

The Client led
change to Law Firm
BD & Marketing



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How clients engage with law firms is impacting the BD&MC function

During May 2021, Seldon Rosser conducted a series of Zooms with 4 groups of CMOs / Directors of BD&M (a total of 26) from major law firm brands in Australia, Hong Kong, New Zealand & Singapore.

The discussion with every group centred around the question: “How are clients expecting to engage with law firms in the future, and, how will this impact BD&MC team structures?” We asked: Have client expectations changed? How have they changed? And how did the insights shared affect whether law firm BD&MC teams have the right skills and people in place for the future of the industry?

This is what we heard.

What do clients expect from their legal advisors?

Clients want lawyers to be business advisors: “Expectations have changed dramatically. Clients want their Lawyers to know their business in a deeper way than ever before; they want business advice. This has a direct impact on the BD team as they need to become more client focused (including more research, analysis, market trends).”

“Law firms are not just made up of lawyers” anymore; clients are beginning to view law firms as bigger than legal services and the rise of AI products, alternative legal services and consulting arms within law firms will (and must) continue to meet client expectation. This impacts BD&MC teams - “my team who are experts in marketing legal services, are now expected to quickly understand, adapt and support revenue growth for all these new markets & services”.

Clients are also much more focused on areas such as ESG, Climate Change, Sustainability, Diversity & Inclusion, supply chain hygiene – with CMOs sharing that their firms were at differing levels of preparedness here to meet client expectation. Clients expect their law firms to be able to demonstrate their own future focused approach (with more emphasis included in tenders) – but also to be able to advise their clients and provide L&D on how to manage this in their businesses. “We need to get the data to support and match our clients on these practices.”

The impact on pricing: “The pace of change and the commoditisation of the market means some Lawyers are feeling threatened – it’s a fundamental shift in how law firms operate and also how they charge for services.” “The established fee-structure is a real barrier to being creative and giving CX to clients” with new services requiring a new approach to pricing which some lawyers resist. Some CMOs reflected that their firms are wrestling with “how we use data analytics to inform BD, particularly from a pricing perspective”.

Project managing the business of law: All of this presents a challenge, particularly for global firms, in how to share client knowledge, and, manage client accounts and matters internationally. There is a move to project management both in LPM teams, and, within the BD & Client Development teams. “CX is less of a concept and becoming more of a reality; offering highly tailored service delivery – quicker, faster, better as cost effectively as possible ... it’s a more rounded service where legal tech and legal operations are very prominent and BD working collaboratively with both.”

Virtual client engagement: It was interesting to bring such a geographically diverse group of CMOs together and compare the different ways client engagement is happening - in mainland China there are lots of personal meetings and in-person events again – the same for some in Australia, not so the case for Singapore heading back into a lockdown for example – it’s a lot for those with regional roles to keep track of (both Partners and BD&MC).

Particularly for those firms which are not global and which have a large emphasis on off-shore clients, COVID-19 continues to present a challenge as it is impossible for some firms to get in front of the client face-to-face – it adds a new emphasis on Senior Associate / Partner training when their BD plan centres around virtual client engagement (webinars, Zooms, etc).

It does also provide new opportunities as “clients don’t mind where lawyers are located and so we can win work in different locations” as “it’s a dynamic of skills matching as opposed to geography”. “Client feedback in a virtual world means you can go higher up the food chain and meet clients who wouldn’t have had the time to attend an in-person event.” “Also, regionally there is a pent up demand for Partners wanting to get on planes and go and meet their clients; when this happens it will put pressure on BD to provide supporting materials and logistic help.”

Bespoke content strategy: Clients are demanding an increasingly bespoke approach; “content strategy can come down to the individual” and “sometimes it’s not as much an innovation, but doing more and having more relevant conversations – the key is always, how do we spark the conversation?”. “We pulled back on our content after the first few months of COVID-19 – it was too much, they don’t want mass mailings, but a personal approach.” Firms continue to look for the best and new ways to communicate: “webinars are back in vogue, also podcasts, but bringing clients into the podcast; we’ve been doing a lot of Partner training around how to moderate a conversation”. Many agreed that they would need to invest more in strategic communications, content generators and digital marketers to enable them the information and engagement that clients expect.



The impact on Team Structures and Jobs

The role of the Client Relationship Manager: “There are shifting expectations on how BD can support the partnership, which is a good thing.” Team structures have long differed in law firms and the discussion we had here included talking about BD Managers who have client relationships as a part of a broader role, and those who were in specialist roles.

Every CMO was either investing in more CRM resources, or, saw a need to do so within their business. There was consensus that these individuals need to be commercial, strategic, facilitators, coaches, assertive, idea generators, able to use research and analysis to understand clients and markets. And yet one group reflected that we expect BD Executives to jump from operational roles to these more senior coaching and client facing responsibilities with relative ease and minimal formal coaching. “BD needs to play a much more integrated and commercial role – clients want to see collaborative teams and BD can help foster this internal collaboration.” “It’s not about BAU it’s about being

more consultative about the clients’ complex business world; BD people need to be more horizon focused, anticipating future trends and future risks to help shape the delivery of services to enhance CX.”

“Lawyers are used to having all the answers so they are terrified of being asked a question by a client that they don’t know which leads to a reluctance to meet clients for broader conversations.” This is something Client Development professionals need to coach on and manage when in the room with the client.

One problem identified is that some firms are continuing to hire generalist BD professionals – ie expecting the higher level of client development, relationship management, Partner coaching and commercial business advice their firms need, when the JD they are hiring for also includes operational support work such as directories, award submissions etc.

“The person you would hire to do these more operational activities isn’t even the same personality type as the client relationship professional – let alone the same experience and background.” Those firms who wish to get ahead on differentiation of CX and client service will need to stop debilitating themselves from hiring the best client managers by forcing them to be generalists.

“The role of the BD / Client Development Manager will change and in 5 years’ time they will spend most of their time out with clients; working from their offices.” A couple of groups reflected that some of this was starting to happen – with BD professionals being seconded to clients. And in Seldon Rosser’s experience – we have started to place more roles crafted to be fully engrained in the market/client.

When one CMO reflected that Partners are not buying into this vision – another CMO countered that eventually “it will be the clients who decide”. Though different markets are moving at difference paces; as one Asia based CMO commented “there is much more interest from clients than Asia based Partners to have client managers fully embedded in clients and so I think we are still a few years away from this in the Asia markets”.

CMOs are sometimes hamstrung from hiring the right people into the teams to deliver in these roles – mainly from lack of investment which leads to generalist roles. Sometimes the CMO needs to demonstrate what good looks like themselves before they can get sign off to hire another strategic and commercial resource in their image.

BD – generalist or specialist? There was a diverse range of thought on this one with most CMOs agreeing a balance was required in the team. Clients and Partners expect deep market understanding from their BD advisors, though “the issue is how do BDs then maintain generalist market knowledge foundation and stay fresh on other aspects of the firm allowing them to shift focus if some areas of the firm go quiet.” “The days of having a generalist BD person are diminishing, with the rise of specialist roles like client development, pitching/pursuits and content creation.” “The problem with generalist roles is that BDs get pulled into pitches too much and so don’t have much opportunity to be client side – but yet these BD people see that as more strategic work and want to move into that space and so if you don’t create the opportunity, good BD people will leave.”

What do CMOs need from our marketers and communications teams? ***“Everything is campaign focused now with much more structure and strategy to any event or communication.”***

Several reflected that we need great digital specialists, content creators, marketing campaign strategists and corporate affairs/ external comms – it’s certainly not always the same person. For regional team structures, APAC experience is important as “in each jurisdiction clients want different types of marketing, from traditional to innovative campaigns”.

How is the role of the CMO changing? In the same way Clients want Law Firms to be all round business advisors – Partners want the same from their CMOs. Some activities they are spending more time on are: broader services (AI, alternative legal services, consulting); Lawyer performance and executive coaching/training on client engagement – from scoping to pitching to relationship management; building and investing in their teams to bridge the gap between traditional law firm BD and what firms will need in the future; advising on lateral Partner hires and new office openings. “When it comes to lateral Partners hires CMOs are best placed to tap into their network and find out what Partners were really like at their previous firms and what their clients thought of them.” “Clients don’t follow lateral Partners anymore – unless they are Private Clients it’s just so unusual – and firms need to understand this when they bring them on board. Often we (the CMOs) are the ones ensuring our firms understands this.”

Partners & BD. ***“We forget there is a gap between how BD perceive the client and how Lawyers perceive clients – sometimes the most senior Partners are the worst at understanding the client and their projects.”*** One CMO reflected that the most experienced Partners sometimes share their vulnerability that they feel they have nothing to teach junior lawyers anymore. “In the old days, senior Partners were expected to teach technical legal skills; now they are expected to teach those coming up business skills – when they themselves were never taught this.” A natural changing of the guard over the next 10 years will have an organic effect on Partners’ views and ability on client development, client engagement and business strategy.

Partner reward structure drives success: Those firms with a revenue sharing model, and/or clear performance & reward structures that drive the right client account and BD strategic behaviours are best placed to deliver market leading CX and services that go beyond traditional law. “Our firm is restructuring the key client programme and linking Partner performance to client activity.”

Investment in BD&MC teams? Many CMOs are either recruiting, about to go to market, or, building business cases to hire. Generally, new investment is likely to focus on Client / Sector development (in whatever form/structure that role comes in); marketing campaigns (content); research & data analytics (with many CMOs thinking no firm had really yet cracked the best way to resource this).

Many firms are looking at further investment in tools and infrastructure with new CRM, client experience management and marketing / bidding automation technology coming through. “We are investing in the tools which will give us very focused data to help us map out a client/customer journey.” “It’s a long journey and requires consistent investment.”

Location of resources / low cost centres. Whilst CMOs in large global firms spoke about utilising low cost centres to resource the more administrative side of BD&MC, national firms were keeping the ROI of the BD&MC team up in other ways – utilising secretaries / junior lawyers to support them and most firms continue to create tools to make lawyers more self-sufficient. “Resourcing no longer needs to sit in the same office, Partners are catching up with client demand on the value of structuring themselves this way.” “Efficiency and collaboration has become a key focus for the team globally. This has meant more investment in our low cost centres, pushing more activities here beyond the traditional process, including client account management, pitching and directory submissions.”

Soft skills training for BD teams. It was evident that the shift continues in the emphasis of BD roles – from operational delivery and tactics to facilitation, coaching, providing business advice and counsel. “The skills required for BD are problem solving, being a change agent, advising on how to help lawyers design think solutions for clients.” And yet “juniors in our teams still have trouble saying no to Partners in a way that gives an alternative.”

“We need to recruit for aptitude in the first place, even at the junior level, then run training programmes on how to be more consultative, and get them shadowing more senior people in meetings from the start.” **“The days of BD people being just reactive are over.”** “I worry about how the juniors in my team will learn these skills if more senior people are not working from the office.”

“The industry as a whole either needs to put more investment into true BD coaching / client development and sales strategies training – earlier in BD professionals’ careers in order to bridge the gap, or, move to a place where we’re happy to hire from industry.”

About Seldon Rosser

Seldon Rosser specialise in finding Senior BD & Marketing Leaders for law firms across the APAC region. With a proven robust and rigorous search campaign process and an unrivalled network of candidates we can deliver a shortlist in a time and cost efficient manner.

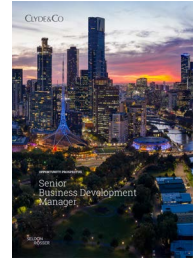
Previous campaigns include:



Baker McKenzie
Senior Manager
Communications



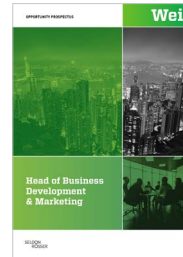
Chapman Tripp
Clients & Markets
Director



Clyde & Co
Senior BDM



Simpson Grierson
Senior Clients &
Markets Manager



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If you would like to discuss your current team structure or ask our advice on market trends please contact Graham Seldon or Katie Rosser.

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