

BY-LINED ARTICLE

Making Your Business Development Plan Recession-Proof

By Sharon Caffrey and Rhonda Ulrich

July 2010

Marketing The Law Firm

There is no doubt that the global economic downturn has impacted the ways that many buyers of legal services engage outside law firms. This has caused many of us to rethink how we develop new business and maintain our client relationships. While we may already do the right things to build our business, we might benefit from "tweaking" some of our activities to ensure our practices can survive any economic twist or turn. Below are some of the time-tested ways to solidify client relationships and gain new clients. It is possible to develop business in a down economy. Remember: Bill Gates started Microsoft during a recession.

Network to Help Others

Many people are turned off by a misconception about what networking is not: self promotion. Networking is not about handing out business cards and reciting as much as you can about your practice in the first 30 seconds of meeting someone. Rather, it is about getting to know the other person's problems or needs and helping them find solutions.

We have all received a phone call or an e-mail from someone we have not talked to in years who is looking for something from us: business, a referral, introductions or favors. It is the kind of contact you do not want to ignore, yet it is often put at the bottom of the list of urgent items. Earning the top position on someone's list is easier than you may think – it is a matter of reaping what you have sown.

Networking is about investing in people now, to create the ability to collect – if and when needed – later. This means doing such things as connecting people in your network to others who may benefit from knowing them. Will your venture capital contact benefit from an introduction to an entrepreneur client who is looking for funding? You can bet that making a connection like that will be remembered for a long time to come, regardless of whether they do business together. Look into your network and begin to see it as a puzzle with complementary parts that fit together neatly. You will begin to envision connections you can make that are potentially valuable. Making introductions is a perfect excuse to stay in front of your most important clients and contacts. In addition to your having a potential payoff, you will be doing them a valuable service.

Identify Your Target Market

Many think about our world of potential clients too broadly, such as "Fortune 500 manufacturing companies" or "financial institutions." Narrowing the market can help to increase the effectiveness of marketing and business development efforts. The goal is to identify the actual decision-makers or audience with specificity. If the goal is to represent more hospitals, think about whether you would like to focus your efforts in a particular geographic area or on local or regional facilities. Next, identify a particular situation or issue focus: electronic medical records, regulatory, labor and employment, etc. Then identify the typical audience or the person who would be most interested in learning about your services: CEO, chairman of the board, CFO, general counsel, etc. Knowing the target market can empower your marketing choices, such as where (and whether) to advertise, what associations to join, and which sponsorships to fund. It will also help you to easily identify a

target list of priority people to meet. Once you have a clear list of priority targets, you can work through your network to meet them.

Execute Your Business Plan

Perhaps the most difficult aspect of business planning is not the creation of a plan itself, but making it a worthwhile exercise that has a measurable impact on business. Of course, the only way to make a business plan worth the effort is through execution. Yet when business is good, we may be tempted to put marketing efforts at the bottom of the list. Consistency is the key to any successful and sustainable business plan.

The best way to prioritize the activities you know to do is to break them down into manageable activities that can be completed on a weekly or regular basis. Think about dividing up your network into groups: prospects, connections and marketing partners. Prospects are the most likely sources of new business; connections include referral sources and people who may introduce you to prospects or to other people you want to meet; and marketing partners are people with whom you share a target market. This includes people who sell complementary products or services in your target market. Ranking your contacts in each category will help determine how much time to invest in each relationship. Call your top prospects and connections when you are the busiest. While it may not be possible at all times, making one networking or business development call per work day can keep the momentum going. Call or e-mail your connections or marketing partners when you have more time. The point is to manage your calls and contacts in a way that will provide the greatest return on your investment.

Another key is to program your marketing into your daily activities. Have your assistant place a half-hour weekly appointment on your calendar during which you send e-mails and make calls to key contacts. Keeping communications going, even when you are most busy, may prevent you from experiencing a total void when work slows down.

Do Not Assume Clients Are Happy

The demands of daily practice often leave little or no time to think about client satisfaction, yet it is a vital component of maintaining your business. Equating a client's silence with contentment is a dangerous customer service model. The top sales organizations of the world use dedicated relationship managers to stay ahead of product and service issues with their most valuable customers before it is too late. Consider that you are your clients' relationship manager. A client satisfaction interview is one of the best ways we know to engage clients in discussions about us and how we are doing. The meeting provides clients with the opportunity to provide valuable feedback and almost always leads to uncovering unknown mutual points of interest. However, the critical component to any program is in acting upon the client's recommendations and concerns to improve not only your relationship with that client, but also client service across the firm. Informally asking for feedback with regularity, regardless of whether your organization has a client interview program, is vital. Consider visiting your most important clients once per quarter, or as frequently as appropriate. They may be new clients, clients whose retention is a strategic or financial priority, or clients who will help connect us with new relationships. You will learn more about your relationship with your clients, your clients' businesses and their concerns than you could from a telephone conversation.

Strive to Be a Business Adviser

In our experience, the most stable client relationships are those where our clients view us as trusted business advisers rather than merely as service providers. The latter are often indistinguishable from each other in the eyes of the decision-maker. The trusted adviser is viewed as a partner who improves the client's business in both financial and organizational ways.

Shifting your status from a commodity to a more valuable player will depend largely upon your willingness to invest additional (non-billable) time in that client. Of course, you will start by doing great work and building trust by delivering services above and beyond the call of duty. To take it a step further, you will need to invest time in learning about your clients' key business issues, threats, concerns and problems. Once these matters are understood, you would contribute solutions and ideas that, in your clients' view, bring value. These solutions would impact both the business and your contacts' personal stake in their company. Help your key contacts look good and improve their credibility with their management. Sometimes this will mean bringing services and solutions that fall outside of your area of focus.

You should develop deep relationships in the company. Imagine learning that your key contact – and only contact – at your largest client was the victim of a reduction in force. Suddenly a strong client relationship is hanging by a frayed thread. Developing relationships with your contact's supervisor and colleagues is essential in preventing this vulnerability.

Do not abandon contacts who fell victim to the reduction in force. Reach out to those people, find out what their interests are for the future and help them find new positions. Doing so might bring you two strong client relationships – one with a contact's old company and one with the new employer. Moreover, it will convey the important message that you value them as people, not just their business.

Conclusion

The strategies we have described have helped us solidify some of our most important relationships. While the economic future seems uncertain, we know that relationships continue to be the most important element toward building our business. We hope these techniques prove to be effective tools in growing your practice.

Sharon L. Caffrey is a partner at Duane Morris LLP and is co-head of the Products Liability and Toxic Torts division of the firm's Trial Practice Group. Rhonda K. Ulrich is a marketing and business development manager at the firm. She assists attorneys in several practice groups with developing and growing client relationships.

This article originally appeared in Marketing The Law Firm and is republished here with permission from law.com.