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Service Provider Management, Not Selection, Determines Success

By Rob Mattern June 30, 2025

Email

At Mattern we manage the request for proposal (RFP) processes for law firms' office services. These RFPs can range from outsourcing administrative services to off-site records storage, to library services.

After being in business for more than 25 years, managing more than three hundred (300) RFPs, and never having a contract cancelled for non-performance, I can safely state there are a few indelible rules to ensure success.

Many law firms are fixated on insuring they choose the right service provider. Granted the right partner is important, however with the right management program in place, almost any service provider, if they are proficient in the service area you are contracting them for, will be successful. It's not the service provider you select; it's how that service provider is managed that determines success.

Though nothing is 100%, following these simple practices will dramatically increase your likelihood of success for any type of engagement.

Request for Proposal

A well-written request for proposal (RFP) that has detailed performance standards is critical to lay the foundation of the relationship. It should offer total transparency into the services being requested and the terms that will be required to be agreed upon in order to get a contract in place.

Service Provider Interviews

Every service provider looks great on paper. As part of the RFP process, you should meet the management team who will be sitting across the table from you for the next three to 10 year

As one of our former consultants used to say, are the people you are partnering with, the type you want to drive across country with? If not, it probably will be a rocky relationship.

The interview is also an excellent place to seek concessions, pricing and term modification. Chances are the top management of the company will be there, and with their egos (I can say that because I am one of those people), they will want to appear decisive.

Reporting

Part of the RFP response should involve monthly reporting the selected service provider must submit to the firm. The reporting is required to show the number of activities the service provider has performed, if required — the headcount (FTEs) that are on-site each day, the on-time performance of completed tasks, etc. In other words, a monthly snapshot of what has transpired versus what the firm has detailed in the contract.

I could always tell when my children did well in school based on how quickly they wanted to show me their report card. If they did well, they couldn't wait to show me, if they didn't do well, I had to hunt it down.

The same is true of your service provider. A service provider should be begging to show you their monthly reporting if they are fulfilling the scope and doing a good job. If they are not, or the reporting is inaccurate, or late, chances are the operation is not performing well and there are problems.

On-time, accurate reporting is one side of the equation. It is a good sign, but doesn't mean the operation can't be improved, especially on the financial side. If they are hitting all the contracted service levels, and the reporting is accurate, you may be overstaffed.

Reporting With Financial Penalties Work Better

Attaching dollar penalties when not achieving service levels seems harsh to some of our clients. Ultimately it is up to them, but the most successful contracts we oversee and the most successful sites for the service providers, are the ones that have reporting with penalties if the service level is not achieved and the staffing levels are not maintained.

As a recent example, one of our clients wanted to renew their contract with their current provider. We managed the RFP process where this service provider was chosen and had managed the contract for the previous five years. The provider did a nice job with the account, provided timely reporting and credited the firm when service levels and staffing were not achieved. On the renewal, the client wanted to relax the penalties on the reporting. We warned against this move but the client went ahead with it. Well, you guessed it, the reporting is no longer timely and when received, it is grossly inaccurate. It is only a matter of time before the

operation suffers, and the service provider has an unhappy client. Why remove the criteria that makes an operation successful?

Why Do Some Service Providers Push Back?

Some service providers will say that the service levels are unfair: it doesn't allow them to focus on the job at hand, unachievable, and that they will have to increase their price to cover the penalties because they know they will not achieve them (say what?)

Obviously, the service levels must be fair and achievable and the person creating the RFP must be knowledgeable. Also, there must be a dialogue about the service level if it is consistently missed to ensure it is fair.

Assuming the service levels are fair and reasonable, there are no good reasons a service provider should not agree to reporting or financial penalties for missed service levels. If they won't, it means they are not confident with their operation - not the type of service provider you want to partner with.

Monthly, Quarterly, Yearly Meetings

The most successful operations we manage adhere to a regular meeting schedule with different purposes and agendas for each meeting.

- **Monthly.** Status of the account, review reporting, discuss scorecard performance, headcount, etc.
- **Quarterly.** Status of the account, technology, current and future initiatives.
- **Yearly.** Leadership conference. Where is the firm going and how does the service provider support that direction? Staffing, succession planning, value adds.

Obviously, there is flexibility on the type and number of meetings depending on the type of service being offered. If it involves labor, you can't have enough meetings.

In summary:

- Almost any service provider, if they have the capability, can do an excellent job if they are managed and held accountable.
- The request for proposal — it is the foundation of a successful relationship. If you do not have the expertise in-house to do one well, hire someone. It will be worth the money.
- Conduct interviews. The firm should set the agenda, don't let the service provider turn into a sales pitch and not address the issues that concern you.
- Set-up a monthly reporting process and take the time to review them.
- Tied to performance and substantiated by reporting, penalties for non-performance should be included in the agreement. The intent is not to collect the penalties but rather use them to ensure the performance that was promised.

- In my experience, consistent meetings between all parties is the biggest factor in determining the success of the relationship.

Rob Mattern is President and Founder of Mattern Associates, LLC, a legal business process consulting and cost recovery solutions firm. A member of *Marketing the Law Firm's* Board of Editors, Mattern publishes widely, including in *American Lawyer*, *Legal Management* magazine and *Wall Street Journal*.

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