Using CRM to deliver CEM

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Client experience management – **Fiona Jackson** asks is it a new frontier for CRM or simply a sign of business maturity?

Today, there is hardly a professional services firm that doesn't appreciate the need or value of CRM. Typically, firms use CRM for marketing communications and new business development; but the more advanced firms take a highly strategic view of the discipline with many putting it at the heart of their business operation. As an example, at King & Wood Mallesons SJ Berwin, the CRM system integrates with the majority of the firm's business systems including practice management, and template and eFax systems along with the international lawyers and referrals databases.

CEM and CRM – are they really different?

As is the case with most things though, the concept of CRM is evolving. Perhaps the economic climate in recent years has played a role in this. Clients can no longer afford to be loyal and strength of reputation is not enough to win and retain clients due to difficult market conditions, globalisation and increased competition. Professional services firms are adopting a more mature and dynamic application of the concept – ie. client experience management (CEM). This compels the firm to look at itself from clients' eyes so that it is able to shape and deliver the experience that clients want. Clearly this concept has caught the attention of organisations of all kinds – I did a search online, over 42,000 jobs for Customer/Client Experience Managers surfaced! In fact, even the more traditional CRM manager job descriptions are changing – unlike previously, these roles are becoming exceedingly externally facing and client interactive.

So is CEM that much different from CRM? Actually, it's not. CEM should be the driving force behind CRM. In simpler terms, it's about 'listening' to clients – I mean really, really listening to understand what keeps them awake at night and assessing what expertise the firm has in-house and within its network of influence to help resolve those challenges for the client. It requires being mindful that what interests or is of value to one client, may not be relevant to the other. Also, listening includes addressing clients' rational and business related concerns, but also being attentive to 'softer' concerns of client contacts.

CRM systems can help professional services firms effectively manage client experience, not from the point of view of a one-off interaction, but every step of the way over a length of time. This results in deep client satisfaction and in turn fuels a positive client experience. Visibility of a 360 degree view of the strength, depth and breadth of contacts facilitates this.

Staying one step ahead of clients is instrumental to ensuring that they have a positive experience of working with the firm. CRM systems help firms to be proactive by alerting teams to upcoming changes and issues that might impact their clients' business. For instance, there may be a new sector-related legislation coming up that may be relevant for a client's business area. By being in the know ahead of time, the professional services firm potentially can identify expertise from within its network of contacts that could be of value to the client. Similarly, intelligence delivered by the CRM system of an upcoming management buy-out of a client's customer may be an opportunity to alert the company of potential risks and how they could be dealt with proactively.

At specialist insurance litigation firm, Kennedys, the CRM system provides automated weekly key client reports, which are sent to the organised strategy groups and include details of business development activity, employment changes, secondment activity and campaign readership. These interactive reports have become very popular, as they provide lawyers a heads-up on client activity and facilitate a timely response.

Ensuring that the client organisation, as opposed to an individual, enjoys a good working and trustworthy relationship with the professional services firm is important for CEM. CRM systems enable professional services firms to develop the strength, depth and breadth of relationships by facilitating interaction with different parts of client organisations. For instance, by identifying personnel with the strongest relationships, a firm can ensure that those individuals are the ones who interact with the various client touch points – all contributing to a more fulfilling experience for the client contacts. This approach leverages the emotional element of relationships and helps deepen it further. From a business standpoint, cultivating different touch points can significantly reduce the risk of the professional services firm losing the client. To illustrate, in my role, my key contacts typically are business development managers and CRM executives, but through the adoption of a CEM approach, I have touch points across my clients' organisations – right from CFOs, board level executives, technology teams and even purchase and billing. This breadth of relationships gives me a well-rounded view of how the organisations perceive their relationship with LexisNexis. It also allows me to draw in expertise from across my firm to deliver against the varying requirements of my contacts within the various organisations.

Building in a mechanism that contributes to continuous improvement in the value a professional services firm delivers to clients is critical to enhancing client experience. Most firms conduct annual service reviews with clients. Often these are seen as opportunities for addressing client concerns and identifying new business or cross-sell opportunities for the firm. However, CRM systems provide intelligence gathered from a variety of sources including historical records to enable firms to holistically identify areas where it can deliver added value to improve the client's experience. A major corporate rescue and recovery specialist firm has embedded the CRM discipline across all its business processes, which has contributed to enhancing its image of a major national, client-focussed practice.

The intelligence on clients captured by CRM systems also helps identify ideas for new value propositions, emanating not from a sales approach to new services, but based on the perceived requirements of clients identified by listening to clients to understand their changing needs. A top 20 national accountancy firm spotted a client's challenge in properly managing and reporting expenses and benefits of employees to the HMRC as part of the overall payroll function. To this end, the firm skilfully developed a software solution for production and filing of employee and benefits return; and subsequently also commercialised the tool. Today the solution is used by accountancy firms and organisations across industry sectors, giving the firm in question an entirely separate revenue stream from its core practice.

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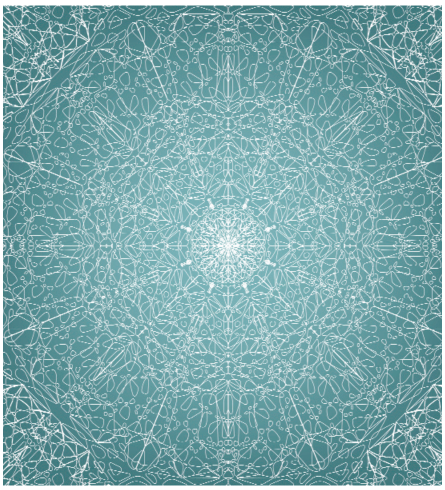

CRM systems help ensure that succession planning is embedded in the firm as part of its day to day activity – the absence of which can greatly impact the service clients receive from a professional services firm. CRM systems store historical records of written communication, phone calls, client requests/needs and any other client-related activity so that in the event of a client's key contact leaving the firm, the quality and level of client engagement is not lost. As an example, at my organisation, it is mandatory for the entire client advising team to log all dealings with a contact so that in the event of a team member leaving the company or even just being unavailable at a point in time, a colleague can easily jump in to resolve the client's issue.

For CEM to be a success, it must be the responsibility of every individual in a firm, and not simply the remit of the management board. CRM is the glue that brings together relationships, content, communications, processes, and service offerings – all of which contribute to delivering the best experience possible to clients. With the business and risk landscapes changing, it makes astute business sense for firms to devise ways to shore up the confidence and trust of their clients. Anecdotal evidence suggests that it's not necessarily the high fees that clients resent; it's the unresponsiveness of professional services organisations to their requirements that irks them. A pervasive approach to CEM is one such way and a sign of business maturity.

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