

TWELVE STEPS TO SET UP INDUSTRY PRACTICE GROUPS AT YOUR LAW FIRM

1) Identify Which Industry Practice Groups

The first step in adopting the Industry Practice Group model for marketing purposes is to identify the industry groups that the Firm will establish. Criteria for determining which Industry Practice Groups to create might include:

- Clients, referral sources and other relationships the Firm already has in the industry
- Profitability and sophistication of the legal work required by the industry
- Projected growth of the industry in the Firm's geographic region
- Positions that competing firms have carved out in the marketplace
- Firm's current and future areas of legal expertise
- Leadership and internal support within the Firm

To be successful, we believe that it is imperative that the Firm focus its attention on only a few Industry Practice Groups at the beginning. More groups can be added later on.

2) Appoint Strong and Committed Group Leaders

Once the Groups have been determined, the next step is to appoint strong and committed Group leaders. This is a very important decision that should not be based solely on seniority or current book of business. The Chairs of the Firm's Industry Practice Groups must be:

- Passionately committed to the Industry Practice Group model
- Capable and effective marketers
- Respected within the Firm
- Good with "people skills" (mentor, coach, cheerleader)
- Capable of running efficient, business-like meetings
- Willing to lead by example

3) Determine Group Members

Once the Industry Practice Groups are determined and Group leaders selected, we recommend that the Firm allow its attorneys to self-select the Group or Groups in which they will participate.

Some attorneys might want to participate in more than one Group and that's OK. But they should declare a primary affiliation with one Group, not three or four.

Unfortunately, not every attorney in the Firm will find a home among the few Industry Practice Groups the Firm selects at the beginning. And that's OK, too. These attorneys should continue to implement their individual marketing strategies as they did before. New Groups can always be added later.

4) Develop a Practice Group Worksheet

After Group members are determined, the best way to get the ball rolling is for the Chair of each Industry Practice Group to complete a Practice Group Worksheet (included in Section III of this report) to present at his/her Group's first meeting. The Worksheet sets forth basic information about the Group, including current clients and referral sources, key trade organizations and the like. It serves as great starting point.

At its first meeting, the Group should review and modify the Worksheet to bring all Group members to the same page. The Worksheet should be reviewed from time to time and modifications should be made as appropriate.

5) Hold the First Industry Practice Group Meeting

Now comes the time for the Group's first meeting. We suggest lunch meetings that last 60-90 minutes. It's important to have an agenda and relevant handout material.

The Group leader should start the meeting on time and keep the discussion focused on marketing. To facilitate internal communication, establish accountability, and monitor activities, it's important to track attendance and distribute meeting notes within a few days after the meeting.

6) Conduct Monthly Practice Group Meetings

After the initial meeting, we strongly recommend that Industry Practice Groups continue to hold monthly meetings that focus exclusively on marketing and business development. As mentioned above, lunchtime seems to work best for many firms.

Start meetings on time and always have an agenda and the notes from the Group's last meeting. As previously mentioned, we think it's important to track attendance, assign tasks and responsibilities and distribute meeting notes.

7) Develop Industry Practice Group Descriptions

Next, develop brief Industry Practice Group Descriptions. Keep 'em short and easy-to-read, no more than 500 words. Avoid long, legalistic language. Include case studies that demonstrate the Firm's industry expertise.

These descriptions can then be incorporated into existing collateral materials like the Firm brochure and website. We also recommend that the Firm develop sharp, stand-alone mini-brochures for each Industry Practice Group.

8) Develop a Group Marketing Plan

During the first two or three meetings, members of the Group should work together to develop an industry-focused Group Marketing Plan. Keep it simple and focused.

Once the Group has identified its existing clients in the industry and the industry trade organizations it should join, these are the strategies we recommend:

For Existing Clients...

- Client Site Visits
- Post Engagement Questionnaires
- Annual Client Appreciation Event
- Meals and Entertainment
- Client Teams for the largest, institutional clients

For New Clients...

- Industry Trade Organizations
 - Active participation
 - Seminars and speaking engagements
 - By-lined articles
 - Sponsorships and advertising
- Industry Seminar Series
- Industry Law Alerts
- Industry Group Description
 - Stand alone collateral piece
 - Main Firm brochure
 - Main Firm website

9) Develop Individual Attorney Marketing Plans

After the Group Marketing Plan is developed and agreed to, the next step is to assign responsibilities and ask each Group member to develop an Individual Attorney Marketing Plan that sets forth his/her contributions to the Group Marketing Plan, as well as his/her other marketing and business development activities.

Importantly, Individual Attorney Marketing Plans should focus first on enhancing relationships with existing clients and referral sources. This is best accomplished through ongoing, systematic contact, including Client Site Visits, lunch meetings and entertainment. Try to avoid random acts of lunch and golf.

Individual lawyers should also be encouraged to get involved in a key industry trade organizations where they will mix and mingle with decision-makers in the industry. They should join committees, look for speaking and writing opportunities and work their way toward the Board of Directors. Lawyers will get out of an organization what they are willing to put into it.

Associate attorneys should start by getting involved in an industry trade group and by staying in touch with selected classmates and business associates.

In addition, Individual Attorney Marketing Plans give the Firm a way to measure each attorney's contributions to the Firm's marketing program. The Firm can also monitor activity and establish accountability through its monthly Industry Practice Group meetings.

10) Provide Adequate Resources

Most law firms spend 2.5-3.5 % of gross revenue on marketing and business development. Some firms include charitable contributions, directory listings and/or staff salaries in their marketing budgets. Others don't. But 2.5-3.5% is the rule of thumb.

We encourage law firms to consider an investment of 3-4% of gross revenue in marketing, including directory listings. Furthermore, we recommend that most of these dollars should be invested in programs that enhance relationships with clients and referral sources.

How much time should an individual attorney be expected to invest in marketing and business development? We suggest about 200 hours a year for partners. That time might be spent as follows: four Client Site Visits, lunch once a week with a client or referral source and active participation in a key industry trade group.

11) Find Ways to Measure and Reward Desired Behavior

Lawyers are quick to recognize what a particular firm measures and rewards at compensation time. Too often, it's billable hours and working attorney fees received to the exclusion of all else. Some firms measure origination credit, which can be incredibly divisive.

But the most enlightened firms are finding ways to measure and reward non-billable contributions like firm governance, associate mentoring and training, and marketing.

We believe that law firms must find ways to recognize and reward desired behavior. If a firm wants its lawyers to invest time and effort in non-billable marketing activities, they must find ways to recognize and reward these contributions.

Start by measuring non-billable time. By that, I mean non-billable time invested in *meaningful* activities.

Many firms establish bonus pools to recognize non-billable contributions. Others factor a subjective element into their compensation systems that rewards non-billable contributions.

12) Look for Meaningful Results in 12-18 Months

Results will not come overnight. It takes time to build relationships and see the results of an effective marketing program. For example, it might not be until that third or fourth industry seminar that a prospective client decides to hire the Firm.

Look for a payback in 12-18 months. If your Firm develops and implements an effective marketing program, the results will be quite satisfying for many years.