

IN FOCUS

LAW FIRM RECRUITING

Marketing plans for laterals

Customized plans give valued partners a reason to come—and stay.

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HOW DOES A FIRM attract top lateral partners with large portable practices and at the same time retain its own rainmakers? The solution is the same for both—demonstrate to potential and existing partners that the firm is focused on their success. Use marketing plans as recruiting tools to attract talent and apply the plans once they join. Wall Street clearly gets this.

Just recently, Deutsche Bank A.G. hired away a group of 16 money managers from Amvescap PLC, who together oversaw 20% of Amvescap's \$465 billion in assets. The *Wall Street Journal* commented, "the biggest risk to Amvescap is that clients will pull out their money." The reason? "[I]nstitutional investors are unwilling to keep their money at a firm when the managers they've been working with

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leave." Tom Lauricella, "Money-Manager Raid Sparks Court Fight," *Wall St. J.*, March 28, 2007, at C1.

Sound familiar? The same is true for law firms. Clients tend to follow their lawyers.

How about this past holiday season, when The Goldman Sachs Group Inc. reportedly paid more than \$16.5 billion in bonuses? "Talent is the most precious commodity on Wall Street; it's what they sell, so it's also what they have to pay for," explained *New York* magazine when referring to the comparatively paltry \$11 billion in bonuses Goldman paid out in 2005. Duff McDonald, "Please, Sir, I Want Some More," *New York* magazine, Dec. 5, 2005.

At law firms, like all professional services organizations, talent is everything. But consider the difference in how much firms spend branding themselves versus what they spend branding the powerful business platforms that are their individual partners.

Firms with genuine respect for their partners—and clients—never lose sight of the fact that clients hire the lawyers they trust, as opposed to law firms with letterheads they recognize. To this end, firms likely to succeed in today's fluid market are those that view themselves as "brand marketers" rather than the "brand."

Think of the way The Coca-Cola Co. markets Coke, Diet Coke, Sprite, Dasani—or how Apple Inc. creates marketing campaigns for iPod, iTunes and the Mac. Just as General Motors Corp. bestows a hefty budget to its premier brand, Cadillac, the lateral who has

been heavily wooed should expect, upon joining a new firm, to receive marketing dollars devoted to significantly increasing his or her value during his or her first year there.

Working with new laterals to develop strategic, sophisticated marketing campaigns enhances their likelihood of success—and sends a clear message to other potential laterals that the firm is dedicated to helping its professionals expand their practices.

Law firms spend millions of dollars in branding campaigns in an attempt to attract and institutionalize clients. Down the hall, the recruiting department, operating on the assumption that lawyers and their books of business are portable, has little or no marketing support devoted to recruiting partners.

A sellers' market

Free agency has created a strong sellers' market for laterals. Consider that *The American Lawyer*, an affiliate of *The National Law Journal*, recently reported that between October 2005 and October 2006, 2,429 partners at the 200 most profitable U.S. law firms changed firms—an average of 12 partners per firm!

This situation exists because clients control the state of play. As long as clients agree, lawyers are free to move as often as they like. To some extent, the legal market has always operated this way. Time and again, in-house counsel say they hire lawyers, not law firms.

To avoid this attrition and client instability, firms must recognize where client loyalty lies. For law firms, the key to obtaining and keeping top clients is keeping their lawyers happy.

When clients say they hire lawyers, not firms, we know that practically speaking, what clients really mean is they hire great lawyers who work for “safe” firms. But what makes a firm safe? Safe means a firm with an established reputation for success, a reputation secured through the results its individual lawyers achieve over time.

By devoting marketing dollars to helping laterals solidify and expand their reputations, firms will find that clients come and stay, too.

An appealing message

Smart firms should demonstrate to highly sought-after laterals that when they join the firms, an aggressive, sustained, customized marketing campaign will be immediately initiated on their behalf. This is an appealing commitment that’s hard to ignore.

Savvy candidates understand the importance of marketing support, and include marketing expectations in negotiations. They ask questions such as: “How many seminars will you help me produce this year?” And “How will you position my practice in the media?” And “What will my personal branding budget be?”

Although the acquisition of lateral talent represents a significant investment in time and resources, oddly, many firms fail to engage in much business strategizing at the outset of the recruitment process. Firms frequently do not provide recruiters with enough guidance on the types of candidates likely to add true value to firms’ current service offerings.

In considering potential laterals, law firm managers should carefully examine their long-term marketing plans, and identify and select candidates based on these needs. The Procter & Gamble Co. would not have purchased Gillette without a strategic marketing plan in place to leverage it. Smart firms ask difficult questions, such as: “Where is our practice going, and what talent do we need to make it stronger?” “What will the debt market look like in five years, and who do we need to capitalize on that?” “What business could we get with partner ‘X’ that neither of us can currently get on our own?”

Marketers, working with recruiters, use answers to these sorts of questions to define the firm’s needs and create convincing rationales for potential candidates to consider. When a

lateral has been convinced to join the firm, the role of the marketing department to ensure success becomes even more urgent.

Many firms employ lateral integration plans—but these are rarely the types of marketing plans that will really launch a lateral’s practice. They tend to be internally focused plans comprising firm meet-and-greet dinners, cross-practice introductions and office support services such as making sure BlackBerries and letterhead have arrived.

In addition to these necessary integration tasks, it’s imperative to have a strategic marketing plan in place crafted specifically to make the most of the firm’s incoming asset. Such plans should be more detailed and refined than the plans used to recruit the lateral in the first place.

Marketing dollars help laterals solidify their reputations.

Building a marketing plan

Lateral marketing plans should be comprehensive. Firms should market new partners for the reasons they originally were approached. If a lateral was enticed to join a firm to increase the prominence of a specific practice group, then those strengths and contributions to the group should be the focus of a campaign.

Some elements in a six- to eight-month lateral marketing/communications plan include:

- A deep-dive analysis of the incoming partner’s contacts, indexed to potential “touch-points” (i.e., conferences, charities, professional organizations, etc.).

- A firm-produced feature profile on the group or individual in order to coordinate the marketing campaign around a basic, easily communicated story. These “features” are extended, character-driven bios that highlight past achievements as well as the fresh opportunities presented by the new firm’s platform.

- Prepared research and analysis of target prospects and existing clients that will benefit from the new partner’s expertise.

- A targeted short list of two or three high-level industry speaking engagements that will allow the lateral to network with current and prospective clients and explain the switch.

- Two to three bylined publishing opportunities in industry and trade publications, preferably linked to the speaking engagements, that reinforce the partner’s expertise.

- Submissions to appropriate awards and “Best of” lists, which solidify the partner’s reputation as a leading attorney and a perfect fit for the new firm.

A lateral also should be trained on the firm’s key messages, so he or she can communicate them quickly and easily to clients and other potential laterals. Investing time in coaching an incoming attorney on the value message—“Why is this firm different/better than the previous firm?”—is imperative. It will assist in a smoother transition for clients, and create a walking testimonial for potential laterals.

An initial marketing campaign and media blast for a new partner should last between six and eight months. The marketing strategy then should shift to one of sustainability. With a successful initial blitz under his or her belt, the partner will have a portfolio of media placements, an earned “seat at the table” in the firm, and should be treated as a regular partner moving forward, with the expectation of a steady flow of marketing support.

Talent that stays

Marketing departments have evolved immensely over the past decade and are ripe to anchor the firm’s recruitment and retention efforts. Marketing should play a key role in helping to recruit laterals, establish them upon arrival and maintain their success.

In an era of free agency, talent is everything. The firms that do the best job of articulating why lateral superstars will fare best with them—and then back up their plans with strategic, focused marketing support, will find they are able to successfully institutionalize the talent they need to attract the clients they want. **NW**