Business & Careers

Transforming your firm into a business team

Gary Mitchell
The Coach

If you want to grow your firm and you're already doing everything you can to attract more clients, the next logical step is to get your entire team engaged in business development. Admittedly, this article is really focused on small to mid-size firms.

The first step is to identify who on your team of lawyers, law clerks, paralegals, assistants and receptionists you think would be open to earning more income while enjoying being part of growing your firm. If your firm is like most small firms, you have them.

Approach them one-on-one with your idea. Ask if they would be interested in taking their career to the next level. Teach them the skills that you've learned in how to build relationships and attract clients. Or, go one step further and hire a coach to work with them. Point out the opportunities this will mean to them, expanding responsibilities, personal and professional growth, not to mention more income.

Don't be surprised when some of them jump at the chance. By giving them this opportunity to expand and grow in their career, you are sending a very powerful message to them that they are appreciated, you have confidence in them, and that you would like to see them succeed beyond what they themselves could have imagined. This builds loyalty and commitment to the firm like nothing else. Don't be surprised to see that in addition to referrals starting to come in you notice them being more engaged in their work, docketing more, and generally becoming a more valuable resource to your firm.

ANDRESRIMAGING / ISTOCKPHOTO.COM

> Don't be surprised to see that in addition to referrals starting to come in you notice them being more engaged in their work, docketing more, and generally becoming a more valuable resource to your firm.
>
> **Gary Mitchell**
> On Trac Coach

Not everyone you approach will want to do this, and that's OK. But do the math; five or more rainmakers vs. just you. This is how you can begin to create a culture of business development and growth, one person at a time. Eventually you can grow your firm based on everyone being engaged in business development.

In a lot of small to mid-sized firms, your best strategy might be to start with your law clerks. Lawyers are still very sheepish about business development. Help your law clerks succeed, and this might just shame some of your lawyers to get in on the action.

Now let's talk about how you reward them for their efforts. Depending on your billing model, I offer up two compensation models which are already proven to light the flame in staff and lawyers.

Contingency model

Working with a personal injury firm and understanding the flow of work, the time it takes to reap the rewards and the fact that the work is not billed by the hour, the managing partner and I came up with this: for every successful case that goes to completion, whoever brought in the file, referral or direct contact will receive a percentage of the settlement. I will leave what percentage up to you to determine.

Due to the nature of personal injury work and how it often takes two to three years to get to a settlement, the managing partner thought it would be good to give them an immediate reward. So for every client that they took on, there would be a one-time lump-sum bonus given to the staff member who generated the client.

In order to support cohesiveness and a team approach, the firm will regularly reward all staff when the firm reaches and exceeds its growth targets.

Billable hour model

When your firm bills by the hour and you set targets for your people to reach, there is an opportunity to create a three-pronged compensation model. The first is for hitting targets. The second is for business development. And the third prong, like above, is to support the team approach.

The first part of this model is rewarding your people when they get close to hitting their billable targets, when they reach them and when they exceed them. This should be customized for each person. You certainly can't expect a junior law clerk to bill the same amount of hours as a more senior associate. So set up aggressive yet attainable targets for each of your people. Come up with a percentage when they get close, another when they reach their targets, and a final (generous) percentage when they exceed their targets by a certain amount.

Based on the average revenue of each of your clients or files, your business development bonus structure could look something like this: up to $50,000 in collections, and they receive a five per cent bonus; from $51,000 to $149,000, an additional 10 per cent bonus on that amount; and for anything over $150,000, a 15 per cent bonus on the entire collection. This is a very powerful incentive.

Thirdly, you want to support a cohesive team approach. Figure out what benchmarks you want your firm to achieve. Build in additional bonuses for when this happens. This doesn't have to be strictly monetary. It could be a team outing or a spa day. But be sure to reward your team as a team.

Don't feel you have to pick one or the other. I have another client who opted for a hybrid of several different models. The important thing here is to know your people and what will motivate them and reward them best.

If you want to grow your firm, your best approach is getting your entire team or as much of them as possible all engaged in business development. Give them the opportunity to expand their careers. Provide them with the skills and approaches to succeed. And reward them generously and watch your firm grow.

Gary Mitchell works with lawyers, law clerks and law firms across Canada helping them to attract more clients and grow their business. He is the author of 'Raindance: The Business Development Guidebook for Lawyers' and can be reached at gary@ontraccoach.com or 604-669-5235.

Free: Trinkets like pens and magnets are things of the past

Continued from page 23

"You don't want to inundate somebody with too much stuff and give them a huge bag of things to take away because they usually just end up in a drawer or the garbage.

"You try to choose things that people are going to use and value rather than try to think of so many things to give away. I don't think we need more stuff in today's day and age."

Joe Milstone, co-founder of Cognition LLP, a Toronto firm that specializes in outsourcing in-house counsel, says his firm tries to come up with gifts that are practical and useful and will be a good reminder to clients.

"We try to infuse creativity in what we do because our whole model and message is about innovation and creativity. So, it's important that in doing anything like that it rubs off."

One year, the firm gave away gumball machines to certain clients. Two years later, Milstone received a call from an executive at a company who said he'd been thinking about the need for a law firm and the gumball machine he'd received prompted him to call.

More recently, the firm gave out a card that fits in a wallet and contains a magnifying glass and flashlight, items clients might find handy when trying to read a menu in a dimly lit restaurant. In the past, the firm has given out devices that allow extension cords to be gathered neatly in a holder.

"They're things that are a little bit different from your pens and paper clips but they have some innovation and usefulness in terms of a person's life," Milstone says. "We always ask, 'Is this something that's going to go in the garbage or be consumed and then be done with, or is this something that really has some creative yet utilitarian value?'"

Sandra Bekhor, president of Bekhor Management in Toronto, believes giveaways can enhance awareness and goodwill with prospective clients, employees and recruits, although it won't sell an audience that's not interested.

The key, she notes, is for the firm to be realistic about its goals and remember that promotional giveaways are not in and of themselves a marketing plan.

Bekhor expects law firms to become more creative with their swag as they move deeper into the world of marketing.

"I expect that as the legal sector grows more comfortable with the integration of branding and marketing principles, promotional giveaways will become more relevant to the firm's core business."

In future, she notes, strategic giveaways might involve items with subliminal messaging such as earbuds from a firm that bills itself as a good listener, a Swiss army knife from a firm that cuts to the chase, or USB sticks from a firm that's technology-oriented.

"Firms could have a lot of fun with quirky or humorous gifts if that's an important aspect of their brand."