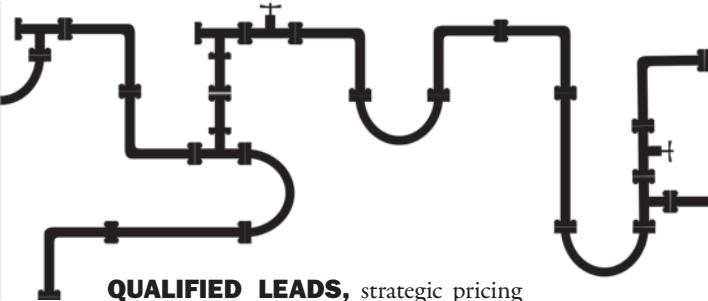




BY HEATHER SUTTIE

# Managing Your Sales Pipeline

Recognizing ideal clients, enabling their entry into your sales pipeline and managing the process



**QUALIFIED LEADS**, strategic pricing and legal project management are all important elements of a well-managed sales pipeline. And while “sales” might be a dirty word in the legal world, it’s the desired result of marketing and business-development initiatives.

## > QUALIFIED LEADS

Like any type of conduit, your sales pipeline must be kept in prime condition. That’s why being selective about what enters the front end of the pipeline directly affects its progress and outcome. Only qualified leads should enter your sales pipeline. Qualified leads are those that line up directly with the type of legal work you do best and that are able to afford your services.

As with other types of pipelines, it is a good idea that filters are in place, so that leads that initially seemed qualified – but have changed with time – will be sent out of the main flow, perhaps to a secondary pipeline or referred elsewhere. Non-qualified leads are those that may be inappropriate to your exact area of legal expertise, those of a wrong size, or those that have a low financial threshold.

Some leads enter a pipeline quickly and blaze through it to become a solid opportunity almost immediately. Others can take considerable time to move through a sales pipeline, which is why patience is key to any business-development process.

Qualified leads can come from anywhere, such as those you find yourself,

prospects attracted by your marketing tactics, or referrals. It is important to continually collect and enter qualified leads into your pipeline, and keep the process well-maintained even when you’re busy with current client work. This is vital — when a pipeline empties or runs dry, restarting it can be an immensely stressful and time-consuming effort.

## > STRATEGIC PRICING

Pricing has become a more important business-development strategy and a helpful measurement of a prospective client’s qualification. Pricing can come into play for a client pitch and even more so when responding to an RFP. By first employing a “Go / No Go” strategy, you can determine if you are well-suited for all, some or none of the work. Once that’s decided, you can price your business to win the work you want or set a price that will enable you to lose work you don’t want.

To strategically price yourself out of competition is one way to sidestep unsuitable work. Of course, the more gracious and business-like way of declining inappropriate work is to simply state that your legal strengths are A, B and C and that the client would be best served by your handling these types of files.

Pricing to win work is another matter. Conversations around alternative fee arrangements may be necessary, with the understanding that your own fiscal boundaries must be respected. This is when you need to know your costs and margins, and weigh the work in terms of immediate profitability, as well as whether it may lead to the higher-margin work you really want.

This is what a general counsel friend is experiencing. After releasing a couple of outside firms, the general counsel received an offer from a new firm to have clerks – no lawyers – do rote work that currently needs to be done. While the client is impressed, the firm is playing the long game by taking a financial loss while learning more about the client and being ready for when higher-level legal talent will be needed.

## > LEGAL PROJECT MANAGEMENT

Legal project management has become a much discussed topic in the legal field. However, there is a perception that LPM is more talked about than acted upon. Its principles are designed to deliver better value *as determined by the client*, and encompass factors such as more predictable costs, improved quality, tightly targeted service, excellent communication and reduced risk.

When evaluating a firm, Peter Gutelius, Assistant General Counsel at Royal Bank of Canada, says that having LPM as a check-the-box item isn’t as important as having a management system that “creates discipline and engages people in a process.”

As Gutelius points out, “Used as a tool to build a better process, it’s a great idea.” In the broader sense, however, he says that firms need to “better manage client expectations” and that managing a file and legal spend is a conversation that needs to happen whether or not a firm has a formal LPM program in place.

From beginning to end, a well controlled sales pipeline enables a strong and steady flow of desired outcomes for you and your clients. Continuous conversations around costs and file control helps to manage everyone’s expectations along the way. □

Heather Suttie is a legal marketing and business development consultant. She works with a range of law firms from global to boutique. Reach her at (416) 964-9607 or visit [www.heathersuttie.ca](http://www.heathersuttie.ca).