

Changing "My" Clients to "Our" Clients

Managing relationships is like an anthropological dig.

By Airelle Emmett - Posted Dec 20, 2004

How do you get buy-in for CRM when your primary users guard their client information like a priceless treasure? As law firms increasingly move to adopt CRM, this dilemma is their greatest challenge.

Many legal practices are now adopting CRM because clients are consolidating their legal business to fewer firms, according to Ed Schechter, the CMO of law firm Duane Morris LLP. "The largest law firms have tons of different specialty areas, but their clients are actively cutting down the numbers of law firms that do the work for them," he said. "Law practices are moving from referral to aggressive acquisition of boutiques to round out their expertise portfolio."

CRM can help law firms stay ahead of that trend--if only their lawyers agree to share information. "We've been behind other industries, even accounting," says Steve Fisher, an attorney at Bullivant Houser Bailey PC, a legal practice of 180 attorneys. "But we now see CRM as a way to consolidate our growth and instill cooperation among our seven attorney offices. Managing relationships is like an anthropological dig; we are finding ways to go deeper and broader into our contact base."

Bullivant Houser Bailey PC isn't alone. Dozens of large U.S. law firms are undergoing infrastructure shifts driven by CRM adoption, says Suzanne Lowe, president of Expertise Marketing, a CRM consultancy. "While the smaller firms are less likely to go through change management, the aggressively growing firms are absolutely in the camp of 'get us a common system' and use it."

Law firms are unique because of the nature of their partnerships: quorums that rule by consensus, but jealously guard client information. For CRM to work these firms must give up the "my client" mentality in favor of an "our client" approach. "For [services firms], which generally don't have outside sales forces or call centers, tracking complex webs of relationships is everything," says John Lipsey, a spokesman for Interface Software.

Using technology to mine that web of relationships can be an effective way to create tribal knowledge. Lipsey calls this model relationship intelligence. Similar to today's social networking applications, the tools should work transparently to "discover" relationships through multiple data sources, then map them to reveal the coveted daisy chain of contacts--the six degrees of separation between an attorney and a sought-after client.

"CRM gives us the 360-degree view of relationships," says Doug Davis, the CMO for Bullivant. "But to make it work, we've had to rely on extensive [attorney] interviews and an 'anthropological dig' mentality to mine relationships. We had to customize and modify our document management system around the CRM tools." The cost was approximately \$400,000. "But if we get one major client out of it, it's worth it," Bullivant's Fisher says. "The data generates institutional knowledge about our clients. These days, you have to prove to your clients that you have the expertise they want."