



Professional Insight to Support the Business Development of Law Firms

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It is akin to an intelligent route through the *perfect storm*.

The Perfect Storm

In the current business environment, law firms face heightened pressure from a perfect storm of market forces: Deregulation, globalization, smarter client procurement strategies, diminished customer loyalty, commoditization and increasingly aggressive competition. To counter these looming threats to their survival and prosperity, law firms are searching for more innovative methods to raise their level of strategic and tactical engagement with clients. One such strategy is to draw upon highly skilled external research capabilities to produce the type of critical information that can enable law firms to facilitate better sales outcomes through more precise and deeper insights on opportunities within target companies and industry sectors.

Forewarned is Forearmed

The increasing sophistication of inhouse counsel and procurement teams means that law firms need to be better prepared and differentiated in order to win in today's rapidly changing battleground.

Traditionally, in law firms, there is too much information and not enough analysis. Too little time to generate meaningful insight and understanding from the plethora of sources that lawyers and business development professionals can use to create real competitive advantage.

The last decade has seen a sea change in the business development approaches of the leading commercial law firms. Account plans are compiled for key clients with rigorous analysis of cross-sell and up-sell opportunities. Communication plans are in place for circulating thought leadership articles on the implications of regulatory and industry changes for their captured existing and potential client pool. Markets are segmented and target client lists are

often split by industry sector or geography. Win / Loss analysis of previous bids is conducted more systematically than ever before. A bid criteria for new pitches has been developed in order to prioritize where limited business development resources should be deployed. While these initiatives have all proven their worth and improved the performance of firms, the bar is constantly being raised and these methods are no longer enough to stay ahead of the pack.

Knowledge: The New Battleground

Insight and analysis is the new battleground, with firms seeking a deeper understanding of their clients, prospects and sectors in order to engage in more relevant commercial dialogue with their clients and prospects. Armed with this insight, firms can differentiate themselves from competitors and move the dialogue from the general counsel and into the boardroom, allowing them to be positioned as true strategic advisors, rather than plain vanilla legal experts.

More relevant knowledge on individuals, prospects, clients, industries and geographies can give a business development team the edge in identifying 'white spaces' to create new business propositions. The additional insight into the business context can give firms the right ammunition to balance the push and pull approaches by addressing questions such as: What are my client's five biggest legal risks?; What insights on legal risk mitigation might be drawn from examining my client's competition?

This Time It's Personal

In addition to richer business analysis, the leading law firms are also recognizing that beyond the same syndicated subscriber sources that most law firms receive (but often do not have time to filter, cross-reference, synthesize and apply), there is also an exponentially increasing wealth of relevant knowledge in the public domain on individuals. As well as having relentless curiosity, perhaps a given in the naturally



investigative legal profession, the most successful salespeople are those who connect with clients and prospects on the personal as well as the business level. What industry associations do my clients belong to? What are their favourite hobbies and activities? What educational institutions did they attend? What conferences have they spoken at or attended in the last 12 months? What publicly quoted comments have they made in the media? What sporting teams do they follow? Who influences him or her? Where do they go on holiday each year? With the rise of online industry forums, business and social networking sites, online industry content, we are seeing a new knowledge era on the individual where it is possible to build a picture of motivations, interests and behavioral patterns to aid first-meeting preparation and the next steps for planned (strategic) and event-driven (tactical) engagements. When this level of personal understanding is combined with the type of deeper company and industry-specific analysis mentioned earlier, law firms can approach a client or prospect meeting with a new level of preparedness that few of their competitors will be willing to match.

Barriers to Success

Until recently, law firms seeking access to this type of service were constrained both by internal headcount restrictions and by the commercial models commonly used by external service providers. Information resource centers were one of the first law firm business divisions to have their budget cut in the recent downturn. In mid-tier firms, the layer of analysts who previously supported knowledge collation activity also went by the wayside. The remaining business development support resource was often either too senior and time-constrained to undertake this type of analysis, or too junior to confidently engage in peer-to-peer dialogue with senior executives on the client side.

When searching for external service providers, many traditional Knowledge Process Outsourcing providers (KPO) offer an offshore model where the client is required to contract a dedicated team of full-time employees. However, the peaks and troughs of demand cycles, combined with the high attrition rates of some KPO providers, have meant that many firms have been uneasy with this model. Alternatively, some KPO providers may also offer the flexibility of a project model, but firms often find the service being inhibited by capacity bandwidth or the lack of a historic relationship, which precludes the service provider from re-using knowledge of a law firm's unique approach to business development and the working environment.

The Revenue Harvest: You Reap What You Sow

With legal service providers now evolving new, cost-effective models to meet the market demands, it is clear that knowledge service providers can play a significant role in supplying both templated and customized analyses to provide a new layer of relevant insight that can make all the difference in winning new deals. Law firms can gain a deeper understanding of the personal and business priorities of the target audience, examine inter-relationships to more precisely match business needs with subject matter expertise and increase industry vertical knowledge depth. Law firms can *more adroitly navigate the perfect storm by competing with knowledge.*

To learn more, please write to us at info@wns.com