Business development: the role of strategic selling

Historically, law firms have adopted an essentially reactive approach to business development, only moving into selling mode when a client or prospect approaches them with an opportunity to pitch – be it a formal or informal process

However, in a highly competitive business climate in which clients are increasingly demanding and more sophisticated in how they buy legal services combined with progressively more predatory competitors – such an approach is no longer adequate for retaining business and generating new clients.

Success at winning business has 3 elements:

> First you need to identify and qualify those clients with whom you would most like to do business and to pinpoint those individuals who can make and influence decisions – remembering that decision making is more complex these days and involves a number of people.
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> It requires partners and fee earners to work much earlier in their clients' decision making process. They need to be proactive in understanding the clients business, identifying their issues and engaging in discussions with them to understand how your firm can help them.
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> Finally, rigorous strategies to assist partners and fee earners sell against the competition need to be put in place and managed.

Firms who are leading the field in sales are transforming selling (BD) from individual competency and pockets of good practice into organisational capability. This means creating a sales environment which is part of the strategic management of the firm that is as closely managed as billable hours. It means making resource available and investing in that resource.

This may mean reducing lawyers' fee-earning targets. It may even mean creating a dedicated sales team focused exclusively on client development. Whichever approach is adopted, for most firms this will require both investment and a cultural shift. Yet as many firms, in particular new entrants have demonstrated, the returns in increased business growth are substantial.

Checklist for change

In short, there are ten key elements in establishing a sales-focused, client-centric approach to business development. These include both strategic activities which should be taken at partner level and those which must form part of a change in mind-set of client-facing employees:

Checklist for change continued

- Be active and recognise the importance of building closer relationships – integrate business development within the day-to-day work with clients and set time aside in the diary each day for activities that focus on understanding client's needs
- Rigorous preparation and planning for business development meetings with clients, in order to achieve an identifiable step forward from each contact
- Build relationships with those people who can make and influence decisions
- Use your colleagues and others with whom you have a good relationship to generate referrals
- Target clients where you have greatest likelihood of success – those where you have good relationships, have a good understanding of their business and can gain access to decision makers
- Be proactive and don't wait for clients to come to you. This will only happen if you make it worth their while, so look for insights such as changes in legislation or regulation as reasons to meet up with clients
- Stay curious - keep asking questions to discover and help develop your clients needs
- When you pitch – competitively or non-competitively – don't make assumptions but do your homework and make sure your solutions meet their real needs
- Look for ways to differentiate yourself from competitors
- Put in place simple but measurable metrics to allow the firm's management team to track real progress – accepting that some clients can take considerable time to develop, so knowing where progress is being made is imperative.

At a time when fee levels are coming under unprecedented downward pressure, it is now more important than ever to differentiate your practice by reference to the value you bring to each client's business.

In this tougher environment, proactive client management and client development is no longer a 'nice to have', to be undertaken only if time permits. By contrast, it should be recognised as a core activity – on a par with fee-earning itself – as central to the future health and prosperity of the practice.

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Kate Fleming has over 20 years experience of working with law firms to help them increase their sales capabilities at both a strategic and operational level. She has held several client facing roles with law firms to assist them in winning new clients and implementing successful cross selling initiatives. Prior to setting up Milburn O'Brien, she was Director of Marketing for a top 50 law firm.

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