GRACECHURCH

The Fulcrum Programme

Managing Key Client Relationships

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Introducing Fulcrum

"[Lead Partner] is outstanding..I do sometimes wonder what would happen if he were to leave the firm"

Too many professional firms have thought business development is about brochures and golf umbrellas. But increasing competition for the best clients and the most attractive work has demanded some rethinking. There is an increasing tendency to look hard at client service standards and contact management – and a growing number of firms are investing in Key Client Programmes.

Some of these programmes are little more than sales training; others become bogged down in form filling.

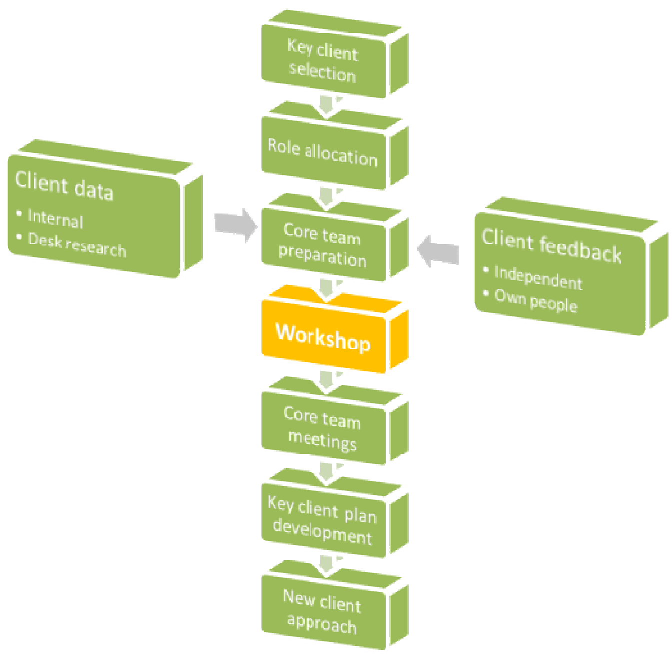
Gracechurch has worked with many firms to develop their Key Client Programmes and has evolved ***The Fulcrum Programme*** - an approach which we have seen have a major impact on client retention and the growth of profitable business.

The Fulcrum Programme can be adapted to your firm's way of working and can be delivered on a large or small scale. That said, we believe that it is best to start with relatively few clients (maybe 10 or 12) and build on the momentum of success. This small number often surprises, but we have found that many such initiatives fail because firms are overly ambitious at the outset. There are, of course, some political considerations to manage, as some partners may feel neglected if their clients are not included.

The *Fulcrum* Approach

The Fulcrum Programme follows Figure 1. It is a process we have used many times and have confidence that it has enough structure to focus effort and enough flexibility to allow for tailored outcomes and learnings.

Figure 1: The Fulcrum Programme



Identification of key clients

The choice of key clients may be made on an empirical or subjective basis, or a combination of the two.

It can be difficult to weigh the factors against one another and we have helped some clients to apply portfolio techniques to assist with the judgement.

Notwithstanding this, it is our experience that when first embarking on key client planning, the enthusiastic participation of the lead partner will be vital and all things being equal should probably be ranked of greatest importance.

"I know there are other people in the team, doing the work – but I have no idea who they are. I sort of feel that [Partner x] is a little reluctant to let me meet them"

Role definition

Key client planning must be undertaken as a team activity but many firms do not naturally operate their client service in this way. It is vital that the firm agrees a set of roles to be adopted by team members.

Choice of lead relationship partner

In the event that the firm has no established approach towards lead relationship partner, or that the current relationship partner is not suitable for the exercise, care should be taken at this stage to win the support of a champion who will guide the process.

At the outset, it is vital that the lead relationship partner is seen by their peers to be accountable for the development of this client and strong messages from the firm's management to this end are imperative.

Development of a core team

It is likely that at stages in the planning process, and in servicing the client going forward, that a diverse group of partners and other staff will be involved. However, we believe that for manageability and to control time invested, it is useful to appoint a core team who will be responsible for developing the plan and accountable in due course for its delivery.

"I don't see them doing much by way of relationship management – that may be because the guys are busy doing transaction work. I just don't see them doing as much of this as others"

Preparing the plan

The key plank in our approach to key client planning is a facilitated workshop bringing together the core team and all the other interested parties.

However, to make maximum value of this amount of senior management time, we recommend that the core team engages first in some preparatory work.

Core team preparation

We suggest the team meets to draw together information you have on the client from billing and contact management systems and information that can be obtained from external information sources. We provide a structure to these teams to help them to gather appropriate information and we can source external information to support you as required. This exercise allows us to come to a common view on the client to inform the team's objectives and strategies going forward.

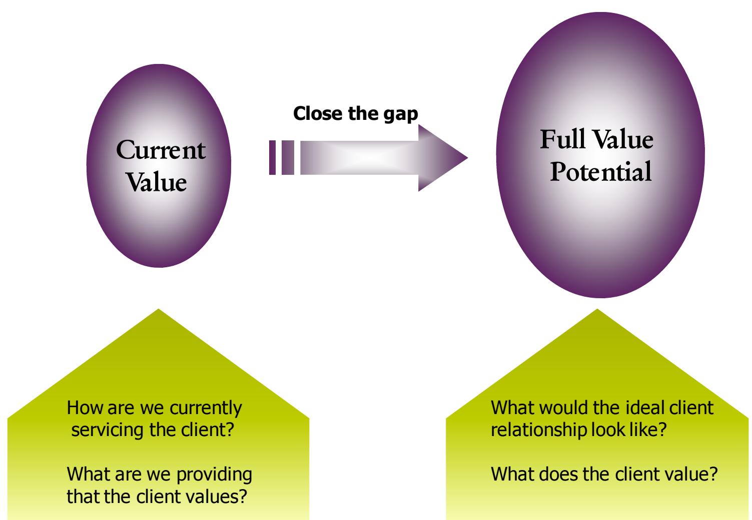
Figure 2: The Gracechurch Approach to Mapping Key Client Data

Key Client Workshop

This is where a new approach begins in earnest. The aim of this workshop is bring the core team and other partners and staff (usually 8 – 12) to get a shared view of the client and the team's objectives and to inject energy and commitment into the process. The workshop is best conducted by an external facilitator who can challenge thinking without any particular axe to grind. Gracechurch has conducted many such sessions for our clients.

For the workshop we use a "value maximisation" model shown illustratively in Figure 3.

Figure 3: Value maximisation



> *"I always feel I have to make the running – the firm that came to me with questions or suggestions, something proactive, would probably clean up!"*

Invariably there will be some quick wins where the team can act immediately and this helps to generate some good will and momentum. In addition, the workshop will help to pinpoint areas for more thorough work. This usually falls into two areas:

- Gap analysis – what the team discovers it doesn't know.
- Systems and support - The main weaknesses which undermine progress lie in the areas of:
- Role definitions within the client team
- Reward and esteem
- Appropriate skills especially in the sales and client handling areas
- Infrastructure — both administrative and technological

These are not easily tackled all at once, but Gracechurch can undertake some evaluation of the firm's current strengths and weaknesses in delivery and create a road map for the way ahead.

Key Client Plan

The core team needs to develop a key client plan using the information from the planning sessions and the workshop. It may be helpful for the plan to be drafted by a business development person but obviously, the plan then needs to be agreed and owned by the core team, who will be held accountable for its delivery.

The key client plan should not be static. It needs to be a living document which is updated as a result of regular meetings of the core team.

Implementation, coaching and monitoring

"I recently gave Firm X a small piece of work and I have been very impressed. They've already said that they'd like a shot at another area...I can't remember [main law firm] ever asking something like that"

It must also be acknowledged that most teams or team members will require skills training, coaching or handholding at various junctures as the key client programme takes the firm into previously uncharted territory. We can advise on suitable programmes to support skills enhancement. As we work, we will be using techniques and models that will be transferable to the team e.g. thinking in terms of goal, role and context; force-fields for what helps/hinders working with the client in the moment; role plays for being able to prepare and then put aside props to engage in conversations with the client; us coaching the team and the team coaching each other to problem solve on real issues. This means that we will be using the live context of working with the client to do the learning and experiment with doing things differently.

If the key client process is to be a success, the firm and the partners involved will have to invest considerable time and money in each client. It is only reasonable therefore that means of measuring success are instituted.

A timetable for review needs to be established as part of the plan. Gracechurch recommends that this review should involve the firm's management to demonstrate the importance attached to the exercise. If the firm intends to tie elements of partners' remuneration to the key client process, then this review and monitoring process will be important for the remuneration judgement to be seen as credible. In particular the measures chosen must be able to stand the test of scrutiny by sceptical partners.

Conclusion

Many firms embark upon some form of key client planning without properly recognising the commitment necessary from lead partners, team members and the firm's management.

We know one firm which is on its fifth attempt to get the process to work. The fact that they have tried repeatedly simply demonstrates their conviction that the prize is incalculable. The fact that they have failed underlines the difficulty of the task, and, in their case, the penalty of not recognising at the outset the need for a properly thought out process.

Next Steps

We would very much like to discuss ***The Fulcrum Programme*** with you and explore whether it might help your firm with creative thinking in decision making.

Please contact one of our team for an initial meeting:

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