



Managing business development

Managing business development in a professional services firm where the professionals are a key part of the process is a challenge. Business development is a part-time activity for most of the professionals, because they also deliver services. Because professionals' business development activity is often undermanaged (or not managed at all), the results are not nearly as good as they could be.

Management is important even if you are a solo professional and just managing yourself. Practicing the fundamentals of good self-management can lead to much better results.

Key elements of a business development management approach include:

- Manage quality of current projects and client's awareness of them
- Make business development someone's responsibility with accountability for results
- Establish a business development process and establish who is responsible for what
- Set up metrics, evaluate them, and adjust based on results
- Focus attention on important opportunities
- Create business development management processes for engaging the professionals and improving their performance.
- Assign revenue goals to individuals
- Provide support to individual professionals
- Recognize/reward people for business development success

Manage quality of current projects and client's awareness of them

If your firm doesn't do solid work, you won't be very likely to generate additional revenue from current clients, references that will help you win future clients, or referrals to potential clients. All of these good outcomes will be even more likely if your firm routinely does outstanding work.



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Each professional is usually responsible for the quality of their own work; that's part of what makes them a professional. Firms do better, though, if they find ways to help individual professionals identify opportunities for improvement. Firms could involve some peers in the periodic assessment of quality, e.g., to have a peer review work that has already been provided to the client or to have some visiting peers talk with the client about working with that professional. Some firms have also found ways to facilitate self-discovery by a professional that he or she is doing below-standard work; benchmarking performance and enabling a professional to compare his/her performance with that of all his/her anonymous colleagues can help a professional see where improvement is needed.

In addition, professionals need to be sure that clients appreciate their work. Doing a good job does not necessarily speak for itself. Rather, the professional can set up meetings during and after a project where progress and impact are reviewed with the client.

Make business development someone's responsibility with accountability for results

Someone needs to be responsible for business development results, and therefore inspired to manage business development. In a solo practice, the practitioner is responsible for business development. In larger firms, it's often not clear. Sometimes the founder of the firm has the responsibility, or the director of marketing, or the head of each practice. Often, the responsibility is just unclear. Making someone (or a small group) responsible for business development and accountable for its results provides a foundation for the rest of your management efforts. The leadership of the firm can negotiate with them a set of goals to achieve and can decide on the parameters that will govern their work, (e.g., budget, time from other people at the firm).

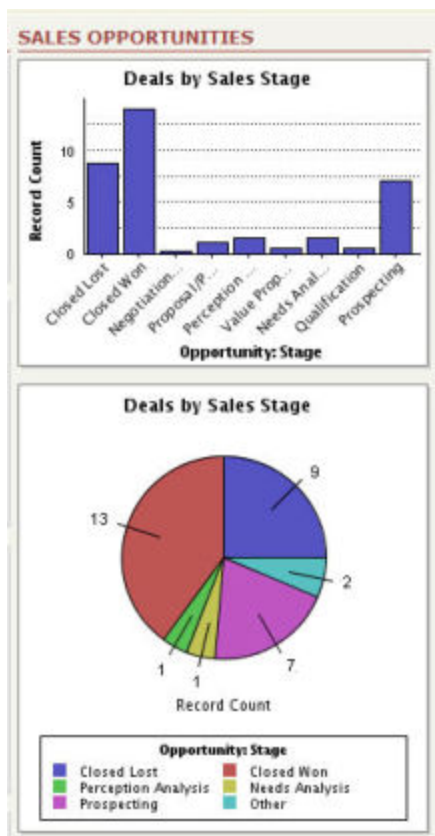
Establish a business development process and establish who is responsible for what

In many firms, each business developer sinks or swims on their own. Few ever develop a systematic process for doing business development and those who do may be using one that is far from optimal.

An early step in managing business development is to establish a business development process and assign roles. The process should answer questions like:

- *Lead generation* – where do we expect leads to come from? How many are expected to come from the efforts of individual professionals and how many from firm wide or practice marketing efforts? If the individual professionals are responsible for generating a high proportion of leads, how do we think they'll do that?

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- *Lead nurturing* – who will maintain contacts that have been generated? This is typically a weak spot for professional service firms.
- *Conversion* - Who is responsible for converting a lead to a contract for professional services? How do we ensure that the right professionals are matched to potential opportunities?
- *Ongoing selling* – Who has responsibility for selling more to existing clients and to broadening the firm’s footprint in large client organizations?

An important issue is consciously assigning the right people to specific relationships and opportunities. A specific professional who is the source of a lead may not be the right person to nurture or pursue that lead. In many firms, there's a tendency for people who follow up on an initial lead and go to a first meeting to stay involved in developing the relationship, even if they are not the most appropriate person. Sometimes an individual wants to "keep" the lead for him/herself, rather than bringing a team of colleagues in who would share credit but also maximize the chances of success. Deciding who should work on which opportunities is a critical decision.

Set up metrics, evaluate them, and adjust based on results

Having measures for business development and evaluating performance against those measures will help you understand where you need to make changes and improvements. Measures can track all aspects of the business development process:

- Starting-relationships, e.g., size of network and number of allies
- Maintaining relationships, e.g., number and quality of interactions with contacts
- Converting relationships to sales, e.g., conversations with decision-makers about problems that they have that are relevant to your work, % of competitive proposals won
- Selling more to existing clients, e.g., client satisfaction scores, number of referrals generated

The metrics should be tracked regularly and results shared with firm leadership and with professionals. Some of these metrics can also be tracked for individual professionals, and you can decide to share them with each professional privately or to share the results with all the participants.

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Focus attention on important opportunities

Some opportunities are more important than others. You can highlight and call attention to the most critical opportunities in several ways.

- *List the 10 highest priority opportunities and understand what it will take to get each one of them.* The highest priority opportunities may be ones, for example, that introduce an important new client, that protect an existing client, that provide a huge value for a client, or that provide an opportunity for your firm to build an important new capability. While an individual or team may be responsible for these projects, they are likely ones where you want to be sure that the best strategy is pursued and that the right resources are brought to bear. Make sure these opportunities are visible and that contributions are welcomed.
- *Monitor progress at key clients vs. plans.* With your firm's key clients, you can develop specific plans to deepen the relationship. You can compare the plans periodically to the actual progress and impact achieved.
- *Conduct win/loss analyses.* When you win or lose an important opportunity, it is a chance to learn. Talk with the client to understand why you won or lost.

Create business development management processes for engaging the professionals and improving their performance

Many firms use a regular pipeline conference call to track progress with current opportunities. On these calls, the person managing the business development effort can learn about the current status of each opportunity, and other professionals can offer their suggestions if the person leading the effort wants or needs assistance. Sharing relevant information beforehand on a customer relationship management (CRM) system makes the calls more efficient by allowing the background and history of the opportunity to be communicated much more quickly.

While pipeline calls can be very useful, adding some other elements can convert it into a broader business development meeting. Additional elements could include:

- A chance for people to report on their progress and in particular what went particularly well and why
- A firm commitment to document what works and to make that

available to people in the firm so they can refer to it when they are planning their own approaches

Assign revenue goals to individuals

Most firms have revenue targets. Some firms divide those targets up among their professionals. Though it is difficult sometimes to know how much work a professional can or will bring in, clarifying expectations lets people understand what they need to do. Having a target makes professionals think harder about how to do more work with existing clients, how to get more leads, and how to advance the relationships they are nurturing.

Provide support to individual professionals

Many professionals are not good at business development. In addition, some others don't like to do it – they see business development as "sales" rather than the "delivery" that they like to do. Sometimes the lack of skill causes the lack of appetite.

If a firm wants to improve its business development performance, it likely will have to consider investing in improving the skills of the individual professionals who do the business development. Support for individuals can include training, formal coaching, and informal offers to be helpful or to offer guidance.

Recognize/reward people for business development success

Business development is tough for many professionals. People who succeed at it should be recognized and rewarded. Rewarding people for doing outstanding work and bringing in lots of clients can be the easiest (and most enjoyable) part of managing business development. Celebrate success!!

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