



Investing in Your Marketing Department

Legal marketing professionals can't do their job without solid support from the lawyers they are trying to help.

In 1984, I was among a handful of marketing professionals working in-house for a law firm. By 1986, our ranks had grown to about 50, and we started a fledging organization called the National Association of Law Firm Marketing Administrators (NALFMA).

Over the years, the organization grew dramatically, as law firms became more accepting of marketing. Firms created entire staffs, and experienced marketers—often from other industries—began joining law firms as Chief Marketing Officers (CMOs).

Somewhere along the way, we jettisoned the lengthy NALFMA moniker for a more member-friendly name, the Legal Marketing Association (LMA). Now, 20 years later, LMA has upwards of 2,500 members and collaborates with many organizations, including the American Bar Association, to further the field of law firm marketing and improve the legal experience for clients.

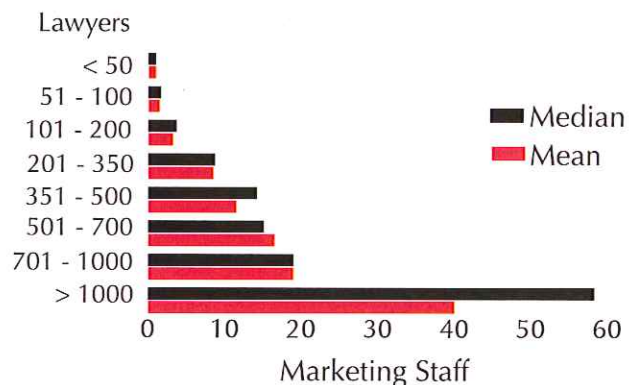
Survey Results Just In

LMA also sponsors an annual Roles and Compensation Survey. For the past two years, I have been pleased to partner with LMA to conduct the survey. The 2005 data, just released, shows that law firm marketing departments continue to grow, and the marketers themselves are experiencing increases in both responsibility and compensation. (There were 449 respondents from the US and Canada, as well as other countries.) Some of the results are outlined below.

Size of Marketing Departments: The law firm marketing department now averages 4.3 full-time equivalents (FTEs), although the greatest percentage of firms (53) has between one and two marketing department members.

Obviously, the number of staff varies dramatically by the size of the firm; overall, law firms average one marketer for every 41 lawyers. Here's how the numbers break down for all respondents (the mean is the average; the median means half of the responses fall above and half fall below):

Ratio of Marketing Staff to Lawyers



Titles: The Chief Marketing Officer (CMO) is no longer an anomaly. Three per cent of the survey respondents have that, or an equivalent, title. We also have seen a continued increase in the number of functional specialists, particularly those with business development positions. The number of marketers considering themselves “generalists” declined from 72 per cent to 67 per cent between the 2004 and 2005 data, and the number of marketers whose responsibility is in the business development arena jumped from 12 per cent to 17 per cent over that same time.

Total Compensation: Total compensation for all law firm marketers now averages US\$89,188. Again, there is a wide variation depending on the level of the position, the size of the firm, the population of the metropolitan area, etc. For example, total compensation for CMOs averages \$184,850. In Canada, marketing directors now earn average total compensation of US\$104,299; marketing managers average \$88,200; and marketing coordinators average \$45,373.

Experience: We are finding that law firm marketers have a considerable amount of experience. In the recent LMA survey, respondents averaged 9.6 years in the marketing field, and five years in law firm marketing. In addition, they are staying longer in the field.

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Dos and Don'ts for Staffing

1. Discuss realistically up front what you really want or need a marketer to do. Many law firm leaders will say they want to "go to the next level." What exactly does that mean? How will you determine if you get there? Firms also need to realize that hiring a marketing professional without providing proper staff support will result in frustration for the candidate and unrealized potential for the firm.

2. Understand what a marketing person can or cannot do for the firm. There are few initiatives in marketing that don't require lawyer participation. A marketing staffer might do a bang-up job organizing a seminar, but the lawyers must be effective presenters and networkers in order to see a return. A marketer might set up a terrific database to track contacts and follow up, but the lawyers must provide the names and activities or it won't be worthwhile.

3. Determine what skill set and experience your position requires. Are you interested in someone who already knows the legal industry, or would you like to have the marketer be familiar with a client industry? Many law firms are hiring marketers to bring an understanding of a particular target group, such as financial institutions. What technical skills does the marketer require—PR, sales, research?

4. Hire the right personality. One reason law firms often want to hire a person with law firm experience is that it eliminates the risk that the marketer won't be effective in a law firm. Working in a partnership structure requires someone who can function with little direction but a lot of input (or, some would say, second guessing). Experience in organizations like not-for-profits, universities or consulting firms can be a good entrée into the field of law firm marketing.

Conclusion

According to the LMA study, the average marketing budget is now 2.6 per cent of gross fees; in most cases (77 per cent), this number does not include marketing department compensation. If your firm is planning to make an investment in its marketing effort by hiring professional staff, you need to be prepared to seek the right kind of people, the right number of people, and pay them all appropriately. ☐

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enough fee-earning work as is necessary to allow them to fulfil their role. Some leaders will require professional assistance to achieve this.

Is it worth all the pain to go down this route? Do the gains from implementing the business plan make it worthwhile? The short answer is yes. A group that is focused on its business plan, which commits time and resources to ensure group members have the required skill sets to succeed, and where everyone, from paralegals to partners, operates as a cohesive team, will always perform in a more efficient manner.

In a mature market for legal services, firms that successfully organize themselves in this way will gain a discernable competitive edge over those that do not. The delivery of legal services in the firm must be aligned with the client's expectations. As those client expectations increase, the way in which legal services are delivered becomes increasingly important.

The contradiction is that so many firms undertake the planning stage of the exercise, but neglect the implementation phase. But planning alone will rarely provide the sought after competitive edge. To achieve that, full implementation is required. ☐

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