

The Perils & Opportunities of Generating Revenue Using Chief Business Development Officers and/or Professional Business Developers© –

As a lawyer and proven professional business developer with over 25 years of experience, I am concerned that too many law firms are trying to solve “the problem” of the need to generate more revenue in this tough economy by deciding to “hire a person to solve the problem” without providing much – if any – focus, buy-in, support, resources, authority and/or back-up. Unless responsibilities, expectations and deliverables are clearly defined and matched with capabilities, simply creating a new position as a solution does not work in the vast majority of cases. It is eerily similar to when law firms first started hiring marketing directors about 30 years ago. Back then, many firms did the same thing – hire a person to solve “the problem” without laying the proper foundation simply *hoping* it would work. The negative effect of that approach is still with us, as unrealistically high law firm expectations and unrealistically minimal support and resources create the kind of mutual frustration and disappointment that cause the counterproductive turnover of marketing professionals the legal industry continues to experience.

Currently, more firms are hiring or contemplating hiring a high end “sales” professional as an internal business development staffer, and/or are retaining the services of an external business developer (outsourcing the function). In either case, before hiring or retaining such a person, it is essential that: 1) the role/responsibilities of the position are carefully and narrowly defined; 2) the reporting structure and coordination with the marketing department and other key support functions is carefully mapped out; and 3) the sales professional’s direct track record, true capabilities and deliverables are vetted carefully. In some firms, the C.M.O., director or equivalent already services/supports the sales function, so an additional employee (increasing head count) is not necessary except to provide additional support, leverage, training and/or coaching to assist the existing efforts.

Hiring one professional to simply “get the ‘job’ done – generate new work for us” is not very realistic (unless it is a small firm). If it was so easy to do, law firms would not be in this situation. Firms are most successful when they approach the sales “job” from a holistic point of view – that is, embracing the fact that almost *all* employees and firm owners need to have basic client communication/client relations skills ... whether or not they want to or will actually engage in the “sales” process itself. A top-down driven, shared understanding that every employee of the firm has *some* role/responsibility within the business development process, even as the roles vary, is essential to success for the sales function within law firms.

One of the key roles for sales professionals that law firms hire should be to develop the appropriate level of skills for the internal team – i.e. those that will be most active in the firm’s business development program – lawyers and support staff. This requires directed resources and effort. It is ethically prohibited for law firms to use non-lawyers to solicit business for lawyers/firms. However, there are numerous tasks that *are* appropriate for non-lawyers including: conducting market/industry/client research to identify needs; conducting client satisfaction interviews/surveys; helping analyze and prepare information/pitches; coaching and preparing lawyers for client/prospect meetings/communications; helping coordinate business development efforts internally; helping set up and (as appropriate) attending prospect meetings along with the lawyers to take notes; organizing a method of tracking and reporting sales development efforts; and performing similar support activity.

Over the past 25 years, a few firms have been successful by having senior partners, partners and/or external professionals with significant external relationships devote a large percentage of their otherwise billable time to “sales” or relationships development, where they are the “face of the firm” in a specified community/industry. In this role - if they are lawyers - it is appropriate for them to meet with clients/prospects, help arrange for introductions and referrals, and set up/follow-up on meetings. The problem with this approach - in the past and even today - is that unless these efforts are internally

coordinated and organized with solidly a supported tracking and follow-up system (which requires staff and resources), results can vary and have varied.

Bottom line, with the accelerated rate of industry and economic change, most firms benefit from a formal, annual review and upgrade of their overall, entire business development program (both the marketing and sales components). This is true whether they have a “sales” person or not, or are contemplating hiring one; whether their program is 100% internally supported; whether outside support is utilized; whether the review is conducted internally or externally. The ability to generate and report results is what matters.

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