Legal Vertical Strategies

CRM: The Engine of Law Firm Business Development

A Guide to Integrating CRM Into Your Firm's Marketing and Business Development Strategy

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CRM provides the engine a law firm needs to analyze, track and measure its most important piece of intellectual property: Relationships. Yet, few firms that make the investment leverage their Client Relationship Management systems to their fullest.

As a contact management tool, CRM system allows a firm to centralize contacts in one place, assist partners in keeping relationship data current and allow the marketing department to slice and dice contacts to reach specific market segments.

As a business development engine, CRM provides a platform for leveraging client data to measure marketing return on investment, coordinate and maximize the effectiveness of client teams, practice groups, pitch activities and more.

If your law firm is ready to implement CRM for the first time, upgrade an outdated CRM or turn your existing system in to a business development vehicle, consider the following strategies for reaching maximum success.

Determine Your Destination

The single most important element to a building a successful CRM platform is the creation of the implementation roadmap. Too often, law firms purchase software and try to figure out what to do with it after the fact.

This is like getting in the car and driving without knowing where you are trying to go. It may make for a great college road trip, but in the end it will cost time, money and the risk of a failed implementation.

Before purchasing any software, define what you are trying to accomplish and evaluate the internal resources you have to help take you there. With this roadmap in place, you will be well positioned to reach the ultimate destination.

Start with these factors:

- **Evaluate your marketing and business development strategies.** What are the specific programs and tactics you have? How are you measuring results? How will your CRM help you reach these objectives?

- **Process evaluation.** What systems and processes do you currently have in place for managing relationship information? What works? What needs to be improved? How do you manage information from other departments?

- **Define your objectives.** Are you looking for a system to manage your firm contacts and mailing lists, to maximize CRM as an information platform for all your firm relationships, or something in-between?

- **Who will use the system?** Gone are the days of thinking of CRM as a "marketing" system. To truly leverage CRM, you need to engage everyone in your firm and consider the ways in which they will be using it. This is central to finding the right product.

- **Where will you start?** Have a long-term vision but start simple by building victories one at a time. Remember, version 1.0 is the first step to version 2.0 and is always better than version 0.0.

Engage your pit crew

CRM sits at the intersection of marketing and IT. It will not be successful without both teams fully engaged. Marketing needs to communicate the business case to IT. IT needs to educate marketing about the challenges and pitfalls that come with any data management project.

Review your big picture strategy with IT and find out what other projects they are working on and how they might impact your rollout.

Chances are, other departments have relationship data management projects they are trying to manage and CRM may provide a solution for them also. IT will be in a position to connect you with other stakeholders who could benefit from working with you.

CRM Strategic Planning Tips

Marketing owns the CRM System, so it is their job to make it work.

Take a half day to sit down with your team and talk about what you want to get out of your CRM system.

Ask for input from as broad a cross-section of the firm as possible, including interested attorneys and professional staff.

Think big picture about all of your marketing and business development functions, identify key metrics and how you would track them if you had no constraints—financial, personnel, internal buy-in—and then work backward.

Create a laundry list of potential activities you would use the system to track and measure your success. The following is a starting point for your discussion:

- Mailing list segmenting
- Industry events and tradeshows
- Advertising
- Speaking engagements
- RFPS/Pitches
- Practice group activities
- Industry group activities
- Strategic accounts/Key Clients
- Targeting initiatives
- Lateral partner hiring/integration
- Market research
- Deal tracking
- Expertise tracking
- Alumni
- Foreign Languages
- Web bios
- Financial Reporting

It’s also important for marketing to take the time to understand IT’s timetable and to work with them to set priorities and manage expectations.

After your IT meeting, set up meetings with leaders of other departments, finance, HR, professional development and others who manage information involving people. Incorporate their ideas and feedback into your strategy.

Technology without people is akin to trying to drive a car without a driver. Whether a Honda or a Porche, you are just not going to get anywhere.

Start the ignition

Build out a communication platform to reach your most important audience—attorneys. CRM has a storied reputation of failure in many firms, usually because the lawyers fail to understand the value. You need to speak loudly and frequently about the benefits CRM provides to attorneys at the individual level in order to build buy-in across the firm.

Try these tactics to communicate your CRM story:

- Create key messages for practice groups, industry groups and client service teams. Begin working with one group at a time to slowly expand and explore different ways to use your system.
- Engage the power users. When communicating about the benefits of CRM, don’t forget the support staff, particularly the legal secretaries. Include them in your discussions. Create a dialogue by giving folks a chance to share concerns before you start telling them what they need to do.
- Find your champions. Identify a cross-section of attorneys across your firm who understand the benefits and will help champion CRM to their peers and, equally important, to their secretaries. Consider taking your champions on the road to meet one-on-one with offices across the firm.

Turn Your Plan into Action

Armed with a master plan, you will now be in a position to define where you want your CRM system to take you and the path you will take to get there.

The next step is the most important. Look at your overall plan, prioritize and scale it back.

Identify three to five items you as a team can do today to start tracking and measuring your efforts.

For now, limit the scope to those items the people in the room can do without the need for additional IT customization or support.

For example, you might start by agreeing to use the activities section of your database to track all marketing events, including e-mailings, seminars and events your attorneys attend.

The marketing team will agree on what information to track, who on the team will track it and what naming convention will be used so the information is tracked consistently.

You should also discuss what you want to measure and configure reports to allow you to track the information easily.

Highlight areas that require interdepartmental collaboration and set up a meeting to discuss those projects with the appropriate people.

While your team starts working to build your foundation, you can start working internally to build out your long-term strategy.

- Create and distribute monthly reports that demonstrate how your team is leveraging the information to measure ROI, and make a point to explain how your CRM tool is the system of record for managing this data.

With these first steps, you will be able to build a long-term plan that will allow for short-term successes to start making CRM an integrated part of your firm's business strategy.

Eying the Finish Line

Don't mistake the launch of your CRM system with the end-game. Implementation is only the first step in a successful CRM initiative. Plan your rollout accordingly.

Once your CRM is launched, you need an actionable plan to ensure a high rate of user adoption. Start with marketing and move on from there:

- Identify five activities everyone in the marketing department will commit to doing consistently using your CRM. Master those and move on to the next five.

- Identify three things you want your attorneys to do with the system. Help them master those and then demonstrate how it benefits them.

- Finally, take the time to step back and enjoy some small victories along the way. The more you put into your system, the more you will get out of it. Use the system, track your efforts and measure your results.

View from the corner office: Let us eat cake

Upon watching a demo of a high-end CRM system filled with bells and whistles, a partner at a large firm responded,

"That's all icing to me. I want the cake."

His point: You need to master the fundamentals first – robust data, timely upkeep, and consistent user experiences – before you will win partner support for more complex projects.

Shifting into high gear

The power of CRM goes far beyond contact management alone. Once your firm has mastered these initiatives, take your CRM to the next level.

Here are a few ways to get started:

Client Team Management: With most client teams, there are multiple efforts taking place at the same time to reach new contacts and strengthen existing ones. Tracking all this information in one place allows the entire team to stay abreast of who is doing what. What's more, it allows you to measure the number and types of activities that ultimately lead to expanded business.

Relationship Mapping: When creating strategic accounts or working with client teams, one of the first steps is to understand the legal department of the target company. CRM is an ideal way to track who is who, the strength of their relationship with the firm, and who the primary points of contact are between your organization and theirs.

Referral Tracking: Using CRM, you can track who is bringing you work from complex organizations.

Return on Investment: With a robust reporting system, you can provide the executive committee a monthly report of all business development activities and create metrics to measure the return on investment of marketing efforts.

Experience and Expertise Tracking: With advanced CRM systems, you can integrate your experience and expertise databases into a single system to quickly access deal lists, litigation wins, and other variables to help validate and differentiate your attorneys.

Conclusion

In today's economic climate, it is more important than ever for law firm marketing and business development groups to manage relationships, track marketing activities and measure return on investment. CRM offers a single platform around which all of these can be accomplished.

Failed CRM systems, common in too many firms, are no longer an option. If you have invested in a CRM vehicle but are having trouble getting the car out of the parking lot, consider investing in a resource that can help get you to where you want to go.

An upfront investment to set the right foundation will save time and money over the long term. What's more, you will be able to achieve great returns on your overall marketing and business development program.

The author, Debra Baker, is a chair of the Law Firm Services Group at Legal Vertical Strategies. She is also former firmwide marketing director of Heller Ehrman, where she led the planning, implementation and execution of the firm's CRM strategy. She can be reached at dbaker@lvstrategies.com . The consultants at Legal Vertical Strategies believe strategy and technology must be integrated throughout all marketing and business development functions. The company brings more than 10 years of experience to law firm CRM planning, implementation and integration.