TAKING CARE OF BUSINESS

By Sally J. Schmidt

By now, most people involved in the marketing of the legal profession have figured out that existing clients are a key to the firm's success and survival. According to various sources, a law firm's current clientele can be responsible for up to eighty percent of the firm's revenues, through ongoing business as well as referrals. In addition, clients are a law firm's best sales force. Their recommendations and support provide benefits that no marketing, public relations or advertising program can match.

How can a law firm ensure that relationships with its top clients are maintained and nurtured? One possible tool is a key client action plan. The primary purpose of a key client action plan is to ensure that important existing clients are retained and satisfied. The second objective of the plan is to develop additional work from major clients. The action plan identifies a number of discrete activities to be undertaken with a specific client over a one-year period, complete with assigned attorneys and deadlines.

The first step in developing a key client action plan is to develop a "team" or "task force" to work with the client and on the plan. This probably would include the originating attorney, if he or she has continued a close relationship with the company's decision makers, the billing or responsible attorney, and others who have frequent and ongoing contact with the client. Depending on the client, the client's business, and the amount of work being done, the attorneys on the team most likely will include both partners and associates, and possibly paralegals. The team for a large financial institution, for example, should include people who interact with various representatives of the bank on all levels, from loan officer to the bank president.

Once identified, the members of the client team would be asked to meet as a group to discuss the client's relationship and history with the firm, and then determine appropriate activities, timetables and assignments for contacts. A sample key client action plan is included below.

In determining which clients to include in the program, a law firm can use the "80/20 Rule" as a guide. Most professional service firms derive eighty percent of their revenue from twenty percent of their clients. The key client action plans can be done for that important twenty percent.

Firms for which that group of clients is too large, or politically impossible, can use key client action plans in a number of other ways: (1) with a particular practice group or department which is more receptive than others; (2) with specific partners who are more receptive than others; or,

(3) with just a few clients whose business is paramount to the success of the firm.

At a very busy point in my own business, a wise man told me that it is better to have one client who thinks you are terrific than ten who think you are okay. That is a piece of advice which I took to heart, and which I pass along to attorneys every chance I get. By developing and implementing plans to cultivate relationships with important clients, a law firm can ensure that its key clients are receiving the attention and recognition they deserve.

Sally Schmidt is President of Sally Schmidt Consulting, Inc. in Burnsville, Minnesota, providing marketing related services and products to law firms. The first President of NALFMA, she has written numerous articles on law firm marketing topics, and is the author of "What Clients Say: A Lawyer's Guide to Better Client Relations."

1991 ACTION PLAN FOR (CLIENT NAME)

(Check activities to be undertaken)

Contacts (Describe)	With Whom?	When or How Frequently?	Responsible Attorneys
[] Dinners/Lunches:			
[] Events/Games/Theatre:			
[] Other Entertainment:			
[] Visit to Client Office:			
[] Client Audit/Survey:			
[] Other Contact:			

Communications (Describe)	On What Areas?	To Whom?	When or How Frequently?	Responsible Attorneys
[] In-house Client Seminars				
[] Letters or Written Materials				
[] Status Reports				
[] Proposals				
[] Presentations				
[] Introductions to Other Attorneys				
[] Other Communications:				

Other Activities (Explain)