



Knowledge and Relationships: Making CRM Work At Your Firm

Firm-wide Client Relationship Management (CRM) systems are designed to maximize a law firm's collective knowledge about its clients and relationships. Problem is, the notion of collective knowledge flies squarely in the face of how many firms and lawyers think. Indeed, while other industries and professions have broadly adopted CRM systems, law firms have been slow to accept them.

Perhaps more than with any other technology, this CRM conundrum points out the difficulty some firms are experiencing in moving from an "eat-what-you-kill" mindset to a more collaborative, corporate model.

Making It Work

Of course, one way to break through the resistance is to focus on the software's potential benefits. CRM software can help law firms accomplish the following:

- Keep critical client data current
- Analyze attorney and firm productivity
- Manage internal resources
- Create effective, targeted marketing materials
- Predict future opportunities

For a CRM system to be accepted and utilized, everyone — from

partners to paralegals — needs to see real results and benefits.

Sell the personal benefits. It's easy to demonstrate how effective a CRM system can be in identifying revenue opportunities with this scenario:

Suppose a lawyer meets a prospective client at a cocktail party. Business cards are exchanged and, under the old model, the lawyer's next step would be to email colleagues or go door-to-door within the firm to see who else might know this contact.

But, with a CRM tool, the attorney simply clicks on an icon and, in just a few moments, a list of other attorneys in the firm appears indicating any existing relationships with the prospect. Armed with this information, the attorney can then pick up the phone and call a fellow attorney to gain more intelligence and perhaps pave the way for an introduction.

Sell the benefits to the firm. A solid CRM strategy allows the firm to quickly understand and search not only the collective relationships, but also the collective knowledge and expertise of the attorneys inside the firm.

For example, a firm could use CRM data to recreate the legal team, research and strategy that were employed during a previous successful client engagement. The institutional learning that took place can then be leveraged for the benefit of another client facing a similar legal issue. Over time, tracking multiple matters allows the firm to create predictive budgets for a client, offer options in legal approaches and internally manage legal teams more efficiently.

Send a message from the top. A successful, firmwide CRM system is the embodiment of the concept of the "collective" — the idea that everyone, working together, will create something more valuable than what any individual lawyer could create working alone. If CRM is to work, law firm management must decide — and inculcate — that teamwork is the key to the firm's success.

Provide effective training. Unfortunately, training for most lawyers consists of being directed to take a class in the use of the CRM software program. They are then ordered to put all of their contacts into the system and informed that marketing staff and other lawyers will have access to, and use, their client contact information.

To be effective, CRM training must be conducted in a language that speaks to the primary goals of attorneys and the firm. Consider focusing training on fulfillment of an actual project with tangible deliverables, like inviting clients and contacts to an upcoming firm event. Give participants an incentive to get as much data in the system and track as much as possible.

Wield the stick. If the carrot doesn't work, try the stick. Using the event example above, you could require attorneys who do not use the CRM to send out invites themselves with no support from marketing. A much bigger stick would be tying reimbursement on client development activities to updating the CRM with client information and activity results.

Keep data current (and accurate). When attorneys see data that is detailed and accurate concerning their clients, they feel more confident and positive about the system's ability. Some firms integrate their CRM systems with their Web site, sending custom emails that allow contacts to correct and update their data online.

Contacts link to a personalized, pre-populated form on the Web site. For example, estate planning clients are asked for family information, while corporate clients may be asked for their Web site or current number of employees. Once the contact submits the data, it is reviewed internally for accuracy.

Ease confidentiality concerns. Look for software that provides different permission levels so that only authorized individuals may view or edit data.

The practice of law (and of serving clients) has become complicated to the point that a legal pad and a good memory just won't cut it any more. But with a solid CRM backbone, most firms can analyze and deploy their intellectual capital effectively while maintaining vital client relationships.

Standalone legal CRM software

Currently available standalone CRM software for legal operations includes:

- InterAction (LexisNexis Interface Software Inc.)
- ContactEase (Cole Valley Software)

- Elite Apex Marketing Manager (Thomson Elite)
- Aderant Front Office (Aderant)
- Office Accelerator (Baseline Data Systems Inc.)

Off-the-shelf products

More general, off-the-shelf products aimed at salespeople include:

- Sage Software SB Inc.'s ACT!
- Microsoft Outlook
- Microsoft CRM