

# More fingers in the pie

## Time and again I have heard partners in practices of all sizes complain that their BD or marketing people don't really understand their situation.

Gone are the days when partnership was a lazy reward for long service. Most partners work long demanding hours, their heads full of the detail of several different projects and their revenue target nagging at the back of their mind; and there is often a disconnect between them and their BD/marketing people. In the past few years I have heard partners in New York, Sydney and London complain that BD people want them to spend time writing articles or giving information when they barely have time for client work or their family. Partners in accountancy and legal practices have said, with impatience, that they cannot find the time to sit their support people down and list what they really want done.

But not right now.

Now client service specialists in all disciplines have time to spare because the recession has cut away work. In some cases clients have gone, in others workloads have dropped. Even the world's leading practices are not immune. Partners who have not really experienced recession before can be shocked at how fast revenues decline when, for example, M&A work dries up. It is not just banking specialists that are idle. City work runs through a practice like a name through a stick of rock. As it stops, the practice can deflate very, very fast and utilization rates fall. The practice might be flush with cash from past work but partners begin to fret about the future and whether they can sustain their cost base.

One immediate response to this downtime is that people throughout the practice set out 'to market'. The BD team can discover, sometimes by accident, client service people redesigning the web site or setting up short term seminars. Suddenly there are lots of fingers in their pie duplicating activity or demanding attention just as budgets have been slashed to the bone; and it's not always good work. All those fingers scrabbling in the BD pie can look very messy. On one occasion I found two parts of a large practice about to send an invitation to the same clients in the same week about the same subject. Another time, I came across a partner

about to send a mail-shot to potential clients across Southern England which, apart from being written in appalling English, broke rules of copy routinely taught in technical colleges fifty years ago.

I still find it surprising that so many practitioners assume they can turn their hand to almost anything. A good number have spent the majority of their working life in one practice and are managerially illiterate. In large industrial companies, by contrast, graduates spend their first years learning how to lead and manage. They are taught the rudiments of financial, HR and other specialist functions so that they know how to use and deploy these resources as they grow older. Some of their most important early lessons are their own limitations and the questions they should ask in order to use other specialties effectively. In private professional practices, by contrast, training excellence is in the professional discipline and little else. Even some of the most senior practitioners assume that they understand or know the correct course of action, when clearly they don't. I know of one youngish leader, just promoted into their first management job, who makes a virtue about the fact that they have never read a business book but, in the meantime, is making every mistake in change management. I think it is no coincidence that some of the arrogant bullies that have recently led banks to destruction by over extending their balance sheets started their career in the professions.

So, as utilization declines and client service people set out to market, BD and marketing people can find themselves busier than ever. Partners and other practitioners demand attention. Some will be open-minded, insightful people genuinely asking for advice and help. These are worth spending time with. Some will be worried, impatient and superficial underachievers who just want to get action going in order to cover their tracks and avoid redundancy. These are worth handling judiciously. If you run around after them you might be very busy serving a fool that most partners know will not achieve anything. You could work very hard and kill your credibility.

Others will simply 'get out there'. Of these, there will be some who are unconsciously competent at stimulating their network of contacts to bring in revenue and others will fall on their face. Again, they should be obvious. But senior sponsorship, if possible at senior partner level, is essential in picking through these requests. Only someone who is directly in tune with the politics, whim and views of the partner group can judge effectively who deserves support.

One fatal mistake in demanding times like this is to keep your head down, become entirely tactical and lose your judgment. The *cri-de-coeur* will be to forget long term and seize short term revenue. Yet, two hundred years of history (through recession, boom, war and unrest) shows that successful practices thrive through delivering high quality work, through excellent business relationships and building a first rate reputation. Brand, integrity, client relationship management, thought leadership and excellent delivery matter more in these difficult times. If partners "go out to sell" they will increase cost-of-sale, make claims which may be unrelated to the accumulated reputation and get ensnared in pricing discussions.

Smaller firms, for example, often find new competitors on the block in difficult times. During the last recession the large investment banks moved down market, taking on mid-market lead advisory roles. As this recession bites, the same is now happening in accountancy. Senior people in some of the big four accounting firms have been briefed to 'hunt' smaller firms that their partners would not dream of going after just last year. The desperation for revenue is disguised by attempts to show that these smaller fish have significant growth potential. What, though, is likely to happen longer term? Once revenue picks up again though, a number of these clients will be abandoned again, damaging long term reputation.

In times of fear and panic, the calm judgment of seasoned professionals stands out. BD and marketing people who hold their own and input appropriate advice will win respect and be allowed to craft an effective course. Choosing who to let scrabble in the BD pie and which fingers to bend away could affect the health of a practice and more than one career as the recession progresses.

**Laurie Young is a specialist in the marketing and selling of professional services. He can be reached via his website – [www.lauriedyoung.com](http://www.lauriedyoung.com) – or by email: [lauriedyoung@aol.com](mailto:lauriedyoung@aol.com)**

