

Business Development and Marketing

Most firms are now taking their business development and marketing more seriously, mainly because of external factors – wiser clients, new competitors and older peers getting much smarter and aggressive.

I do find however that still not enough thought or commitment is going into the activity which is one major essential into the survival and development of the business.

Most top level strategies are including a commitment to business development whether it be for:

- Actively seeking work from alternative funders of business
 - Local authorities, membership organisations, government, charities
- Actively seeking more work for current work-types
 - Private client
 - Commercial
 - Legal Aid/Publicly Funded
 - Panels and claim organisations
- Actively seeking work-type diversification
 - More private client for a commercial or Legal Aid practice
 - More commercial work for a private client practice
- Geography
 - More branch offices – geographical expansion
 - Potential boutiques supplying the central resource/hub
 - Extra performance from each existing office
- Mergers or collaborative working with other firms
- Expansion of relationships with formal and informal referrers - networking

Many firms are also considering a different kind of segmentation of sales, marketing and client relationship activity with plans for;

- Client Retention
- Client Development
- New Business

These three principles need to be in everyone's mind

In all commercial walks of life it is easier to sell more to existing clients rather than find new business. Law firms have been relatively slow at understanding this with in many cases “rubbish” client databases that cannot be exploited, individual and departmental “possessiveness” over clients, no client development and relationship strategies. At last we are beginning to wake up to the “**Client Experience**”. From memory a satisfied client will only tell between one and five people about the good experience – an unhappy client tells in excess of twenty who will pass it on in diminishing numbers until about 500 people get to hear about it.

Ownership

Irrespective of the size of firm, marketing and business development is now a given that should affect everyone in the firm. Culturally it has to become a way of life. If a few people in the firm are going about marketing initiatives the whole of the firm has to be aware of it and participative. If through web, advertising or networking activities a potential client is encouraged to phone the firm, walk in the front door or send an e-mail enquiry everyone in the firm needs to know what to do and be part of it.

If not yet accepted then there are responsibilities for business development inherent in the organisation

- Partnership, strategy board, operations board
- The managing partner
- Lead business development partner
- Department and location heads
- CEO/Practice manager
- Business Development/marketing director/manager/executive

Increasingly business development and marketing activity and success is becoming an accountability for department heads and partners with some even being rewarded on a meritocracy basis.

Main Business Development Tasks

The items below also apply irrespective of size of firm and later in this article I consider how they are resourced as again too much is expected of some people in many firms. A new checklist

The firm's image can be achieved through;

PR
Advertising
Web Site
Collateral
Track Record & Performance

The market and potential clients become aware of the firm through;

PR
Advertising
Web Site
Newsletters/Mailshots
Exhibitions/Conferences/Events
Networking
Collateral

The firm has to become accessible to clients and prospects effectively through;

Web Site
Responsive receptionists/telephony
Responsive departmental staff

Available tools to make it happen

Plans – individual mini plans for work-types, locations

PMS or CRM database – segmented for existing and new opportunities

Continuous monitoring and milestone management to modify activity if required

Training and business process for all activities.

Culture

Bids/Tenders/ITT Response

Resourcing for Success

Some firms may recruit a business development manager and others a marketing executive and then the partners step back and expect a miracle to happen. I see situations where a “Business Development Manager” is expected to develop the strategy, do the plans, design the collateral and out stamps on the envelopes. This doesn’t work as the spectrum is just too wide. Often “Marketing Assistants” are expected to do exactly the same – that doesn’t work either. All firms need to take stock and decide on the most effective route to successful business development. This will change over time and skills and resources develop. What has to be recognised is that whatever is done it has to be effective.

With the main premise being understood with **accountability** for all partners and department heads then in the short to medium term skilled external resource can assist. The levels can be considered at any time but should as a minimum be part of the annual business planning process so;

- Strategy from the Strategic Board or partners in the firm – unless the skills are in house this could be facilitated by a consultant. I personally usually hope that the CEO can make a good contribution here.
- Marketing Plans should come from Department Heads (work-type and branches) and Business Development Partner again initially with some external marketing strategy assistance
- PR – is most likely to come from an external agency. I am however surprised that many firms do not use a specialist and also tend to overpay.
- If bids and tenders are required then occasionally there is a partner that may have the skills for this. However most could benefit from training or external resource as many firms confirm their skills and enthusiasm rather than effectively presenting response.
- Web design and SEO and social media development – this is always likely to come from external specialists as it is a combination of a technical and marketing skill and needs continuous review. The enthusiastic in house IT resource will not have the marketing awareness or indeed the time. Again care should be taken in selection with specialisation and costs at the fore.

- Newsletter and Mailshot copy – this can start with external assistance, maybe the PR resource to establish a plan and timetable to support the overall plan but it is one of those activities I have seen successfully transferred in house
- Newsletter and Mailshot administration – internal marketing, administration resource
- Event research and programme – internal
- Market research for tender availability and ID of prime contacts – internal
- Database management and creation including PMS use or CRM including market segmentation to support marketing plans – internal marketing and IT
- Generation and management of budgets including the measurement of success from individual initiatives – internal
- Administration of events attendance, collateral, referral programmes – internal potentially with some external design resource
- Administration, monitoring and management of enquiries – internal

Cost Reduction – Direct impact on the bottom line

I recently heard of a Manchester based law firm that has improved its bottom line by cutting cost by £13,000 (or the equivalent of £26,000 of fees if gross profit is at 50%). This was apparently after an in house full review and was generated by cost reduction consultancy Spiral <http://www.spiral-group.co.uk/legal.php>. This was a **free of charge audit service** which just took a couple of weeks and minimal involvement of partner's time. I wrote at the end of last year about the potential savings in telephony but Spiral found additional savings in stationery 25%, print 20%, postage 38%, copiers 30%. Spiral has now entered into a managed service consultancy with the firm to ensure continued monitoring.

Case Cost Recovery

I always thought that firms were trying to reduce the use of Cost Lawyers but during April I met Iain Cherry of Civil and Commercial Cost Lawyers (CCCL) who have a significant office near the courts in Manchester as well as another office at Chancery Lane. www.civilandcommercial.com There is vast experience in the teams adding value with strength of experience with commercial costs. Cases are accepted electronically and technologically advanced internal processes aid management information and reporting. Turnaround time for detailed Bills of costs is approximately 7 – 10 days. The prime benefit here is improved cash flow for the firm.

An additional benefit offered by CCCL is an introductory audit process including checking CFAs, compliance issues and maximising costs through the substantive action. This is coupled with the ability in their own right to conduct litigation, go onto the Court record, enter into CFA's and, appear in Court as authorised advocates.

Cloud Telecoms

Steve Pritchard MD of Matrix 247 has recently made a white paper available showing the operation and benefits of Telephony in the Cloud. It is designed to limit confusion around variable definitions. The full piece can be seen at <http://www.matrix247.com> . The main benefits are identified as

- On-Demand: A law firm may request for additional features...like call recording...to be switched on or off when required on a per user basis.
- Anywhere Telecom: With access being over secure internet with a Quality of Service, legal practice staff can access complete desk-based features remotely whether home-based, in hotels, or alternative office locations via intelligent mobile devices.
- Scalable with Plug & Play: Scalable across multiple locations. User profiles are built and deployed rapidly onto 'plug-and-work' IP phones, or as quickly cancelled should staff requirements change. Saves money on wasted licensing.
- By User By Month: The solution can be rented on a 'by user by month' model to enable temporary scalability around marketing campaigns, government tenders or seasonal trends. Saves on telecom hardware becoming redundant.
- Belt & Braces: A resilient architecture with alternative routes for inbound and outbound calls should the primary link fail helps meet the needs of business continuity.

The article also goes on to explain the three main options open to law firms to access Telecoms in the Cloud. High cost and low cost options or as always a sensible 'hybrid' option.

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