

Natural Progression

Integration of Marketing, Professional Development and Sales

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In a strategic law firm, one with a strong business-development culture, each professional must focus on building strong client relationships and providing them with remarkable service. But the strong analytical skills and risk-averse temperament that make for a good legal practitioner are different from those that foster successful marketing, business development and client service. Since practice development and client service are not taught in law schools, the challenge for law firms is to cultivate relationship-development and marketing skills in all of their professionals.

In the legal community, marketing professionals have been leading the effort to link business development and client service more effectively. In the process, they are creating integrated departments that help convert marketing strategies into revenue by supporting lawyers through all stages of the business cycle - marketing, client and business development, and client service and satisfaction.

Evolving Marketing Function

In the early to mid-1990s, law firm marketing departments began to put their focus where it belonged: on the client. In the process they became less promotional and more strategic. That shift paved the way for marketing professionals to play an expanded role. Today, savvy firms appreciate that to attract and retain strong marketing professionals, they need to open the door to increased responsibility, authority and compensation. Thus, despite recent economy-driven cutbacks in law firms, marketing departments and budgets generally have increased.

A growing number of law firms now include marketing professionals among their top executives. At least two firms call their most senior marketer a managing director. Others use the title chief marketing officer (CMO). Upgrading the position and title reflects several facts about the evolving legal marketplace. First, the legal space is more competitive. Second, clients are more discriminating about what legal services they outsource, how they buy them, and from whom. And third, clients complain that it is all but impossible to distinguish among most law firms' service offerings and practitioners. That perception makes differentiating a firm from its competitors one of the most important jobs in a law firm, and it has made the contributions of experienced marketing and business-development professionals a critical success factor.

Sought-after marketing and business development professionals may come from within the legal community or from other industries; but regardless of background, the most successful are highly strategic and relentlessly client-focused. An excellent example of a law firm that has shifted into marketing high gear is O'Melveny & Myers. In early 2001, O'Melveny hired Ron Merriman as managing director of client services and development. Merriman, whose career includes 30 years with the accounting and consulting firm of KPMG, formulates strategies for developing new market opportunities and expanding existing ones. He also serves as a member of O'Melveny's Office of the Chair, the executive body that manages the firm.

A.B. Culvahouse, chairman of O'Melveny, is quick to credit the role that Merriman and strategic marketing play at the firm: "We feel that having a high-level executive in the marketing area as part of our leadership team is absolutely critical. Our Managing

Director of Client Services and Development, Ron Merriman, has had a direct impact on our strategic growth and the way in which we provide services to our key clients."

NATURAL PROGRESSION TO A MORE EFFECTIVE MODEL

As law firms have grown larger, more global and more complex; the marketplace more crowded; and clients more sophisticated, law firms have begun assessing the effectiveness of their marketing programs. Discovering that their business-development efforts have been less effective than their marketing and communications initiatives, they have begun to study how other industries and their own clients have approached the related challenges of marketing and communications, business-development and client service.

What is emerging from that reflection is a model for a new kind of marketing function within professional services firms. What does this kind of department look like in a law firm? There are many variations on the theme, and each firm must look at its culture, its practice mix and its resources to determine the best fit for meeting its objectives. In some firms, marketing and communications, business development, sales and client service will form the program's foundation; in others, training and professional development will be added to that platform. But regardless of the complexion of the department, the focus will be constant collaboration among all contributors to the marketing process.

One model that exemplifies a truly integrated marketing function is the one being developed at Preston, Gates & Ellis. As Preston Gates continues to grow, it treats marketing as a critical means for achieving firm strategy. It makes sure that its targeted business-development efforts grow out of firm-wide strategy, and it never loses sight of the role of remarkable client service in securing its client base and success. Toward that end, it has crafted positions for senior marketing executives that likely will be emulated in our precedent-driven profession. Let's look at two critical elements of this model:

A firm-wide marketing program that is led by a seasoned and strategic chief marketing officer who reports to the managing partner and who sits, as an ex officio member, on the executive committee.

Three key functional areas - marketing/communications, professional/practice development and business development/sales - each of which is directed by a seasoned professional who not only has a deep understanding and a proven ability in marketing, but is expert in his/her assigned functional area. These directors will report to the top-level marketing executive. Role of Each Functional Area Marketing and communications will provide many of the services and products traditionally associated with professional services marketing departments. For example, it may develop collateral materials, orchestrate client programs and develop and manage the firm's branding initiatives.

Professional and practice development will be responsible for formal training that helps lawyers become better practice planners and business developers, and it will work with the sales professionals and practice group leaders to create industry or specialty practice plans. Thus, it is both a skills-building and strategic marketing planning function. Additionally, the director of professional development can assist the lawyers in coordinating their CLE requirements, so the training function will include legal as well as practice-development programming.

The third segment of the department - business development and sales - will help lawyers qualify leads and prepare for sales calls (e.g., by undertaking research, coaching, etc.).

These professionals will be members of client teams that will focus on new and existing key accounts, attend appropriate sales calls and manage and motivate lawyers' follow-up efforts.

As firms develop and integrate the sales/business-development function, it is important for them to keep in mind that the goal is building a sales force to coach attorneys on effective business-development skills - not just hiring a single "salesperson." In such a scenario, the director of business development works with the professional-development team to train and coach lawyers about the sales cycle. For example, lawyers often are surprised to learn that it can take from 12 to 18 months to progress through the "sales-cycle" in order to obtain the first assignment from a new client. Coached by an experienced business-development professional, they are less likely to rush the process and skip critical relationship-building steps.

Preston Gates' leadership makes a strong case for why such an integrated program is an important component of running a strategic and successful firm: "We have concluded that the need for an integrated sales, marketing, practice planning, and training program is essential," said Gary Kocher, the Preston Gates executive committee member who is leading the efforts to build the new integrated marketing function within the firm. "Our firm has a strong client service orientation and marketing culture; however, we need to progress in our marketing efforts in order to continue to foster a more entrepreneurial culture among our attorneys."

Preston Gates is not alone in its efforts to introduce a more robust and fully integrated sales and business-development function. Other firms, using different models, have put in place programs focused on at least two of the three functions, marketing and sales. For example, Womble Carlyle, a 450-attorney firm, has both marketing and sales directors; Piper Rudnick, a 950-attorney firm, has an extensive business-development program, as do Akin Gump, a 1,000-attorney firm; Hale and Dorr, a 500-attorney firm; and Patton Boggs, a 350-attorney firm. And the number of other firms currently examining the most effective ways to morph their programs is increasing rapidly.

It is a significant development in legal marketing history that law firm leaders are recognizing the importance of integrated marketing, professional development, and sales functions. This emphasis on the central role of marketing and marketing professionals can only help foster stronger business-development cultures and, logically, better return on marketing investment. As law firms move closer to confronting the long-standing challenges associated with cross-selling and with establishing well-orchestrated client teams, they will need to shed insular marketing departments in favor of those that are capable of harnessing the power of strategic marketing and business development and delivering measurably superior client service. Law firms that respond accordingly will be ready when their top 50 clients are targeted by experienced marketing and sales forces at other law firms - an increasing reality of a more sophisticated professional services marketing universe.

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