

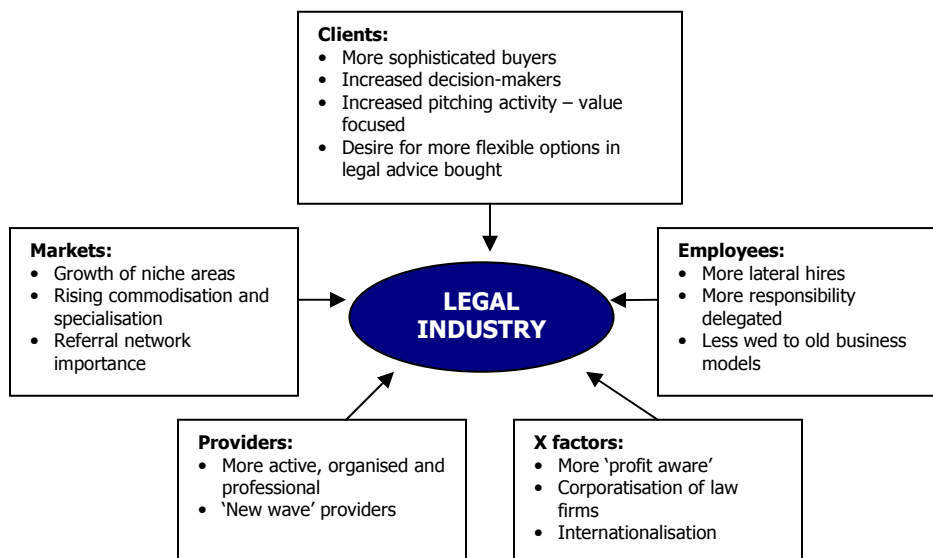
ManagingPARTNER

Making selling stick

Law firm sales strategies are often described as unsophisticated, lack differentiation and impact. Tim Aspinall, Managing Partner at DMH Stallard, and Matthew Record, a sales improvement consultant, look at the evolutionary steps taken to transform the sales culture of DMH Stallard and make sales strategies work in a crowded market place.

Introduction

Over the last 2 years multiple factors have impacted on the UK's legal industry, some of which are related to reduced work volumes, that are resulting in a perfect storm of falling profit, reduced morale and unsatisfied clients.



So although many firms recognise they need to improve the way their staff (both partners and lawyers at every level) engage with clients and targets, why is it so few have solid sales cultures, strategies, processes and structures to support this engagement and emerge from the storm stronger?

Selling: a cultural shift

Four years ago DMH Stallard embarked upon a journey which was designed to strengthen its sales culture so that it could reach its financial objectives. We outlined a culture that we believed could increase our chances of being successful over the long-term – being fair and transparent at every level including making information freely available, putting the team before individuals, creating a sense of ownership and responsibility, being clearer about the types of work and clients we wanted to work for, and investing in our people at every level.

So far this strategy and cultural transformation has been successful measured by our turnover and profitability growth, increased staff retention and client wins. We are starting to be seen as a real alternative to established City firms and a player in the London market. However the market has been changing considerably over this period and legal buyers are demanding more

from advisers. Our client research identified that they wanted deeper insight into their wider business challenges, improved efficiency in solving their legal problems and greater partnership with them.

The recession has accelerated these client drivers and some of the structural changes that the industry is now facing means we must quickly adapt. Previously, as a firm and professionals, we were very focused on what our definition of 'excellent client service' was – being technically proficient, solving problems quickly and being available when clients needed us. Now clients take all these factors as givens and they want greater certainty on cost and outcome, transparency, alignment with their internal processes and better communication. These changes in the market have enabled us to more closely link our firm's culture to how we can deliver client needs and how we package/market them.

Sales in its infancy

Four years ago we believed that our sales strategy needed to focus on taking each service line to clients, using the legal area where we had most strength as the door opener to cross-sell in other services. This was successful to a degree but it had an over-reliance on strong personal relationships with clients and an assumption that every lead partner had the right skills (and aptitudes) to understand wider client needs and make effective introductions.

This strategy addressed our need to protect existing client relationships and, in some cases, grow them but it was not effective at making a rounded and attractive proposition to new clients. We needed to put the wider commercial needs of the client at the centre of our approach and be more structured in how we went about selling to new groups of clients. At a management team level, and facilitated by an outside consultant, we decided to invest in a sector focused strategy and a training programme to support partners on a new selling initiative. Almost all partners were taken through several days of intensive training on the process of managing client relationships and selling. However this training was theoretical and required a structure and support mechanism to make 'selling' happen.

Structured sales

Therefore we asked the partners to construct a business case around a sales campaign and bid for central funding to support it. We gave them guidance on how to construct their case (target market and rationale, promotional plans and growth objectives) and received over 20 bids. We decided to support 12 campaigns which were focused on a mixture of industry groups and work types, each with a dedicated budget and campaign team (from partners to associates). For four of these groups – technology, public sector, private equity and retail asset management – we asked Matthew Record to provide coaching and support to develop improved value propositions, target lists, pitch materials, marketing activities and pricing. Campaign groups were required to attend quarterly review meetings to discuss the progress made, new clients won, the value of marketing activities (notably, high cost events like MIPIM) and future plans. This support helped campaign groups move to a more structured approach to sales and the results were an increased feeling of engagement, confidence and responsibility to make the campaigns work. Not to mention some campaign groups who saw revenues rise by 250%!

We also recognised that the marketing function of the firm was more focused on supporting individuals than the firm's sales goals. We made a decision to reduce our headcount and focus them on supporting campaign groups with distinct goals. We asked them to become more business development oriented and Matthew Record acted as a mentor to the team by helping them understand the sales process more clearly and what they had to focus on.

During this second evolution of our sales approach we noticed several distinct patterns emerging from successful campaign groups. Firstly they were led by junior partners who wanted to make the jump into more senior roles, that they tended to be more natural "people people" who really enjoyed the challenge of motivating cross department teams and, lastly, wanted to engage with clients on wider business issues.

This led us to consider how the reward structure in the firm could be made to better support the different ambitions and strengths of partners. We didn't want to reward just the partners who brought in new work so we devised an appraisal system which enabled partners to choose the percentage of their reward that would come from the three critical areas of their role – delivery of billings, management of existing client relationships and bringing in new work. This meant that we could link the natural aptitudes and goals of partners to an equitable way of rewarding (and motivating) all partners.

Sales in practice

This period also coincided with the first stages of the credit crunch and we started to get increasing amounts of formal feedback from clients (backed up by numerous surveys and reports) that legal buyers were seeking more value from their legal advisers. This trend encouraged us to think how we could start to differentiate our offering from many of our direct competitors and articulate the value we could offer clients more clearly. A distinct barrier for us was talking to in-house legal teams who were unfamiliar with firms they haven't trained with. We had to find something almost non-legal to talk to them about.

We already had a clear view of the types of organisation and individual we wanted to win more work from so brought a senior group of staff together to brainstorm the attributes that clients looked for in their best advisers. Matthew Record helped us pinpoint many factors which we were able to group together under five 'brand' values and for the partners to consider what they needed to do internally and externally to demonstrate these values. It enabled us to link several innovative business tools we had developed, such as DMH Direct, to these values and demonstrate to clients our approach (rather than just talk about them!)

We have made significant efforts to repackage our marketing materials so that we can convey our message in diagrammatic and non-textual ways. Our 'sales precedents' use the values as a consistent theme to reinforce why and how we are more aligned to today's client needs.

For example, we were recently introduced to a major UK bank who had some significant challenges with the way they were handling high volume litigation against them. Although they were unfamiliar with our capabilities we were quickly able to link some of our technical skills to a method and set of business tools which would eliminate many of the challenges they were facing with their current advisers. We were also able to offer guidance on how a case management system could be used to manage their cases internally.

These brand values now pervade everything that we do in DMH Stallard. They flow through our pitch materials, website, appraisal system and way of working. We have recently run a "Brand Week" which has enabled everyone across the firm, from Chairman to PA, to understand how we want to work internally and with clients, what is available to demonstrate and deliver these values, and why this approach will help the firm succeed.

Where next?

We are already starting to see some successes come through this approach. We have made two senior appointments from top 20 law firms - our new Chairman, Richard Dinning, previously a

partner at Addleshaw Goddard and with commercial experience in a legal service business sold to First Title, and most recently Perry Noble, who was previously head of finance at Freshfields and has other outside business interests. These high profile lateral hires believe in our vision and what we are doing to make it happen across the firm. On the client side the firm is seeing increased revenues from legal buyers who recognise how we align ourselves with them through better reporting and cost control.

We still have many challenges ahead and are now developing more targeted sales strategies and value propositions. We have become a real alternative to established City firms and want to raise our profile even further in the London market and be invited to pitch for a greater number of legal panels. We are now providing partners with a more coached approach to direct selling so that they become more effective in the sales discussions they have.

Our people are our greatest asset. Recognition of this, aligned with greater levels of support and structure in helping them achieve their goals, will take us on the next stage of our evolution as a commercial business. Smart sales strategies enable highly motivated people achieve more than they would otherwise.

[Tim Aspinall](#) has been Managing Partner of DMH Stallard since 1997. [Matthew Record](#) from Record Associates has worked with them since 2007 to deliver their vision of creating a firm that is sales focused and different from other mid-market law firms. They can be contacted at tim.aspinall@dmhstallard.com and matthew@recordassociates.com