BY HEATHER HIBBERD

Most conveyancing practices are busy places with multiple sale and purchase files being managed every week. Yet many firms are not making much money and conveyancing mistakes continue to be a major hotspot for professional indemnity claims. The mistakes have been described in other articles in this special edition and other material published elsewhere by LPLC. Many claims are often caused by simple oversights that time, systems, training or a combination of these risk management measures could have prevented. The question is why haven't these measures been implemented?

## The problem

The feedback from many practitioners is that they are under such costing and time pressure that putting safeguards in place is burdensome and "one more thing to do". The root cause of the pressure is client understanding about what they are buying and its value to them.

Generally, most clients do not understand the extent of what is required to complete a conveyance successfully – the legal knowledge, experience, troubleshooting and steps that need to be taken. From the outside looking in it is a simple paper shuffling process. It is not surprising then that clients are reluctant to pay for the expertise they are unaware they are receiving.

To make conveyancing a safe and financially sustainable practice area, you need to be able to charge a fee that reflects the work, time and expertise needed to do the job well. This is not a revolutionary concept, but one that many firms fail to fully grasp.

There are at least two components to achieving this goal:

- making your firm's systems as efficient and effective as possible and
- educating clients about the value of the service and the corresponding fee reflecting that value.

When clients truly understand that you are offering the value they want or need, price becomes less of an issue.

The remainder of this article will focus on the latter point of articulating the value of the conveyancing service.

## Consumer behaviour

Before we look at the value of your role, it is worth looking at the change in consumer behaviour when buying products or services today.

Consumers value peer review more than any other source of information about an unknown product, service or supplier. Online reviews, even if they are from strangers, will hold more weight than anything you can say in traditional promotional material.

Even if most of your clients come from a traditional referral source like other clients, real estate agents or financial advisors, the first thing most people will do is google your firm to see what is said about it.<sup>1</sup>

The other change in consumer behaviour is that many consumers want to be informed, not just about the provider of a service but what is involved in the service. They want to understand why. They don't want to be sold to, they want to be informed and educated.<sup>2</sup>

## Communicating value

With these consumer expectations in mind, let's consider how you can communicate the value of what you do as a conveyancing practitioner to a potential client.

## Answer the tricky questions

The best way to articulate value is to educate your clients and potential clients about the tricky issues involved in conveyancing. Put that information either as an article, frequently asked question or blog on your website or in social media so that when they google you or the topic they will find it. Answering the client's potential or real pain points helps dispel the myth that conveyancing is routine paper shuffling. It gives you credibility and visibility. It demonstrates you think about this stuff.

What are the common things that your clients ask you or complain about or get caught out with? Are they things like: Why do I need to lodge a purchaser's caveat? Can I have early access to a property? What happens if the property is damaged before settlement? Why do I need to pay for those searches? How long will

### SNAPSHOT:

- Many conveyancing claims involve simple mistakes that occur because of time and cost pressures.
- Changing clients' perception of conveyancing work as simple administrative work is essential to improving the way the work is done.
- Consumer behaviour means educating clients on what is important in conveyancing.



it take to do contract and disclosure documents? What could cause settlement to be delayed?

You will be able to come up with a long list of questions you could answer online for potential clients. Try googling the first two questions above and you will see there are firms that do this very well.

It is also easier to communicate some of these issues to clients, either before or when they arise, if you have already done the work to articulate them.

### Focus on the value

How do you articulate what you do for clients? It should not be about the price you charge. That only leads to a race to the bottom which benefits nobody. Focus on the value. Liz Fox, agency development manager from Google, at a seminar in February this year told this story.

*When a friend was trying to negotiate a group discount, the bungy jumping company representative said our business is to provide excellent bungy jumping experience but also to provide a safe experience. We don't discount on safety.*

What is the value you are providing? For some lawyers this will take a mindset shift. You aren't just preparing a contract and lodging a transfer. You are providing peace of mind by ensuring that the biggest sale or purchase of the client's life goes ahead without a problem. You may even see it as making dreams come true because you will ensure the place they dream of raising their family, running their business from or increasing their investment wealth becomes a reality. A good analogy used by Liz Harris in her blog<sup>3</sup> is that people don't buy drill bits, they buy holes, or the capacity to make holes. What are your clients buying from you?

### Client experience

Value, like beauty, is in the eye of the beholder. Often lawyers think their value is obvious to the client if the transaction goes ahead as expected and perhaps, in many instances, that is true. What lawyers can often underestimate in assessing the client's measure of value is how the client feels about the way they were treated, because achieving the legal outcome is a given.<sup>4</sup>

Is going to a lawyer a bit like going to a dentist? As lay people we would expect every dentist to be able to do their job competently. What stands out for us is our experience of dealing with the dentist personally as well as the booking process. Can

#### TIPS

- Change your mindset on what value you offer.
- Avoid making conveyancing a race to the bottom on price.
- Articulate your value through answering clients' pain points in articles and online content.
- Look at value through the client's eyes and understand it can relate to how they feel they are treated.
- Make the time to improve systems and procedures to be more efficient and effective and client friendly.

we do it independently online when we want to? Do they send us a text message reminder before the appointment? Does the dentist give us enough information to help us understand what is happening? Does the dentist put us at ease and make us feel welcome and safe?

What is the conveyancing equivalent? Is the conveyancing client's contact, especially the initial contact, handled personally and professionally by a lawyer? Can they ask questions of the lawyer if they need to? Is it easy to make an appointment? Do they get follow up reminders?

If you put yourself in your client's shoes and ask what would make your client's experience of working with you easier and more fulfilling, then you will be closer to understanding how to provide your clients with an assurance of the value they are looking for.

### Conclusion

Where value is understood price becomes less of an issue. As conveyancing practitioners, you need to better balance this equation in favour of your value to free yourselves up to better service your clients, and ultimately the legal system. The balancing starts with a change in attitude as to what you are doing and taking time to work on your business, not just in it.

**Heather Hibberd** is chief risk manager at LPLC. The author acknowledges assistance in writing this article from David Hart of Bedelis Lawyers.

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