



## 15 October 2010 - 21<sup>st</sup> RIAD Congress in London

### Summary

This year's RIAD Congress about legal protection insurance and the quality of legal services brought together a great variety of people interested in legal services and how to safeguard their quality. More than 150 insurers, lawyers, academics and users of legal services gathered in London and spent an extremely interesting day discussing and analysing different aspects of the provision and quality of legal services. Delegates were able to participate actively in the day's programme by responding to various questions and giving their opinion on key issues about the topic.

Adrienne O'Sullivan, CEO, DAS Ireland, introduced the day by defining quality - offering a viewpoint from the customer's perspective. Citing Maslow, she gave an insight with examples, of the psychology of customers expectations, their stated and implied needs. She concluded by showing two video clips; one showing bad, and one demonstrating good, customer service.

Professor Teun Hardjono, an acknowledged organisational specialist and professor of quality management and certification at Erasmus University Rotterdam, gave an introduction and explained how different quality assurance systems work. He stressed that all processes are determined by the individual people involved and all efforts must centre on this most valuable resource.

Herbert Schons, representative of the CCBE (Council of Bars and Law Societies of Europe), emphasised that legal services provided by lawyers must be subjected to exactly the same standards and must be judged against the same quality requirements as all other services. For him, the market regulates who will survive and from his experience clients of lawyers are primarily not criticising lack of legal expertise but are complaining about a lack of lawyers' accessibility and transparency, that they are not kept informed about their case or do not receive enough information. According to Schons, lawyers have to adapt to a changing reality and will have to acknowledge that expectations of their customers have shifted. Accordingly, Luc Hendrickx, representing as Director for Enterprise Policy and External Relations at UEAPME, the European employer's organisation, the interests of crafts and small and medium sized enterprises, warned that customers forgive if a case is lost but would never excuse if a lawyer did not prepare him for this possibility or responded with obvious disinterest. He confirmed that efficiency, swiftness of reaction and a clear follow-up of cases is essential for small businesses which rely and depend on the provider of the legal services in their everyday life. A good quality of legal services is therefore vital to them.

A most interesting comparison between the markets for legal services in Germany and the Netherlands showed how completely different legal protection insurers operate in these countries. Bas van Harten, Deputy Managing Director of DAS Rechtsbijstand in the Netherlands, showed that the Netherlands is a very liberal market where legal protection insurers can provide almost the full range of legal services, including representation of insured persons in courts. His presentation demonstrated that his company had established a sophisticated system of quality control which embraced also the legal quality. In contrast, Joachim Forchheim, Head of Claims Management of ROLAND Rechtsschutz-Versicherungs-AG in Germany, made it clear that insurers in Germany are completely excluded from

the legal services market and are constrained to managing their internal processes. Consequently, insurers in Germany cannot control the quality of the legal services provided to insured persons but are limited to recommending certain lawyers who have repeatedly received good customer ratings and thus proven their quality. Whether this is to the detriment of insured persons was left open.

One of the highlights of the conference was certainly the speech of David Edmonds, Chairman of the Legal Services Board in England and Wales, who outlined how the legal system in England and Wales has been revised in the interest of the customer and not of the provider. He explained that the new business structures which will be possible as of 2011 will increase the choice for customers and, even more importantly, will provide new means of access to law and justice for those people who fall out of the legal system due to cutting of legal aid. David Edmonds advocated that the demystification of the profession, more competition for the benefit of consumers and an improved complaint system in correlation with the maintenance of professional standards by the regulator was evidently showing that the public interest is in the heart of this new regulation. He also commented on the Board's recent investigation into referral fees, which found no compelling evidence of detriment to consumers and that, in some instances, such arrangements positively helped consumers to access legal services.

The day finally climaxed in a most vivid and interesting panel discussion which confirmed that there is a broad consensus about the elements of quality of legal services. Herbert Schons recommended to his fellow lawyers to invest in their staff as they are the first contact with the customer and, consequently, the figurehead of any business. Luc Hendrickx remarked that the prices of legal services must be more transparent and admitted that quality had its price; he said that not enough was done about prevention of conflicts which, as Rob Vromen, CEO of the Belgian legal protection insurer Euromex N.V., noted, should be much more in the centre of attention. Rob Vromen compared the situation of the legal system to that of fire insurers whose first objective is to prevent the incident instead of waiting for the catastrophe to happen. In this context, Teun Hardjono conceded that he had heard the same arguments when discussing with doctors and urged stakeholders to learn from that, i.e. avoid that legal services take the same route as health care which has simply become unaffordable to the average citizen.

To conclude, speakers and panellists agreed that customer expectation and satisfaction must be the key for all service providers and are decisive for the success of a business. The Congress demonstrated that, while national markets for legal services vary greatly and are changing rapidly in several countries, legal protection insurers are making a very positive contribution to improving the quality of legal services and increasing access to justice. However, Teun Hardjono warned delegates that it is impossible to guarantee perfection of any kind of services because this is against nature. For him the crucial point is that the provider strives to achieve a certain level of happiness of customers, which determines good quality and essentially access to law and justice for citizens.