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CRM as a Competitive Edge for Client Development

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Are you too busy to devote time to business development? Streamline your business development strategy with Client Relationship Management (CRM) software. Matching technology with your firm's needs could even out the playing field and establish a competitive advantage.

As lawyers, most of us focus on providing counsel to our clients, processing abundant paperwork, and dutifully recording our billable hours. Marketing and client development is often pushed to the margins of our day in favor of the client work that needs to be done. An attorney may be brilliant in achieving results in the courtroom, but how does he or she provide excellent service while being a rainmaker at the same time? Lawyers aren't trained to be marketers and yet, at the partner level, they need to bring new business into the firm. In an increasingly competitive marketplace, Darwin's "survival of the fittest" principles apply to law firms. The "fittest" law firms are those that approach client development in a proactive manner, instilling in their leadership the idea that constant attention to business development is critical for success.

In 2007, Chicago-based firm Williams Montgomery & John (www.willmont.com) will celebrate its 40 th anniversary. Long known for our experience in trying cases, our 43-attorney firm focuses its commercial litigation practice on servicing a wide variety of needs of our business clients.

As a Managing Partner of the firm, my perspective is that law firm partners need to divide their time between client work and client development. Client development may be time-consuming, but in today's legal marketplace it is essential for *all* partners (not just a few rainmakers) to participate in developing and maintaining relationships that bring business into the firm. We have recently introduced an aggressive new business development plan which brings excitement to the firm. With that excitement comes pressure to perform so we want to give our partners the resources they need to attain the high standards we have set.

Fortunately, our partners *want* to be more involved in client development. However, their packed schedules leave them little bandwidth to focus on contacts, follow-ups, and networking to meet new prospective clients. In 2006, our executive committee acknowledged that if we were going to expect great client development results from our partners, we needed to give them the right tools to help them achieve the results we wanted. Lawyers need a streamlined workflow system for marketing which provides a depth of information about client relationships and manages communications. This system should not only include their own personal data and rolodex, but also a centralized database that all attorneys can access.

Convinced that technology was part of the solution, we began looking at CRM (Client Relationship Management) software packages. Our theory was that the CRM software would enable the partners to leverage their own contacts and also maximize the contacts of others for networking purposes. Building relationships is the cornerstone of our client development effort and we felt a CRM system would facilitate this, keeping our partners on track and accountable. We felt that the software would benefit us in other areas as well, allowing the executive committee to monitor the client development activities of the partners. That way, we could determine whether partners were following through with their client development commitments and facilitate planning to develop additional business, based on existing contacts.

We began to look at our firm in an honest, frank manner to figure out what solution would be suitable. Like many firms our size, Williams Montgomery & John does not have an in-house marketing department. Therefore, we don't have a staff that creates marketing programs, or that constantly reminds our lawyers to "get out there" and obtain contact clients, write articles and seek out speaking engagements. We saw CRM as a way to create a virtual marketing department, to centralize and coordinate the individual marketing efforts of our partners. The ability to leverage technology is not only a necessity today, but has become an important competitive advantage.

When we were considering CRM, we realized that when partners were left to their own devices to develop business, the efforts were not consistent and too often reflected the demands of their case loads. That independence had its costs. Attorneys would meet with clients (or prospective ones) and then have no traceable, actionable follow-up. As a result, little would be accomplished and the opportunity would have cooled off or vanished. We concluded that our new business development activities had to be more targeted and efficient in using the firm's resources and lawyers' time. We believed that using a CRM system to track information and the actions, which promote business development (as well as curtailing unproductive ones), would be invaluable to us.

After inviting various CRM vendors to provide us with demonstrations, we noticed that some programs came with a lot of bells and whistles that we didn't need, required a lot of training, and were expensive. Also, many CRM packages available were "generic" and weren't tailored to the specific needs of a law firm.

After looking at several CRM products, we selected ContactEase, a product made by Idaho-based Cole Valley Software (www.colevalley.com). The product was legal-specific and integrated tightly with the Microsoft Outlook screen.

We have rolled ContactEase CRM out to all of our partners at this point and they are using it to coordinate their contacts, activities, and marketing endeavors. The CRM has created a firm-wide contact database, pulling in data from each partner's Outlook contact list and other sources. The partners can track and share contacts. The software keeps the momentum going in client development, integrating with Outlook to provide e-mail reminders of next actions. We customized ContactEase to include "Next Action" and "Next Action Date" fields to keep the process moving forward.

We have instituted a policy that all clients should be contacted at least every six months to keep our relationships current. We use the CRM system to create lists for announcements, holiday cards, invitations to events and web-based seminars, and newsletters. We can build recipient lists based on the content, so contacts will only receive content that is of interest to them. These communications and events keep our firm's image fresh in the client's mind.

From a management standpoint, our executive team is using ContactEase for an additional purpose – to provide business intelligence for us. We can monitor partners' activity within the system to ensure that the activity data is being entered in a timely manner. We are finding that when partners make commitments to their fellow partners, they are more motivated to complete the activities they set for themselves. At the click of a mouse we can pull reports on partners' client development activities over time. Through the CRM, we can tell which partners are making client development a priority and which ones need to give it more attention. In a constructive way, the CRM allows us to keep an eye on the partners' contribution to our overall client development push. This data also helps us to keep our development meetings focused and productive.

An intangible benefit we are finding with the CRM is that it is building teamwork among our partners. Lawyers are often an independent lot and sometimes are reluctant to share their contacts or information with anyone, even their fellow partners. The way we see it, a partner can develop clients more effectively as part of a team than separately. We have all cultivated a great number of contacts over the years that can pave the way for client outreach. By pooling all of our contacts in a centralized database, we can more effectively reap the rewards of our considerable contacts.

With information that is centralized and accessible to everyone (with certain limits for security or privacy issues) we can start to see the bigger picture. "Oh, I went to law school with that person," or "I contacted them this month with an invitation to our annual party." "She moved on to that new firm? That's good to know." Seeing the relationship connections of our peers can suggest opportunities to take advantage of. Since it's easier to grow revenue with existing clients than to find new ones, monitoring and expanding longstanding relationships is essential.

As long as partners enter in their information properly (which we are enforcing strictly), ContactEase can tell us which partners are pursuing which clients so we avoid the embarrassment of having two or more attorneys contacting the same person. Also, by going through the database, we can mine untapped prospects.

Many small and mid-sized firms don't install CRMs because they are concerned about the cost and downtime associated with implementation. Our installation did entail a somewhat large upfront effort in terms of assembling and cleaning the data. After that, it turned out to be a relatively straightforward process. Starting first with the partners, we gathered all of the contacts in Outlook and made an initial mark-up of contacts that were to be imported into the CRM database. Attorneys detailed the kinds of contacts they had. Were they current or prospective clients? Were they referrals, and by whom? What type of services were they interested in - commercial, products liability, intellectual property?

ContactEase's ability to interface with Outlook was a particularly attractive feature. Partners were able to use the system after only 15 minutes of training and were enthusiastic because they were already comfortable with using Microsoft's email program. It isn't always easy to get lawyers to try new things, but adoption of the CRM worked well because of its quick setup and ease of use.

In the first few months since we installed ContactEase, we have stressed to the partners how critical it is for them to embrace CRM technology for the greatest return on our investment. The system has given a huge boost to our client development efforts already and we anticipate finding more uses for it in the future. Our philosophy is that just because you're a small or mid-sized firm doesn't mean you can't go after business aggressively. Technology such as a CRM can even out the playing field, putting firms like ours not only on common footing with large firms, but even providing a competitive edge to put us ahead of the game.