

**MY LAWYERS WON'T USE CRM.
NOW WHAT?**

**INSIGHTS FROM THE LATEST
MARKET-WIDE STUDY**

2017



THE ACKERT ADVISORY™
BY ACKERT INC™

Presented by David Ackert & Chris Fritsch



David Ackert, MA, has over fifteen years of experience as a business development consultant to lawyers. He has personally developed and implemented client development programs for hundreds of firms, from regional boutiques to some of the top Am Law 100s. Through his company, The Ackert Advisory, he has created Your Honor Award-winning platforms including Practice Boomers, an e-learning program that teaches rainmaking to lawyers, and Practice Pipeline, a relationship management tool. David's programs have garnered press from such publications as the LA Times, The National Review, the Los Angeles Business Journal, The Wall Street Journal, and the Daily Journal.



Chris Fritsch, JD, is a CRM Success Consultant and the Founder of CLIENTSFirst Consulting. In the last 10 years, Chris and her team have helped more than 100 firms choose and implement the right technology solutions to support their business development efforts, enhance adoption and maximize return on investment. She also writes and speaks nationally on law firm business development technology. Her areas of expertise include CRM, data quality, competitive intelligence and utilizing technology to strengthen client relationships. Chris received her law degree from Emory University School of Law in Atlanta, GA.

AGENDA

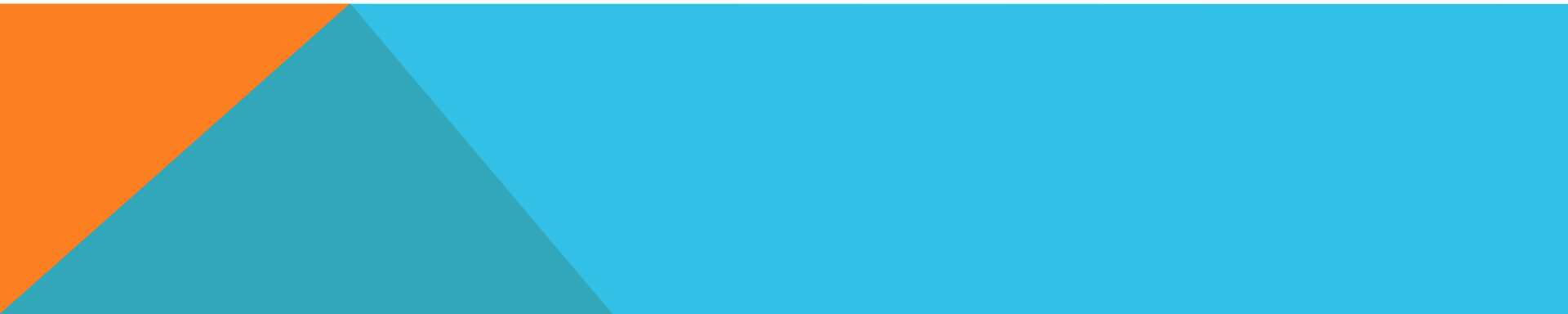
Insights from the Market-wide Study

CRM Market Leader Alternatives

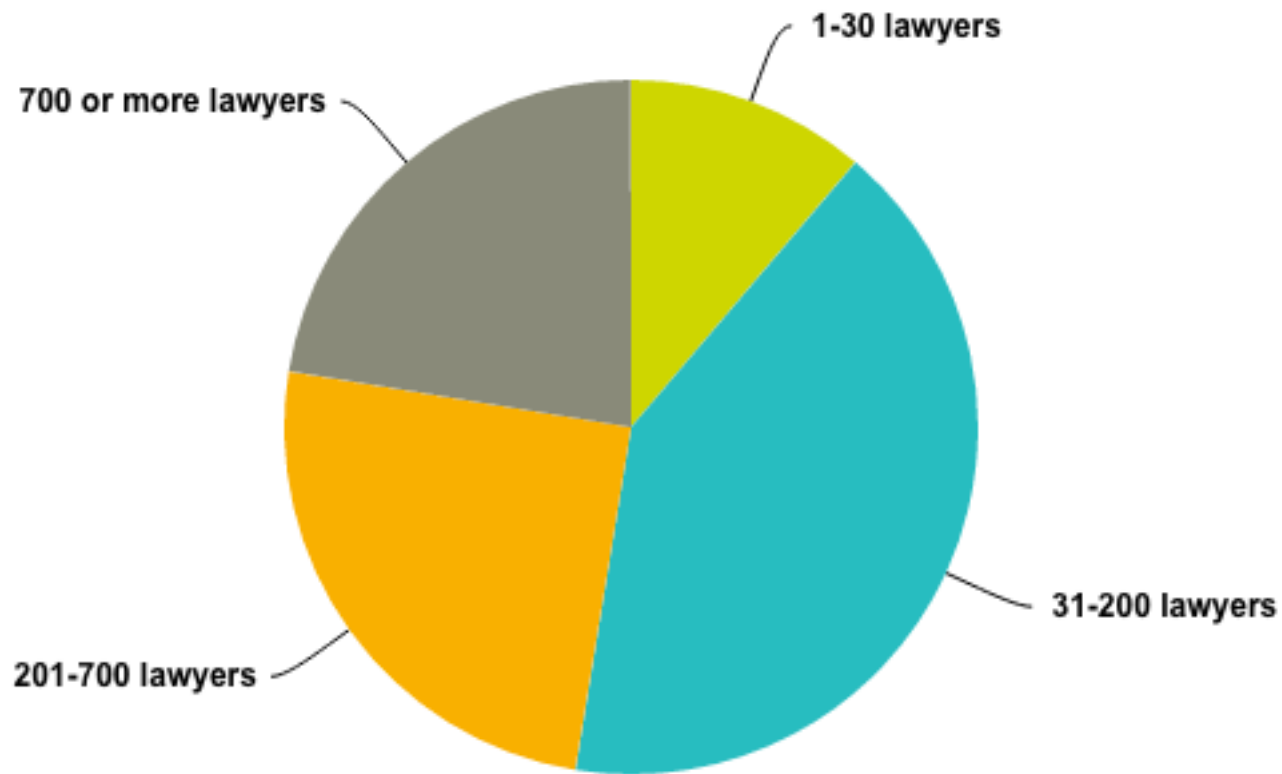
CRM Dos & Don'ts

Takeaways

Q&A

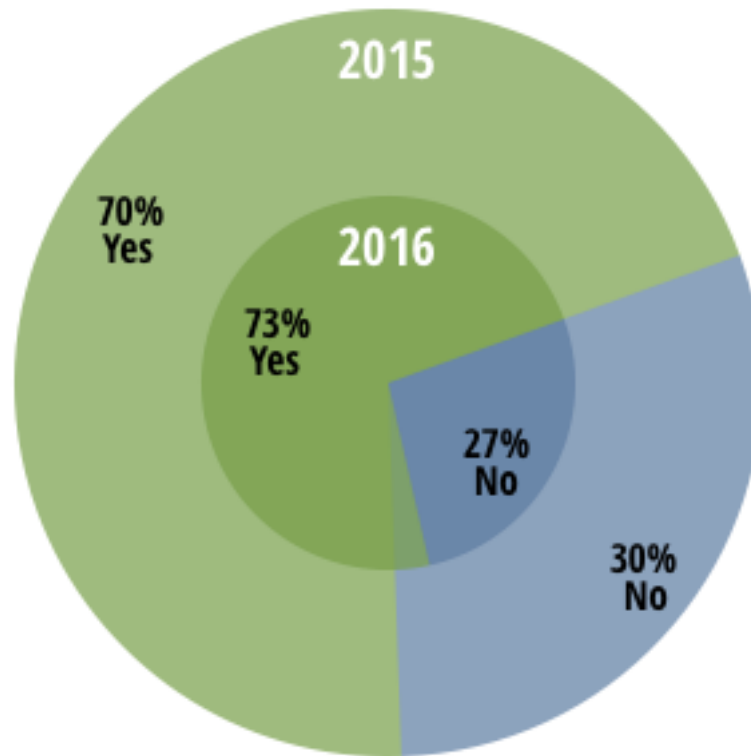


WHO TOOK OUR MARKET-WIDE STUDY?



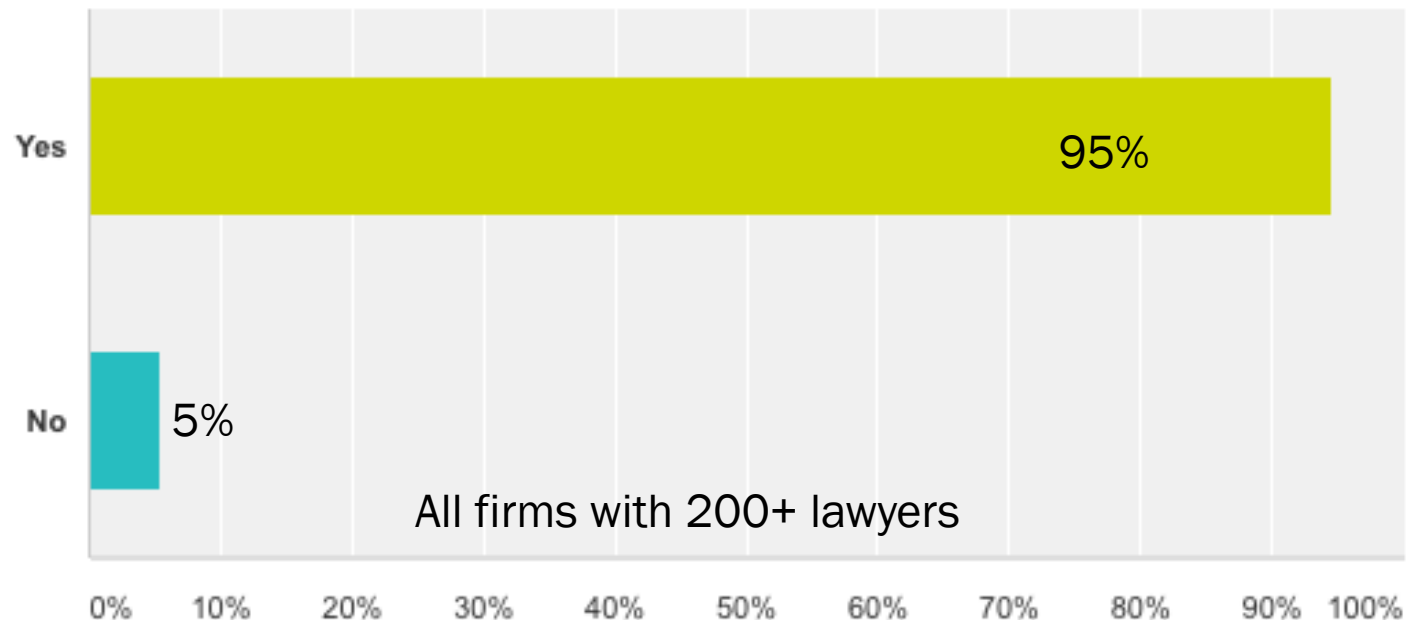
142 survey respondents (mostly legal marketing and BD professionals) representing over 100 firms.

HOW MANY FIRMS USE CRM?



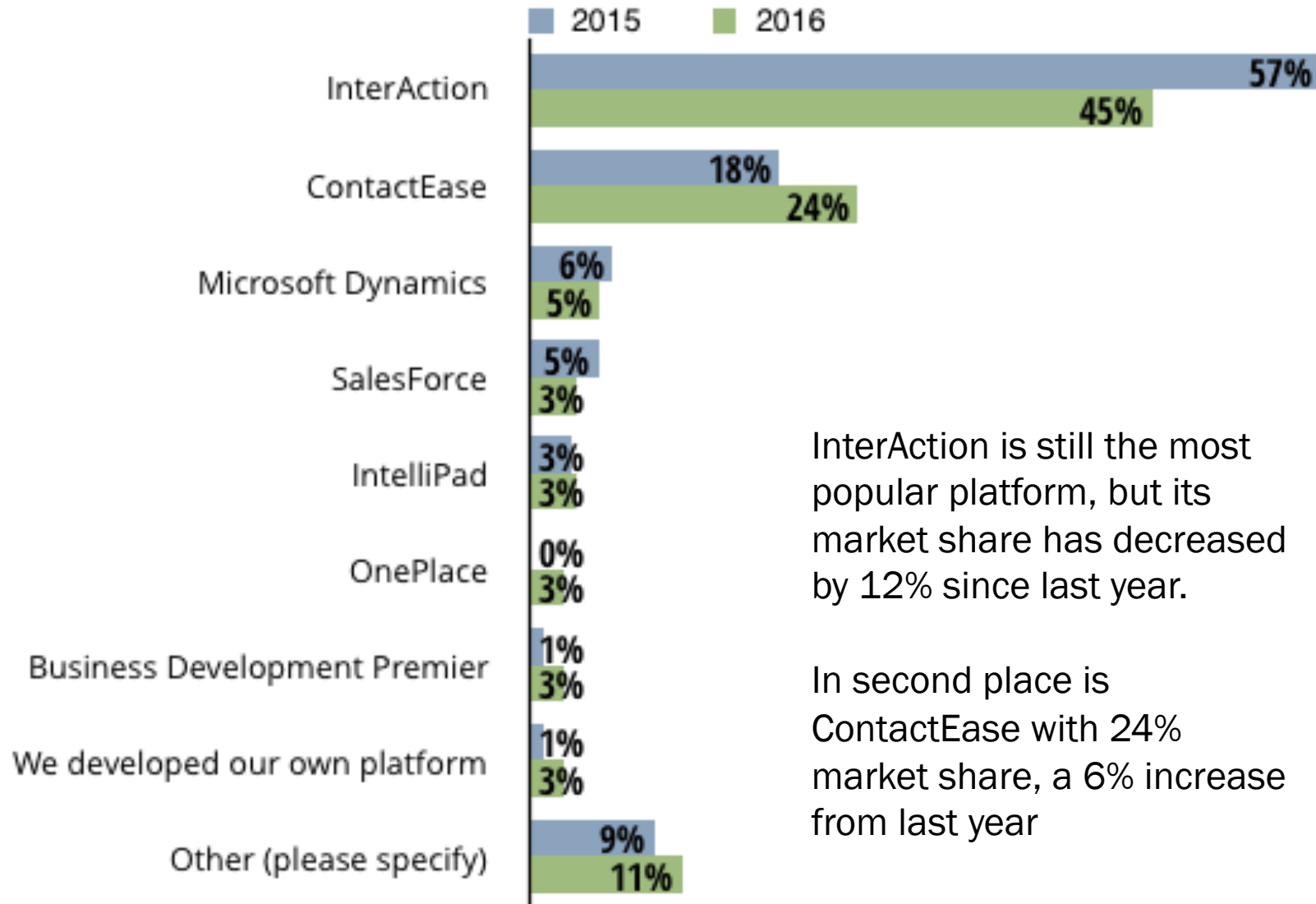
The number of firms using CRM has increased from 70% last year to 73% this year.

DOES SIZE OF FIRM AFFECT WHETHER CRM IS USED?



When we control for size, we find that almost all firms with 200 or more lawyers have CRM. Those who don't have CRM are mostly smaller firms.

WHICH PLATFORM IS USED THE MOST?



InterAction is still the most popular platform, but its market share has decreased by 12% since last year.

In second place is ContactEase with 24% market share, a 6% increase from last year

WHAT CRM IS ABOUT

People

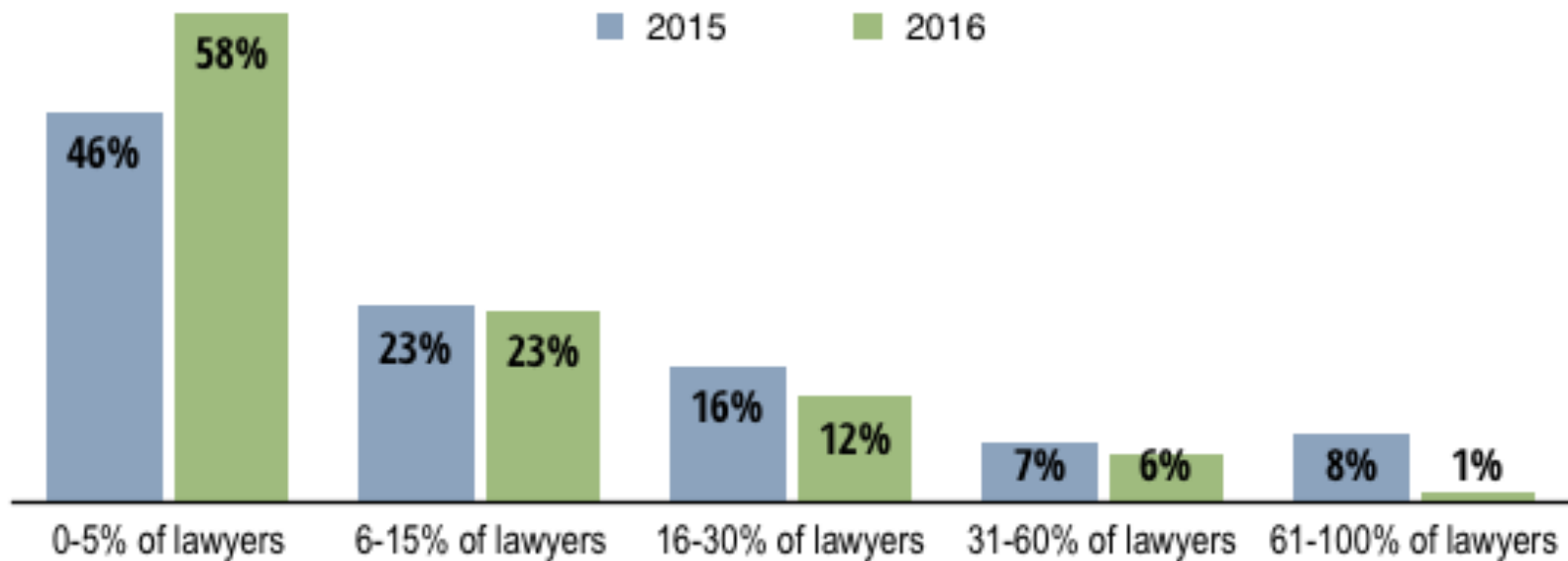
Process

Technology

- The problem typically isn't the technology

73% OF FIRMS HAVE CRM, BUT DO LAWYERS USE IT?

“I would reasonably estimate the percentage of lawyers utilizing CRM at my firm to be one of the following” (Utilization = using CRM at least once every 2 weeks)



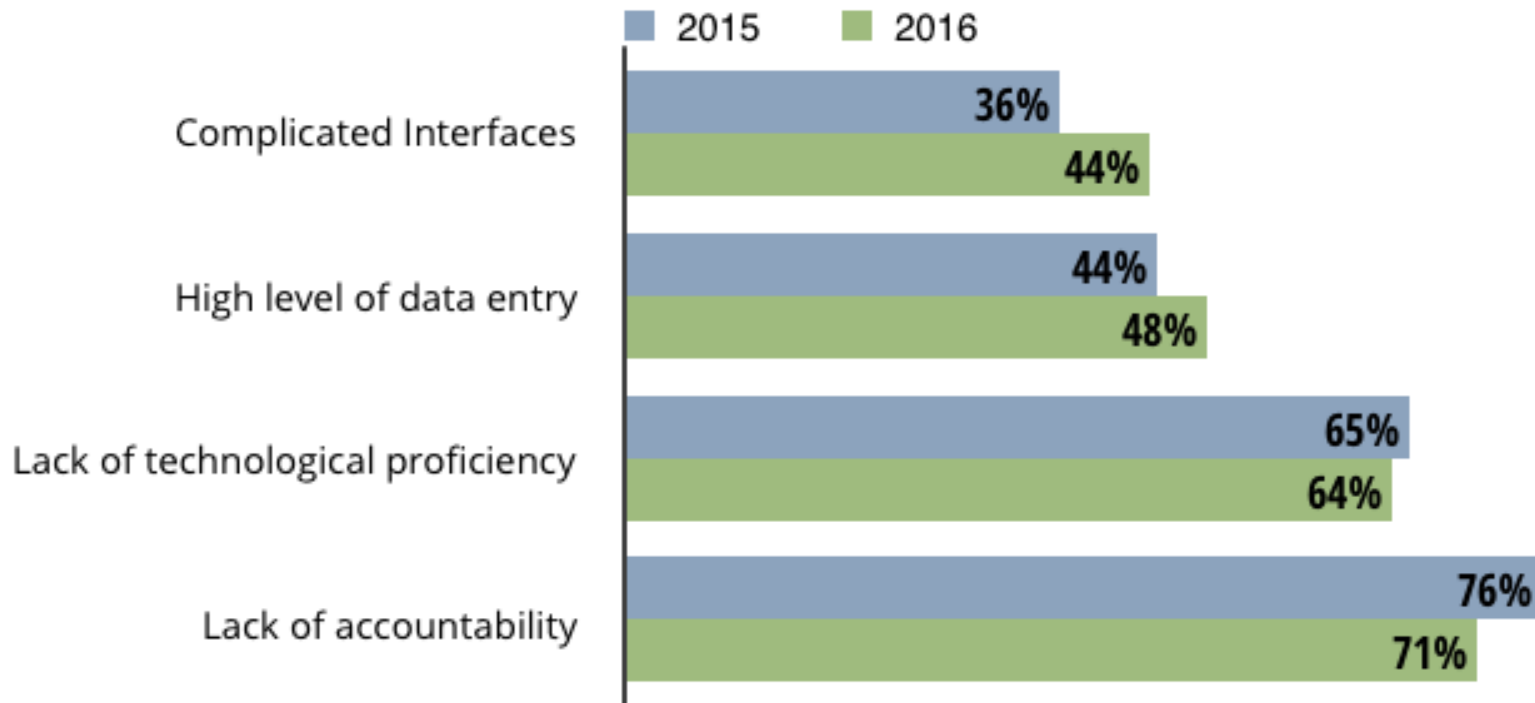
At 58% of firms, less than 5% of lawyers use CRM actively. Overall CRM use by lawyers decreased from 2015-16.

REASONS FOR CRM FAILURE

The most common reasons for CRM failure


- Unrealistic expectations
- Lack of buy-in from management
- Lawyers unwilling to share 'their' contacts
- Lack of input from key user groups
- Lack of strategy or planning
- 'Generic' or technical training
- Failure to commit necessary resources
- Data quality issues

MANY REASONS ARE GIVEN FOR LOW UTILIZATION, BUT IS THERE MORE TO THE STORY?

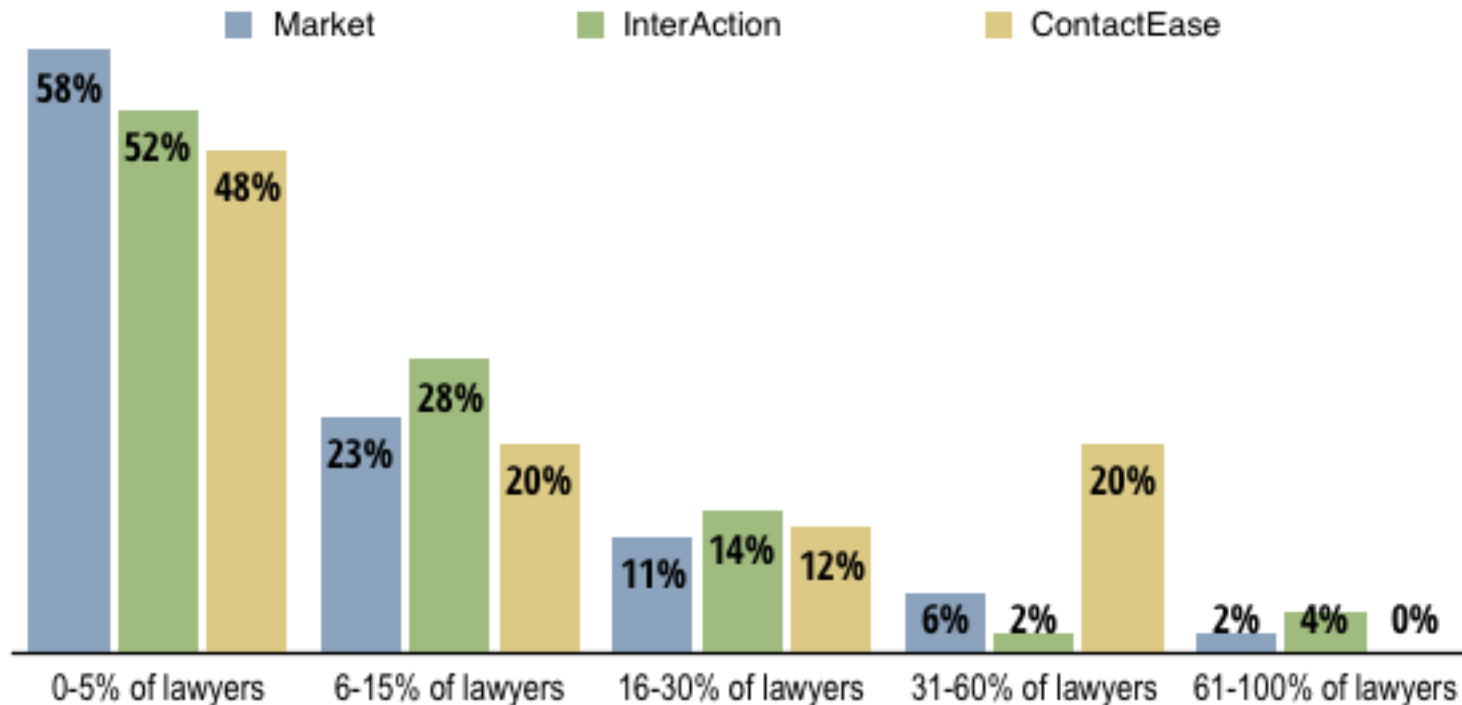


Lack of accountability is the #1 reason given for low CRM utilization, even more so than last year.

OTHER MINOR REASONS LISTED FOR LOW UTILIZATION INCLUDED:

- CRM in early stages of implementation (12%)
 - Attorneys are not given access to CRM (10%)
 - CRM has inadequate functionality for pipeline management (6%)
 - Lack of appreciation of the value of CRM (5%)
 - Insufficient time to learn and/or use CRM (2%)
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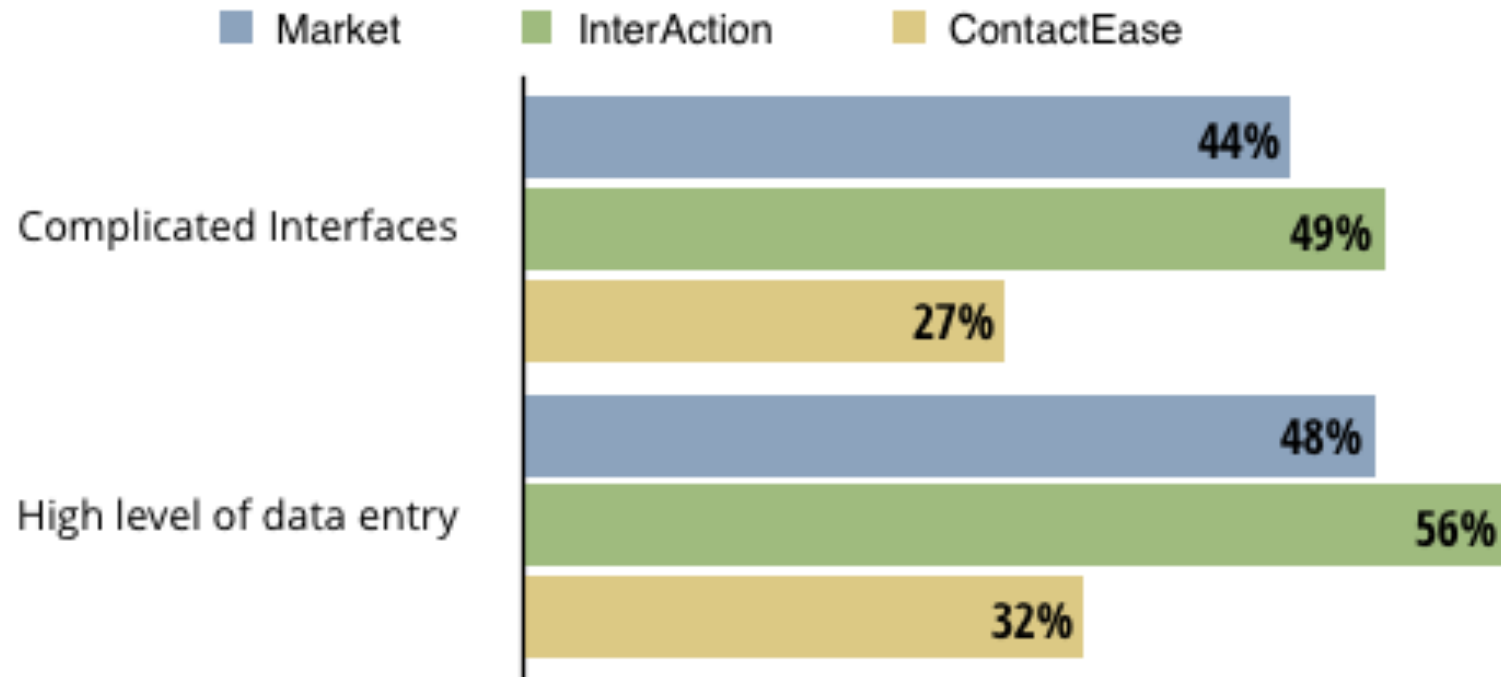
ANALYZING THE MARKET LEADERS (UTILIZATION)



At firms using ContactEase, a weighted average of 18% of lawyers use CRM regularly.

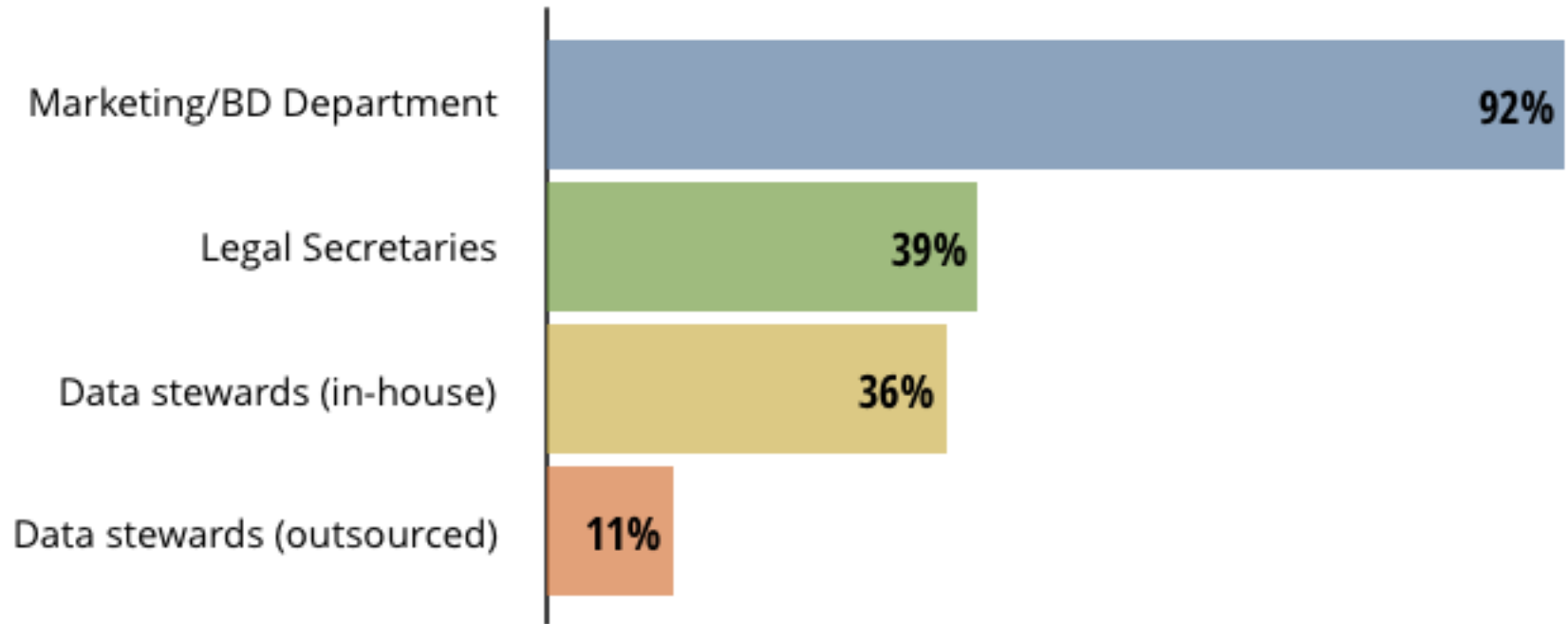
At firms using InterAction, 12% of lawyers use CRM on average.

ANALYZING THE MARKET LEADERS (REASONS BEHIND LOW UTILIZATION)



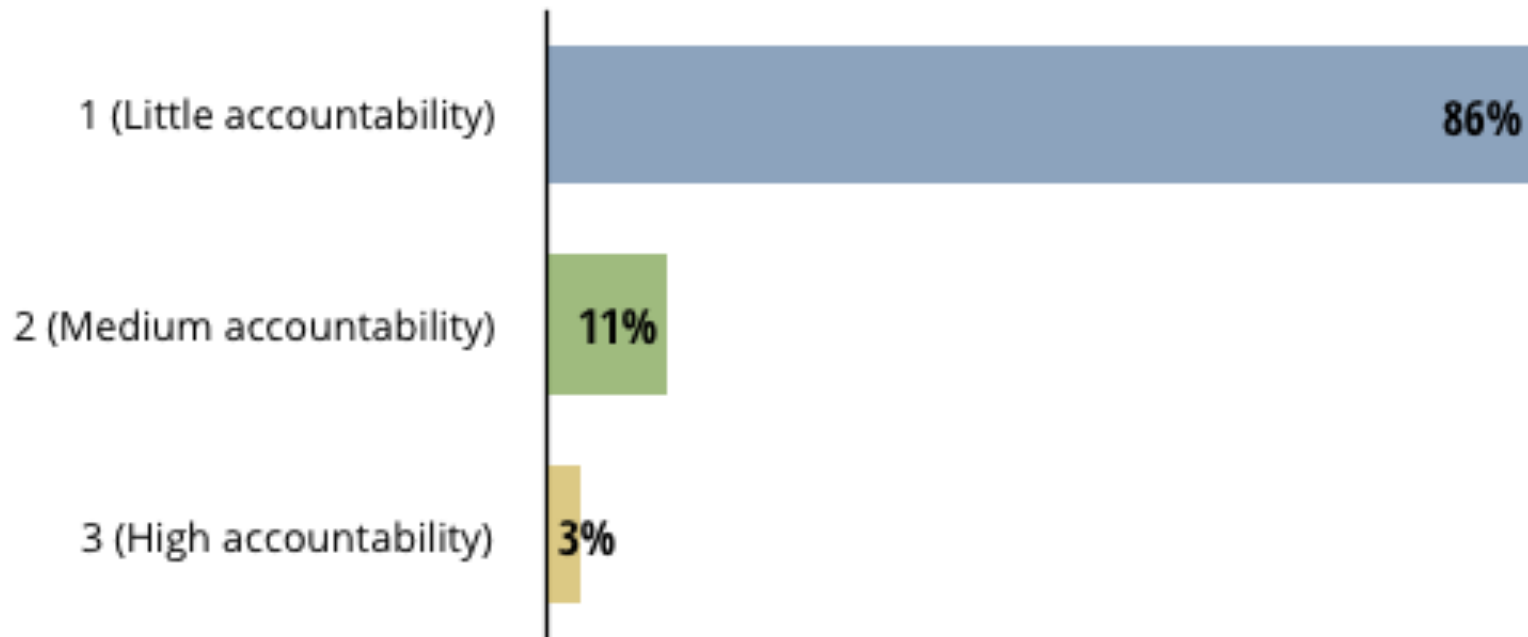
Firms using InterAction are 22% more likely to indicate complicated interfaces than ContactEase users. InterAction users are also 24% more likely to report a high level of data entry.

IF LAWYERS DON'T USE CRM, WHO DOES?



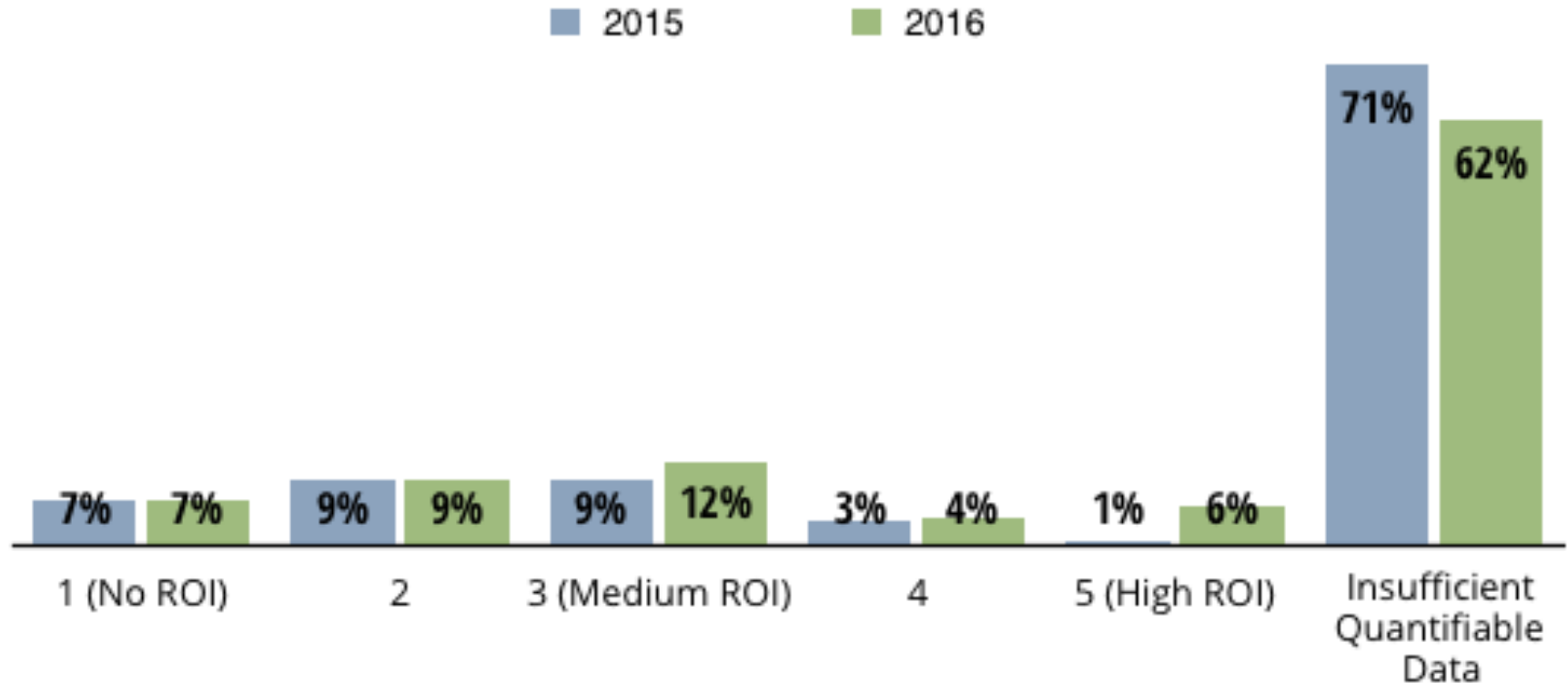
Marketing and BD professionals shoulder the lion's share of responsibility for maintaining CRM databases.

AND WHAT ABOUT ACCOUNTABILITY?



Unsurprisingly, a majority of firms report that lawyers face little accountability for using CRM.

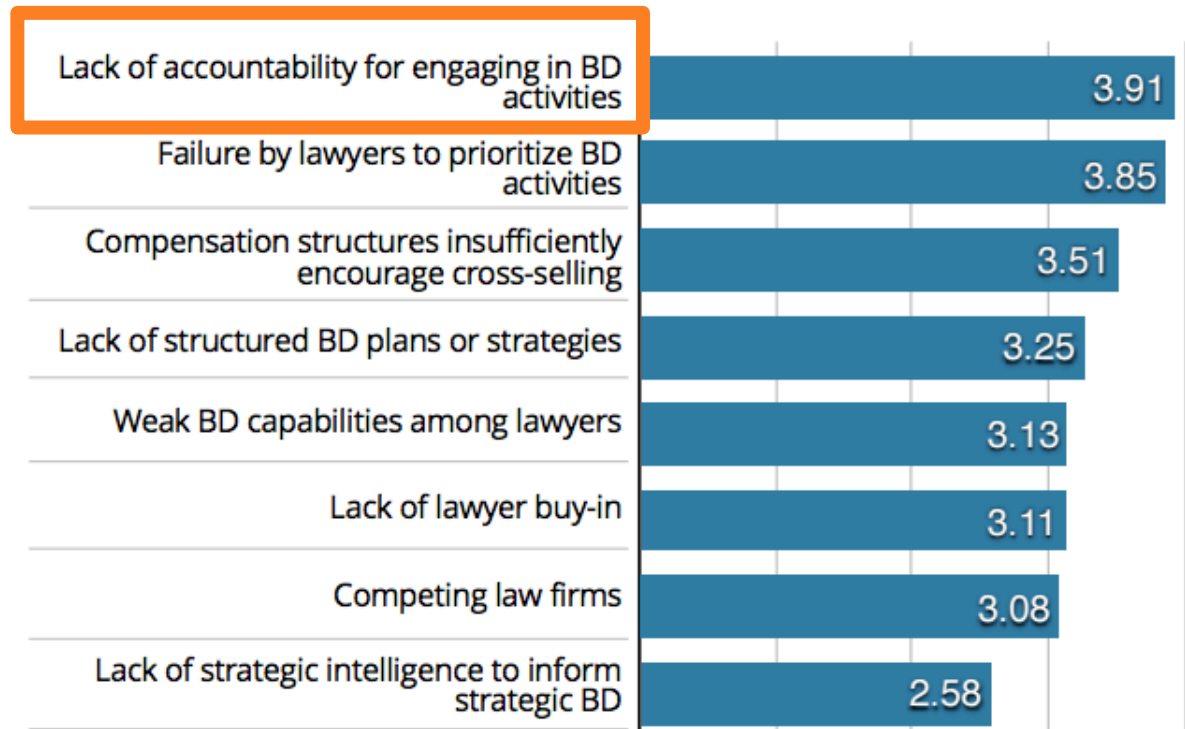
VERY FEW FIRMS TRACK ROI



Tracking quantifiable ROI is a challenge for the vast majority of law firms.

WE CONDUCTED A SEPARATE STUDY... DOES ANYTHING LOOK FAMILIAR?

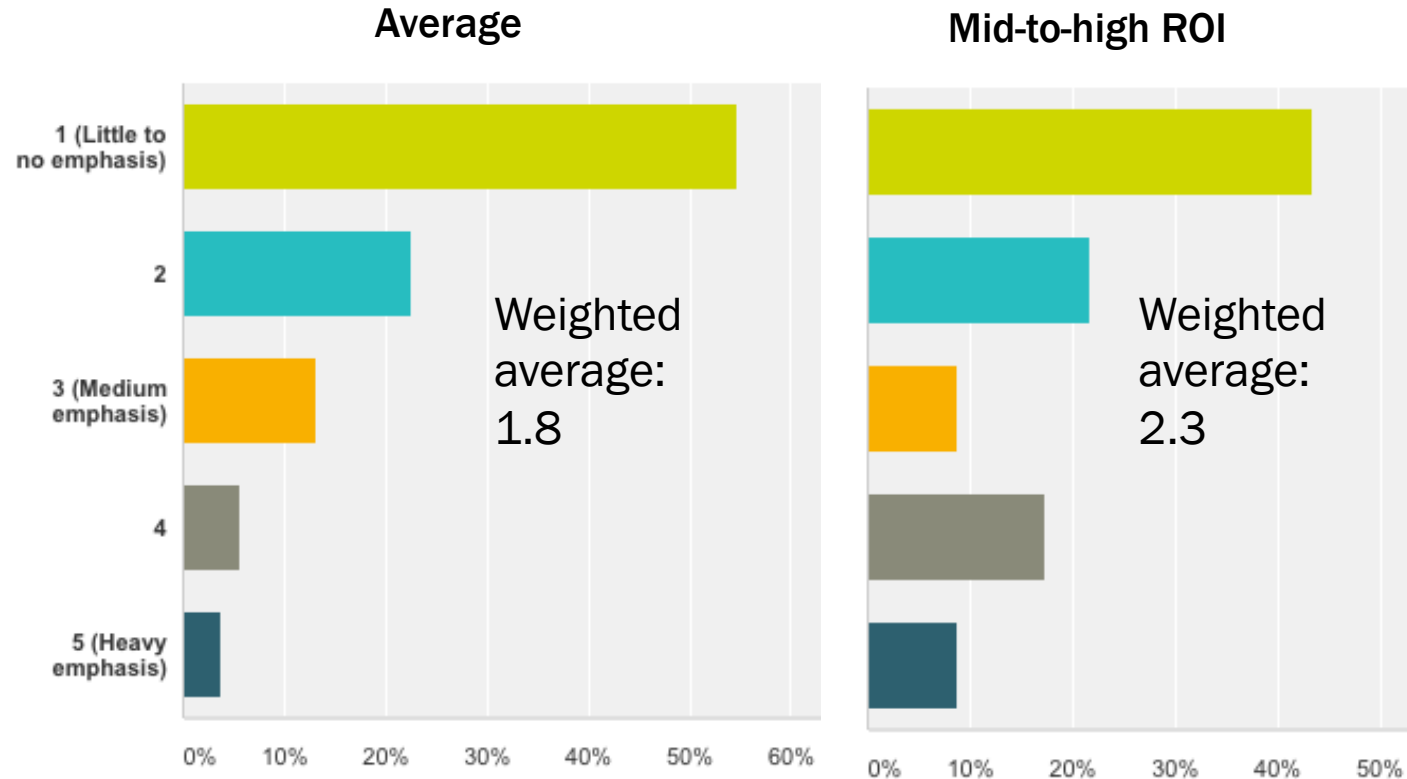
“Which are the biggest business development challenges at your firm? How problematic are they on a scale of 1 to 5?”



Our latest study found that the #1 problem law firms face with BD is a lack of accountability for lawyers to engage in BD activities.

WHAT DO THE 23 RESPONDENTS OF MID-TO-HIGH ROI HAVE IN COMMON?

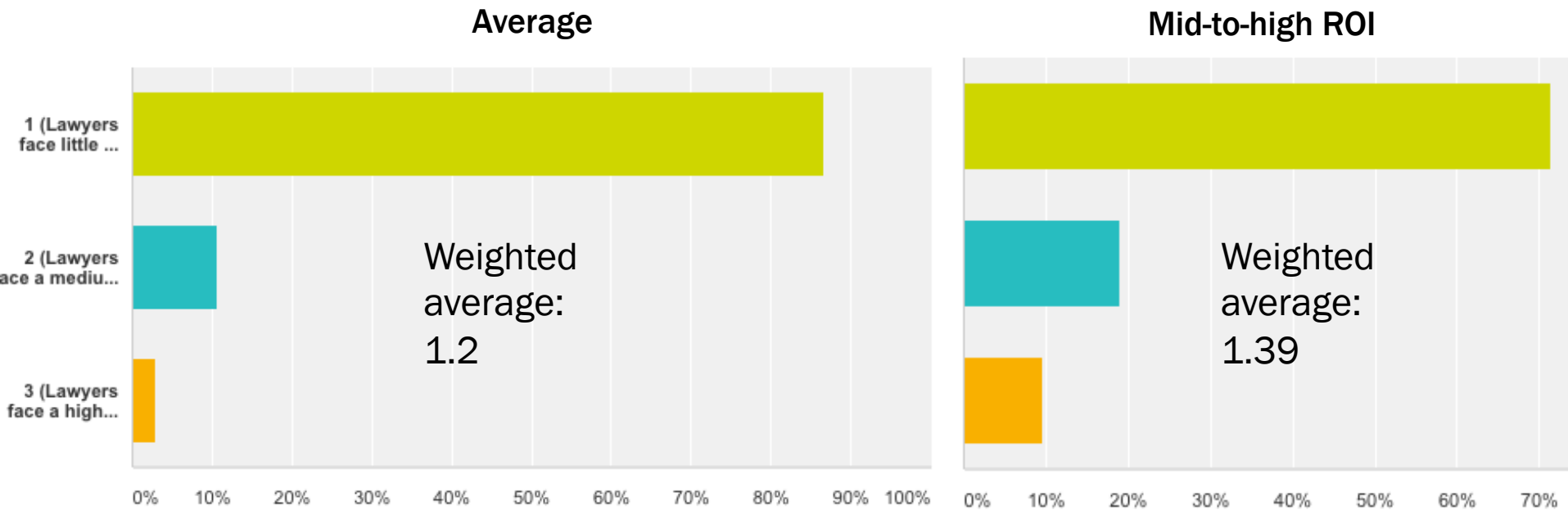
“How heavily does your firm emphasize lawyer utilization of CRM?”



High-ROI firms place much more emphasis on lawyers using CRM.

WHAT DO THE 23 RESPONDENTS OF MID-TO-HIGH ROI HAVE IN COMMON?

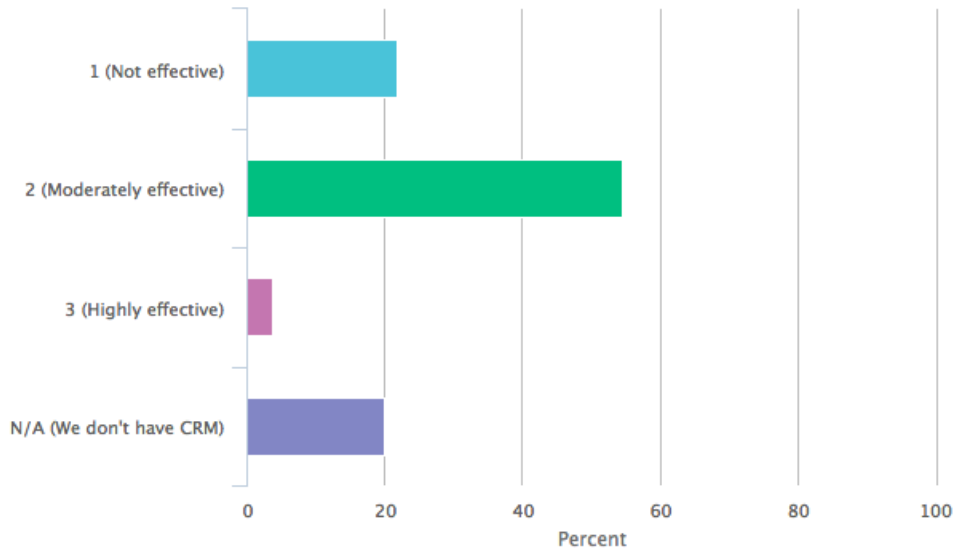
Level of accountability to which lawyers are held



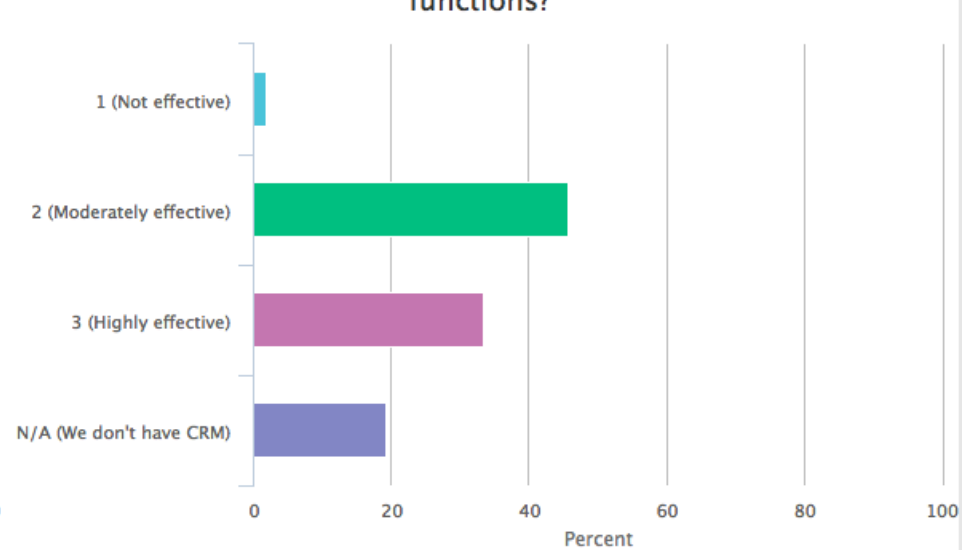
High-ROI firms hold their lawyers more accountable for using CRM

POLLS

To what extent is your CRM effective for BD?



To what extent is your CRM effective for marketing functions?



MARKET LEADER ALTERNATIVES



Pros

- Automated capture of contacts minimizes attorney effort
- Integrated ERM system to identify relationship strength
- Data enhanced with company and industry information
- Business development pipeline
- Possible cloud model

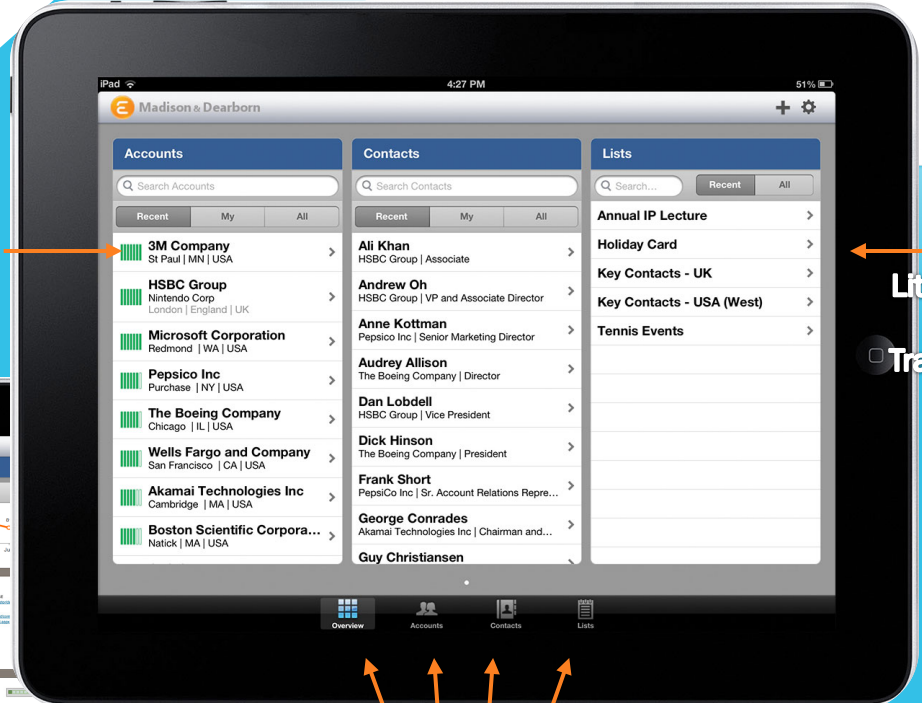
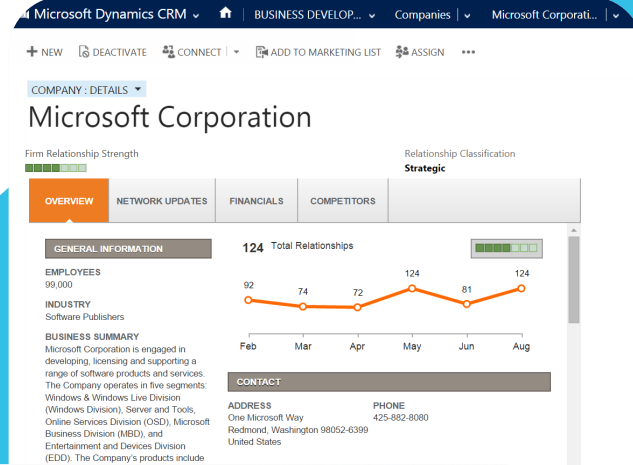
Cons

- New to the market
- New purchase for most firms
- Changes to contacts do not flow to attorneys
- Moving to cloud based model

Dynamic watch lists

Little or no Training

Targeted Use Cases for Attorneys





Pros

- Cloud based system requires limited IT resources and involvement
- Force.com platform allows integration with Salesforce apps
- Pipeline and experience functionality

Cons

- New purchase for most firms
- Cloud based model
- One way sync requires attorney behavior change
- Subscription model with ongoing charges
- Limited Salesforce data quality tools built in

The screenshot displays the ONEPLACE software interface, which is integrated with Salesforce. The top navigation bar includes a search bar and various menu items like Home, Chatter, Contacts, Companies, Matters, Pipeline, Lists, Functions, Publications, and Reports. The main content area is divided into several sections:

- COMPANY Profile:** Displays information for Hongkong Shanghai Banking Corporation (HSBC), including contact details (Phone: +61 2 9876 6666, Website: www.hsbc.com), company owner (Jack Wri...), and industry (Banking).
- RELATED, PERFORMANCE, DETAILS:** Tabs for navigating through related information, performance metrics, and detailed data.
- News:** A section showing recent news articles related to HSBC, such as "HSBC Holdings News" and "HSBC Holdings plc - Transaction in own shares 15 December 201...".
- Activity:** A section showing recent activity, including a "Log a Call" button and a "New Task" button.
- Contacts:** A section showing a list of contacts, including Barry Smith (CEO).
- F/Y Pipeline:** A funnel chart showing the sum of estimated fees and probability for various quarters (Q1 CY2016, Q2 CY2016, Q3 CY2016, Q4 CY2016).
- Pipeline Current F/Q:** A funnel chart showing the current funnel for the current quarter, with stages: Qualified, Active, and Closing.
- Opportunity Revenue Closed per Quarter:** A bar chart showing the sum of estimated fees and outcome (Won, Lost) for various quarters (Q4 FY2014, Q2 FY2015, Q4 FY2015, Q1 FY2016, Q2 FY2016).
- Closed Revenue:** A gauge chart showing the closed revenue, with a target of 11M and a current value of 8M.
- Top 10 Open Opportunities:** A table listing the top 10 open opportunities, including titles like "Opportunity: Assist A..." and estimated fees.
- Last 10 Won Opportunities:** A table listing the last 10 won opportunities, including titles like "Matter: HSBC to dive..." and estimated fees.



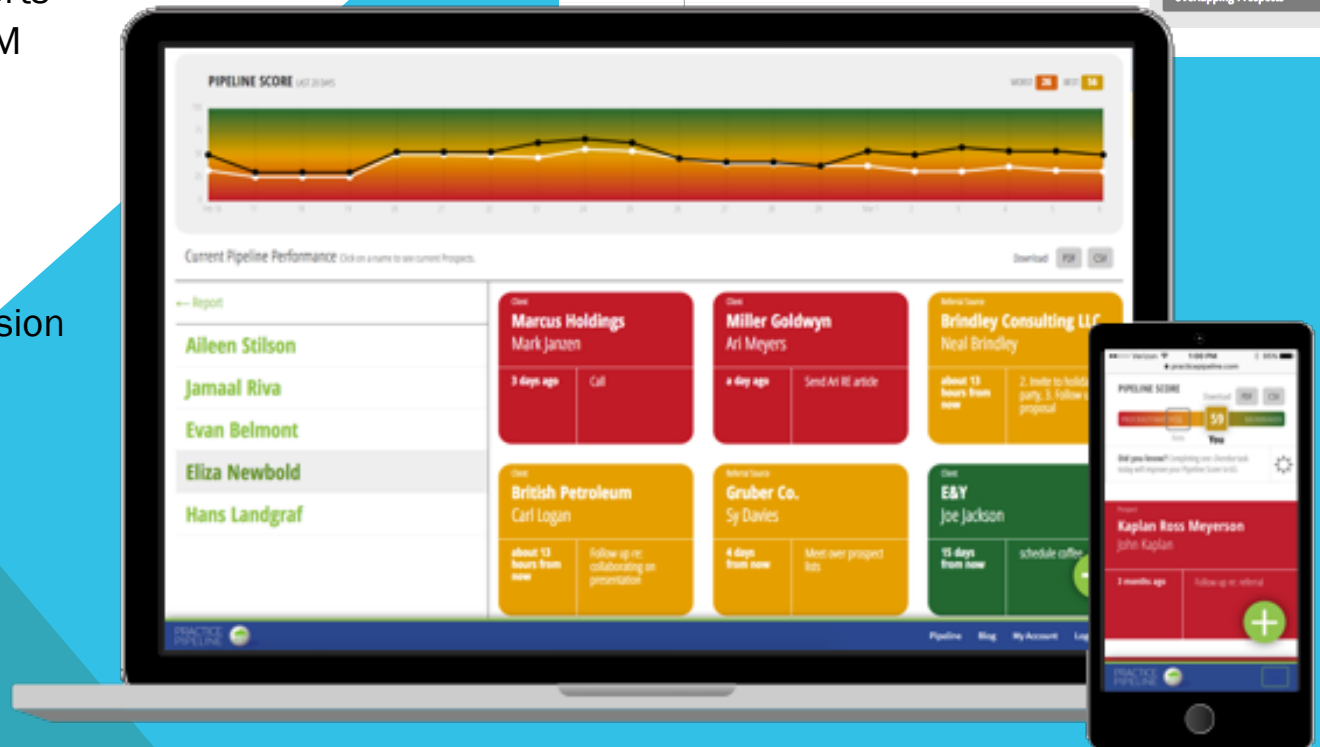
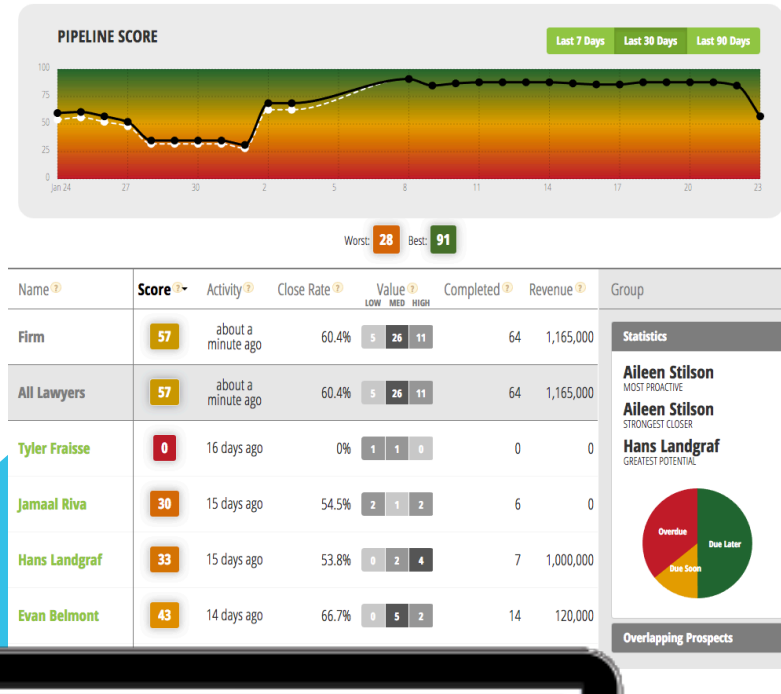
PRACTICE PIPELINE™

Pros

- Dashboard for coaching oversight & ROI tracking
- Simple interface with high lawyer adoption
- Generates progress reports
- Integrates with most CRM platforms

Cons


- Not a substitute for CRM
- Most effective in combination with discussion




Succeeding with CRM

- Success is defined by the unique needs of each firm
- Begin by assessing firm and attorney needs that CRM can address
 - Focus on people, processes and problems first; products second
 - Strategy and planning
 - Ongoing training and communication
 - Data quality
- Dedicated necessary resources
 - Time, money and people

TAKEAWAYS

- 27% of law firms surveyed do not use CRM
 - Interaction has more than double the market share of ContactEase, but ContactEase is reported to have better utilization, ease of use and less cumbersome data entry
 - Accountability is the #1 reason lawyers at firms of all sizes fail to utilize CRM
 - There is a clear corollary between ease of use, accountability, and utilization
 - There is little attempt to tie CRM to ROI
 - Most CRM challenges are rooted in human behavior rather than the technology itself
 - There is a broad spectrum of products to engage your lawyers in Pipeline management. Some of them are not CRM.
- 

RECOMMENDATIONS

- Match the CRM platform to the culture at your firm. Investigate the various platforms to find a good fit.
 - Put measures in place to track ROI
 - Qualitative baseline survey
 - Track new clients to CRM activity
 - Survey active users for feedback
 - Consider interactive forums (monthly coaching circles or lunch & learns) for pipeline discussion
 - Use BD-oriented software for BD coaching and CRM for marketing functions
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QUESTIONS?

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