# Harnessing the power of CRM

From a business development and marketing perspective a well designed, tailored CRM system can make all the difference between a well executed, consistent programme, run for the long term rather than disjointed stop start approach to business development.


By Nick Richards and Fiona Jackson

Using a CRM system to provide management with a clear view as to what efforts and progress have been made in terms of developing relationships with current clients, turning prospects into new clients and managing referrals relationships has, we believe, not made as much impact over the last 10 years as it should have. That's not to say firms are not using their systems, but our belief is that many are still harnessing only a tiny proportion of their power.

A quick review of any law, accountancy, private equity, property consultancy or any professional services website will clearly indicate which markets they are in and the types of clients they are looking for. But how well does their strategy work its way into their CRM system functionality? The majority of firms seem to focus on building a system that is geared towards marketing communications rather than aligning the system's usage to business goals in order to get the greatest return on investment and support new business and client retention activities… now there is an idea!

But don't think we are decrying the marketing communications side – it's incredibly important and it needs to be done well, and in the vast majority of cases firms have cracked this side of the system. But what about client management and new business generation – how does that functionality stack up and is it a major part of how you use your system?

From discussions we have had with our peer group how to get partner buy-in to the firm's CRM system (winning hearts and minds) is still a major challenge. CRM failure rates vary depending upon the research but there is still a very high failure rate with the key reasons being, user reluctance and bad data. Our experiences indicate that starting at Board level is key. Demonstrating to management how CRM will work is virtually taken as read, but it's far more difficult to convince them that you have a strategy in place to encourage and ensure that the partners use the system.

The strategy we have successfully adopted is broadly as follows:

- **Top down** – already mentioned above but 1:1s with heads of departments to iron out any concerns not aired at the Board meeting will help.
- **'Big hitters' not on the Board** – you know who they are. Go and see them and run through your plans. Getting their approval is in our experience as important as Board level approval.
- **Data** – we normally split this at three levels (and we'll have more to say on this a bit later):
  - Ownership: Partners own it, end of story. Most accept this even if they regard it as a bit of an inconvenience. Data maintenance is a routine requirement as data goes out of date as people move, change phones, etc. Quality not quantity – be realistic about what is manageable.
  - Cleaning and updating of data: predominantly undertaken by secretaries, supported to an extent by the marketing team. Consider amending the secretary job specification to include the CRM system.
  - Segmentation: being able to accurately split your data into bite sized chunks for business development purposes will prove to be a real winner in terms of buy in.

- **Presentations** – Taking your Board presentation and re-presenting at departmental meetings definitely helps with buy-in. This allows partners who have previously only been on the outside of the decision making to be part of the process. It may take a couple of months to get round your departments but the effort will be worthwhile.

- **Training** – Point and click training is one approach but the key to winning hearts and minds and convincing senior management that the strategy and CRM system is core, is to simply explain 'what's in it for them'…
- **Front end v Back end** – understanding the respective roles between IT and marketing includes the potentially thorny issue of system ownership. In our minds it is crystal clear – marketing own the system, but they do need active help and support from IT to ensure it runs well. How the back end works – ie. linking to outlook, Blackberries, finance system – has always been a bit of a mystery to us and to be honest we're happy with that. The front end – what the partners see and the functionality that is developed – has to be down to marketing if they are the ones driving the business development and marketing communications activity of the firm.

### Data
We mentioned earlier that data integrity is key. Anecdotally we have heard many stories about partners writing off the entire CRM system because they have been presented with a list of their supposed contacts, which, in their view, is inaccurate and not worth looking at. A good best of breed CRM comes with the data management tools to allow you to control what data is changed without being checked and what needs to be reviewed before a change takes place. Data stewardship is essential and firms manage this in different ways. Some have data stewards to clean and review data, others make it part of their secretaries role. There really isn't a right way or wrong way, but it is important for fee earners to realise that the quality of the data falls to them. In our experience we also advise on having regular daily, weekly and monthly even annual data management tasks and keep on top of data change management.

A good CRM system is however much more than data tickets and data management tasks. The data held must be organised to fit the firm. For example, why have service lines as mailing lists when your firm is organised by sector; also why hold lists of referrers in excel spreadsheets or experts in hard copy files in a PSL office! Why not load the firm's intermediaries and experts onto the firm wide system and rid yourself of the not unfamiliar request, "does anyone know a good…"

### Hints and tips

- Form a CRM Steering group, include a heavyweight partner who is supportive, a secretary or two and IT
- Regularly communicate successes
- Training, one to ones, group, classroom, drop in or lunch and learns and web based – mix it up. Remind and reinforce.
- Data management checks
- Get the whole firm involved, Information services, HR
- Build into ROI analysis
- Reports for top level visibility
- Link to remuneration ie. expenses
- CRM provider – see as a partner not a sales person.

### What to do with legacy systems
A good CRM strategy will have identified across the firm the endless duplication of effort of storing the same data over and over. Simply track down, take over and close down any additional repositories – there's no room for the silo mentality with a firm wide system. When you are down to the key systems, CRM, PMS for example look to integrate, review the workflows but get the specialists in to advise. Look at the firm as a whole, marketing, HR information services and accounts, let the CRM system underpin not only marketing communications and business development but back office procedures too.

### Accessibility
With data being loaded onto the system it is very important to look at how data is structured and made accessible. Integration with a Blackberry for example for data on the move is essential, names addresses and relationship information is excellent but also the last activities, avoid the "I met your colleague last week" situation.

### Reports
Relevant and timely reports are also a must in any successful CRM system; these must fit the firm strategy and provide what the management and partners need when they need it. Asking busy fee earners for their time adding activities will fail if there isn't an output somewhere that makes use of the information added. As an example, why not provide reports to management on BD activities undertaken and new business opportunities added to the pipeline in the previous month. Two different but linked reports identifying by partner who is doing what with whom…

### Training
Training is critical as with any roll out of software, but CRM really is different in that training will and should be never ending. Classroom training is important of course, but point and click type learning won't change a culture of an organisation to share and use central data. The momentum should not and will not stop if your CRM strategy is closely aligned/supporting business development goals. The CRM managers role is to design, develop, promote; design, develop, promote in one long never ending cycle. Any firm which limits the promotion of the system outside of a classroom setting is not on the path to a successful CRM system implementation.

### CRM provider as a partner
It is very important to see your CRM provider/account managers as an extension of your business, for example the provider should provide objective advice that helps you to get the most out of your investments, meet your business challenges and assist with future business planning, a resource that should be tapped into.

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