

## Internal Marketing and Profitability

Studies conducted across the United States repeatedly show the value of internal marketing to professional services firms. A national study of 200 human resources executives, for example, conducted by Wisconsin-based Business Development Directives

, revealed firms with strong internal marketing initiatives experience higher-than-average growth rates and profitability.

The explanation is very simple – highly-trained, well-motivated staff members do all the right things to keep clients happy and coming back for more.

New York-based Tully Rinckey PLLC

has doubled its revenue in the past year while maintaining the same amount of attorneys. By adding a client relations department, the firm ensures it is consistently positioned to present a favorable, lasting impression.

“Our phone is ringing more than it ever has when other law firms are closing their doors,” says Graig Cortelyou, marketing director for the 50-person firm. “We purposely organize social events for all employees outside of the office to get people talking to one another to learn more about what the other side of the office is doing.”

Cortelyou says Tully Rinckey has seen a significant increase in cross-marketing efforts within the firm as a result of its internal marketing efforts. Encouraging communication within the firm also exposes attorneys and support staff to various social settings where they learn how to interact.

Silvia Hodges

, PhD., and guest marketing lecturer at both Harvard and Fordham Law Schools, views internal marketing as the foundation of quality service and brand differentiation.

“A firm can only expect to outperform the competition when its own lawyers and staff are able to explain convincingly what makes them different,” Hodges says. “It is essential that lawyers and staff are truly invested in the firm, living and practicing the promise. Everyone in the firm must be informed and involved in new initiatives and strategies that are taking place.”

Most law firms continue to focus on external marketing rather than internal marketing, however, despite knowing that happier lawyers and staff produce more satisfied clients and higher profits. Hodges warns that firms must have the appropriate culture to stimulate and reward internal marketing. If not rewarded and recognized for living the brand and delivering the promise, people will see internal marketing as a priority not worth pursuing.

Breanna Wilson of Khorrami, Pollard & Abir

LLP in Los Angeles agrees.

“A strong brand begins with employees who believe in what they are doing and are confident

they are equipped with the proper knowledge to do their job,” Wilson says. “We use an intranet and semimonthly newsletter to train, inform and equip people with the necessary tools to interact with clients.”

There are literally hundreds of internal marketing tools and strategies available to help your law firm. The first step is to recognize the need and develop a plan to engage all of your employees in promoting a positive brand image. Business Development Directives’ William Lowell offers the following internal marketing tips based on his extensive research, which he has presented to groups around the world.

Design internal and external marketing campaigns to reflect the firm’s unique brand, culture and philosophy.

Ensure every employee understands the influence they have on the brand. Let them know that every time they interact with a client or prospect, they are making or breaking your firm’s image. Conduct a “touch-point” exercise with your staff to identify and leverage all the places your staff and associates touch or encounter a client or potential prospect.

Develop a list of incentives to reward on-brand actions. Keep it fun. A day at the spa. A round of golf. Tickets to a performance. Show them you are serious.

Consider conducting an employee satisfaction or employee engagement study. The results can drive your entire internal marketing program.

Conduct exit interviews with staff, associates, senior counsel and even partners who leave your organization. Compile the information into a database so it can be used to identify potential problems before they become critical. This will help you identify which office is doing well in terms of employee loyalty and which groups or practice leaders are generating the most goodwill.