

ACKERT.

The State of Business
Development Coaching &
Training at Law Firms

2021

Industry Report

ACKERT.



Discover how successful firms maximize lawyer buy-in, marketing bandwidth, and overall ROI of their business development coaching and training initiatives.

Table of Contents

I. Executive Summary	3
II. Key Findings	4
III. Data Analysis	5
1. Respondent Demographics	5
2. Recent Programs	6
3. Internal vs. External Delivery	6
4. Problems Solved with Coaching/Training Programs	6
5. Scope of Programs	7
6. Hard and Soft Costs	7
6. Outcomes	8
7. Return on Investment	8
IV. Insights from High-ROI Programs	9
1. Focus/Topic of High-ROI Programs	9
2. Lawyers Participating in High-ROI Programs	9
3. Leadership Buy-In for High-ROI Programs	10
4. Techniques Used in High-ROI Programs	10
5. Using Technology to Track Progress	11
6. Improved Skills among High-ROI Programs	11
VI. Best Practices	12
VII. About the Author	13
VIII. Additional Industry Research	13
IX. Additional Resources	13

I. Executive Summary

According to a recent article in the [American Lawyer](#), “the pandemic forced business development professionals and attorneys in major law firms to move away from (traditional client development) methods. In their stead, a wave of progressive thinking, including virtual events, increased collaboration between practice areas, expansive content generation and sales development training for attorneys, allowed most firms to exceed expectations for their pandemic-remodeled financial goals in 2020.” Given that firms are eager to sustain the success they’ve enjoyed with those advances, they must continue to train their lawyers on the appropriate soft skills required for effective client development.

On average, firms invest [5%](#) of their marketing budget in coaching; a valid response given that it is a top [strategy](#) for generating new revenue. It focuses and engages the law firm’s sales force - the lawyers - who would otherwise be too consumed with billable work to attempt to win new business.

However, many current business development coaching and training programs are far from perfect. As this white paper will show, there are untapped opportunities to optimize coaching and training programs, which assist lawyers in developing new clients and enable their firms to generate a better ROI (return on investment).

This study examines the state of business development coaching and training programs at law firms and the factors that contribute to lasting behavior change and meaningful return on investment. Respondents described the format and efficacy of coaching and training programs at their firms, including:

- Hard and soft costs, number of participating lawyers, program length, and which lawyers were selected to participate.
- The degree to which programs were delivered internally, or outsourced to external coaching and training specialists.
- The skills upon which programs focused, and the most effective aspects of the program overall.
- Business development improvements among the trainees and ROI to the firm.
- Characteristics of high-ROI business development coaching and training programs.

The good news is that high-ROI programs do not require an untenable budget and bandwidth to manage. Our report includes a series of recommendations on how firms can maximize their time and budgets, secure buy-in from leadership, buffer bandwidth issues by leveraging service providers, pair the right training topics with the right lawyers, and increase the overall ROI of their business development coaching and training initiatives.

II. Key Findings

Business development coaching and training is widespread in the legal industry - 79% of law firms have implemented a program within the last 5 years.

As a whole, firms provide coaching/training using internal resources rather than outsourcing to service providers. The average ratio is 59% internal versus 41% external. However, this ratio varies depending on firm size. At the smallest firms, programs are entirely outsourced. At larger firm sizes, programs are increasingly in-sourced; the largest firms deliver 99% of coaching/training programs internally.

Hard costs for these programs range from \$5,000-12,000 per lawyer on average, depending on the audience and how the coaching is structured (i.e. individual vs. group sessions). Soft costs increase when programs are in-sourced, as legal marketers spend more time managing them. The amount of time lawyers spend participating in these programs and following through on their business development action items is relatively constant across the board: approximately 8 hours per month.

In terms of curriculum, most firms provide training on general business development skills. However, high-ROI programs place a greater emphasis on cross-selling and pipeline management, which both emphasize tactical implementation rather than broad concepts.

High-ROI programs deliver these programs to junior partners and senior associates, and report a 25-30% improvement in key skillsets.

The two most effective aspects of coaching/training programs are improved accountability and providing lawyers with a tactical plan.

The following characteristics hallmark the programs that generated the highest ROI:

- There was more buy-in across the firm, especially from leadership,
- The programs placed greater focus on cross-selling and pipeline management,
- Programs included a combination of group and one-on-one coaching, and
- Firms used technology to track activity and progress.

Continue reading for more insights, statistics, and best practices.

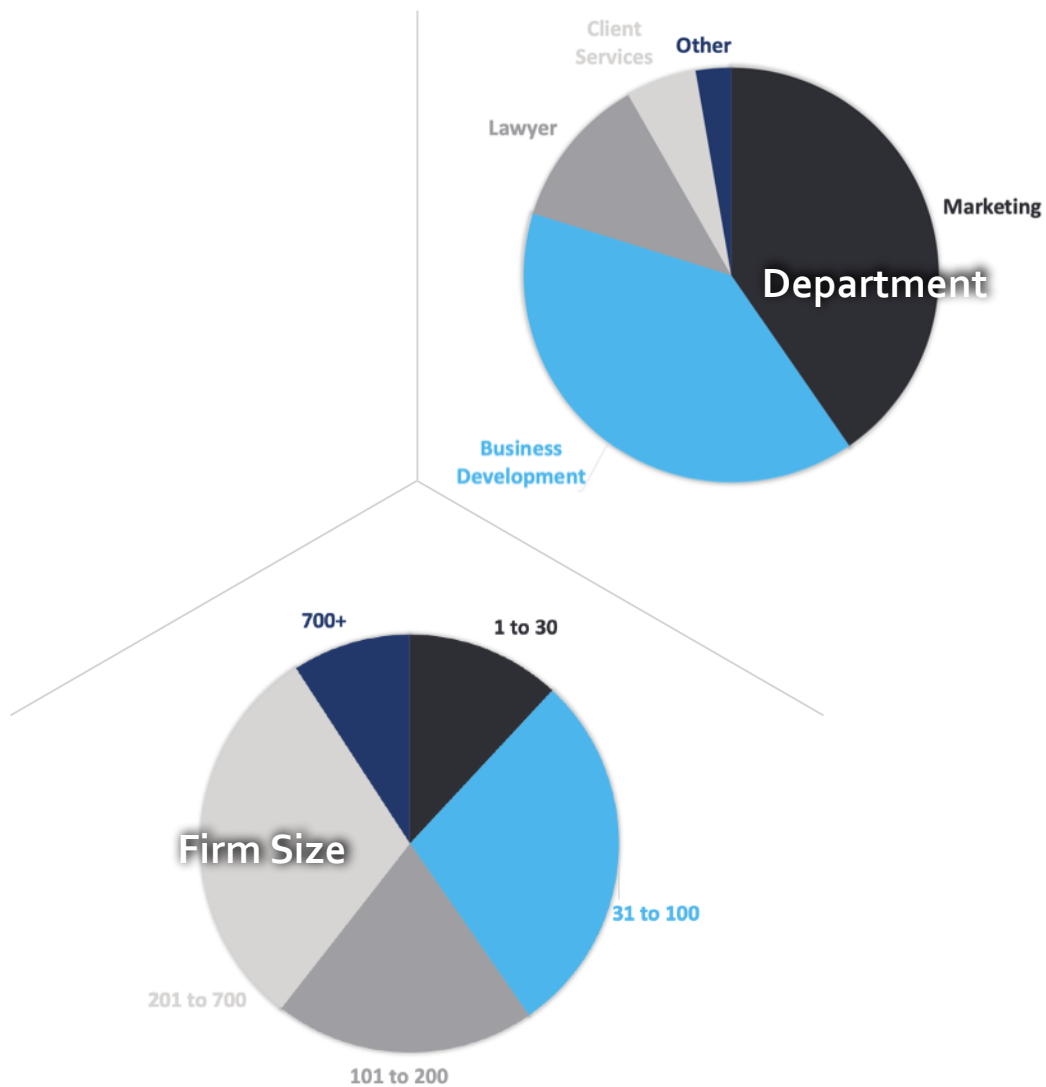
III. Data Analysis

The data in the following analysis was compiled between 2019 and 2020 via surveys across more than 260 law firms across North America.

Respondents answered a series of questions concerning the focus, costs, and results of their recent business development coaching and training initiatives.

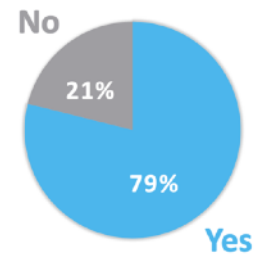
1. Respondent Demographics

Most respondents were Director- or C-level professionals in a Marketing or Business Development function or partner-level lawyers, and their firms ranged in size from boutiques to the top Am Law firms.



2. Recent Programs

Business development coaching and training is widespread in the legal industry. Participants were asked whether there had been a business development coaching or training program within the last five years. The majority (79%) of respondents responded positively.



3. Internal vs. External Delivery

Most law firms hire manager-level marketing and business development professionals to provide internal coaching on an as-needed basis. External providers are brought in to run structured training and coaching programs. We asked what percentage of coaching is conducted internally by marketing staff versus formal programs outsourced to external coaches.

Respondents reported that, on average, 59% of coaching and training is conducted internally and 41% is facilitated through external resources.

59% Internal | 41% External



4. Problems Solved with Coaching/Training Programs

Next, we asked participants to list which problems they were aiming to solve by rolling out a coaching/training program. The most frequent responses were that lawyers lack familiarity with BD (business development) best practices; lawyers lack accountability and consistency; lawyers have weak origination skills; and lawyers place insufficient focus on cross-selling the firm’s other services.



5. Scope of Programs

The average coaching/training program included up to 24 participating lawyers and lasted for a minimum of 6 months.

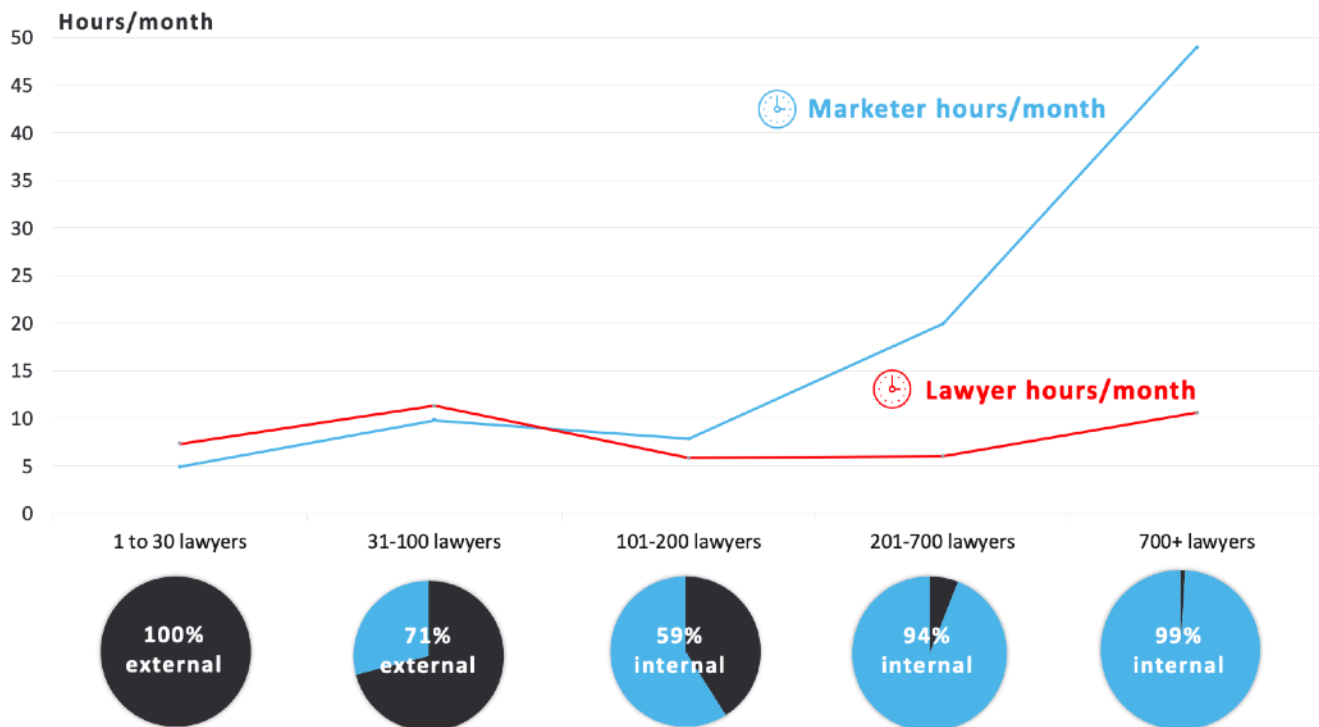
6. Hard and Soft Costs

The next question examined the hard and soft costs of coaching/training programs. When it comes to hard costs, outsourced programs cost between \$5,000-10,000 per lawyer on average, depending on the audience, the duration of the engagement, and how the coaching is structured (i.e. individual vs. group sessions).

As for soft costs, the X-axis in the chart below shows the various firm sizes and their corresponding percentage of internal vs. outsourced delivery. The smallest firms outsource all of their coaching/training, while the largest firms deliver it almost entirely internally.

Soft costs vary for firms of different sizes. The smallest firms have high hard costs but minimal soft costs in the form of marketer hours. As firm sizes increase, more and more coaching/training is delivered internally, and soft costs (marketer hours) increase proportionately.

The average time lawyers invest when participating in a coaching/training program stays roughly consistent at 8.2 hours, regardless of firm size and the ratio of internal/outsourced delivery. This includes time spent preparing for the coaching sessions and implementing assigned action items.



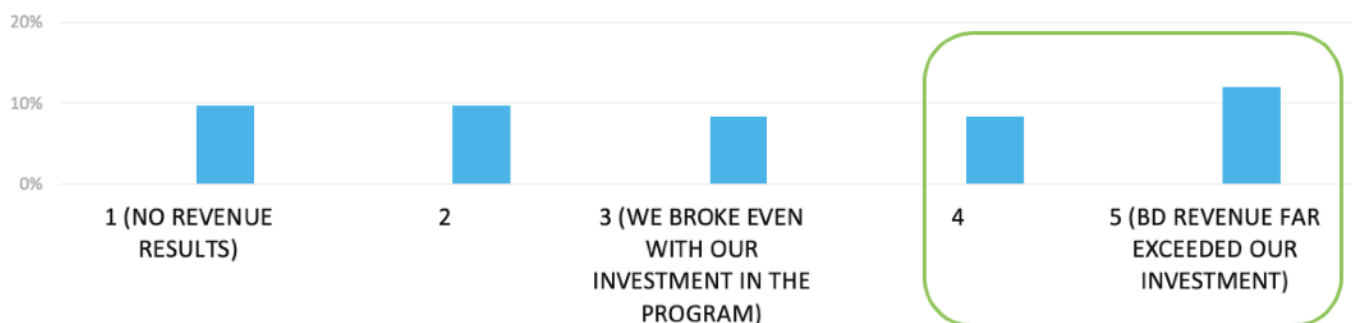
6. Outcomes

We asked respondents to list the skills they gained from coaching and training. The most common response was that lawyers were able to more proactively capitalize on client opportunities within the firm, and that they were left with clearer business development goals and a sense of direction. This makes sense given that, without a dedicated construct, lawyers are often too busy set aside the time required to craft a strategic action plan.



7. Return on Investment

Respondents were asked to rate the new business revenue they generated as a result of the program (ROI). Over half (52%) of firms did not track the ROI of their coaching/training initiatives. For those that did, ROI varied across the board. Those firms that scored the highest ROI (5 on a scale of 1-5) reported that their return was as high as 32X over their investment. In the next section of this white paper, we will focus on the subset of respondents who scored a 4 or 5 on the ROI question to ascertain what outperforming firms are doing to yield a return on their investments in these programs.



IV. Insights from High-ROI Programs

1. Focus/Topic of High-ROI Programs

High-ROI programs (ranking a 4 or 5 on a scale of 1-5) place a greater focus on cross-selling and pipeline management than average programs, thereby emphasizing actionable follow-through.

Cross-selling connects lawyers across practice areas and industries and teaches them to seek out opportunities through the lens of increasing client relationships. This strategy proved to be particularly effective throughout the pandemic, as firms doubled down on expanding client relationships.

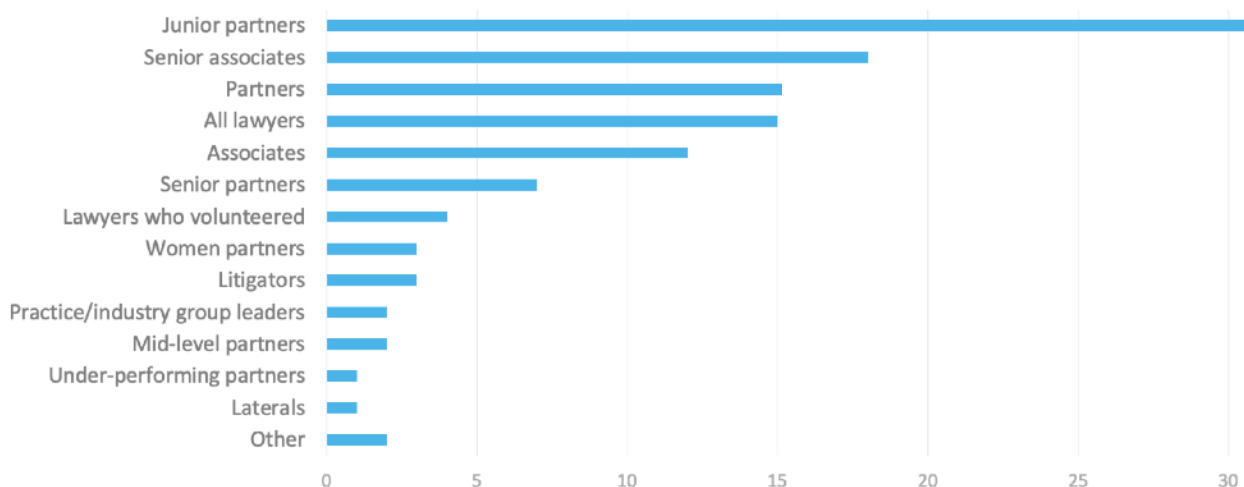
Pipeline management is exactly what it sounds like: managing a pipeline of relationships, making successive touch-points, and moving opportunities through the sales funnel.

Both topics focus on specific implementation - and lawyers respond better to tactical instruction than theoretical education. To generate more ROI, law firms should invest in programs that include a cross-selling curriculum and relationship pipeline management.



2. Lawyers Participating in High-ROI Programs

High-ROI programs focused primarily on junior partners and senior associates. These cohorts are motivated to become better business developers so they can build a book of business and meet their firms' partner-level origination expectations.

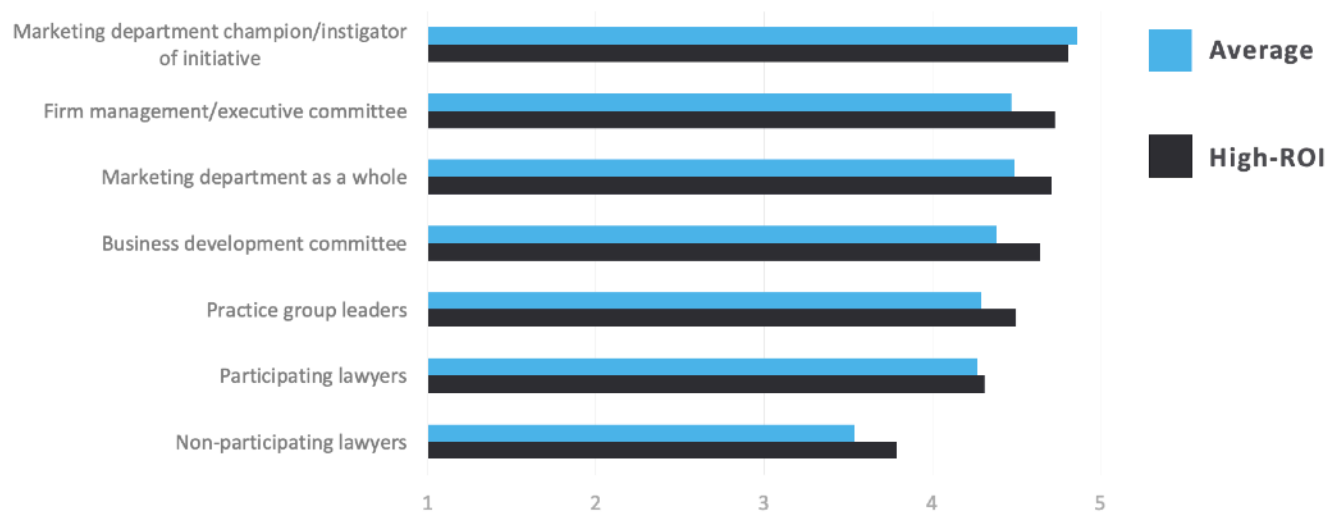


3. Leadership Buy-In for High-ROI Programs

When more people within the firm are bought-in, the programs generate better revenue results. High-ROI programs had more buy-in among firm management, the marketing department, and the lawyer population compared to average programs.

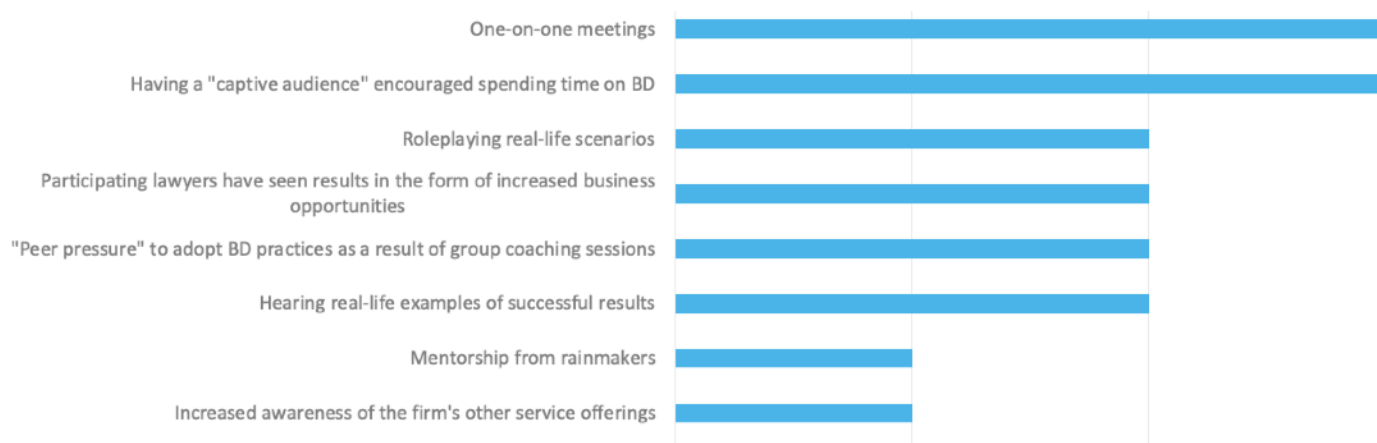
One of the biggest differences in high-ROI programs is that leadership is more bought-in than average programs. Our experience with coaching lawyers supports this datum as well. When leadership sends a strong message in support of business development programs - and sets the expectation that participation is looked upon favorably when it comes to comp review - ROI is invariably higher.

One of the biggest problems with business development programs is that lawyers have little short-term financial incentive to engage in business development. If firms expect a sea change in lawyers' attitudes toward rainmaking, they need to incentivize the right behaviors. But if firms are not ready to radically re-evaluate their comp structures, their leaders should at least reinforce the political importance of participating in BD programs.



4. Techniques Used in High-ROI Programs

The most effective techniques used in high-ROI programs were one-on-one meetings and providing a "captive audience" to encourage lawyers' undivided attention and accountability. Group coaching was also effective forum for "peer pressure" and comparing successes.



Group coaching can also contribute to a stronger business development culture. When lawyers learn together, they open channels of communication, gain a better understanding of each others’ practices, and break down silos. When a firm is planning a business development coaching initiative, it should consider implementing a combination of one-on-one and group coaching sessions to leverage the best aspects of both formats.

5. Using Technology to Track Progress

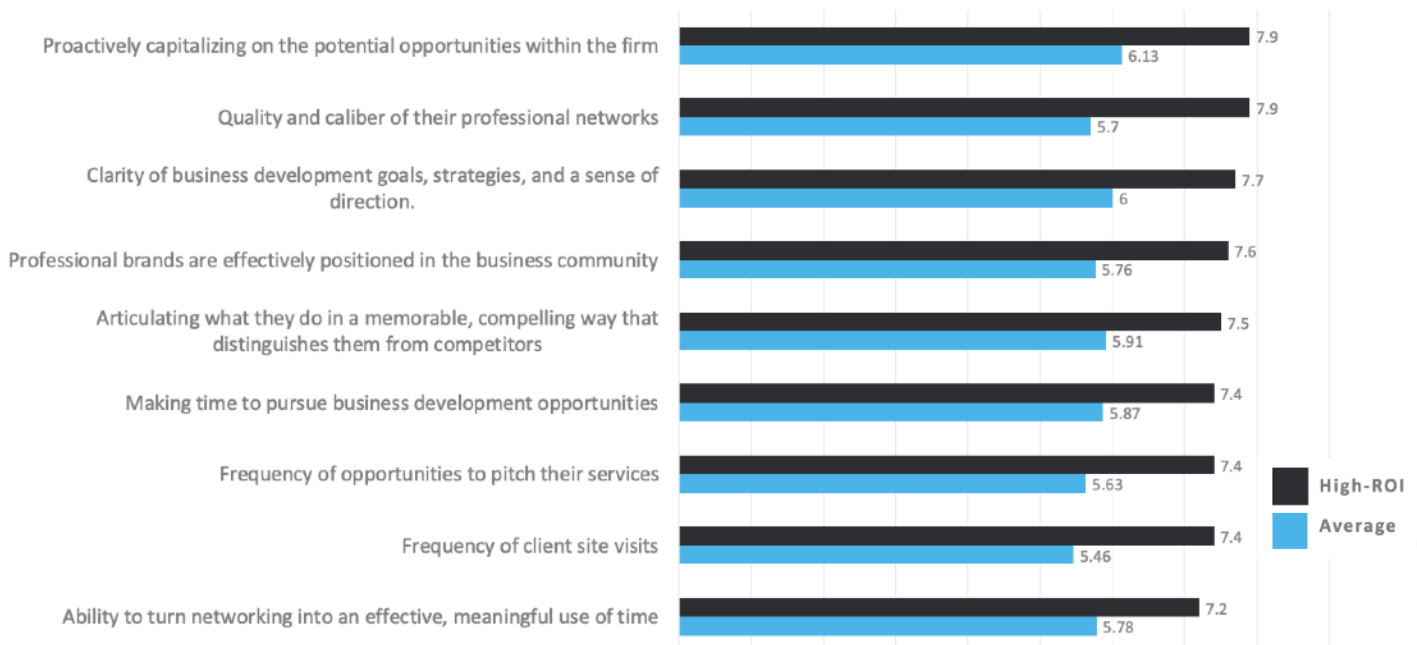
Some of the most significant barriers to business development are a lack of accountability and follow-through; technology can help lawyers focus on implementation and track their activity, which makes accountability a more manageable exercise. Technology can also enable law firm leadership to track the ROI of these initiatives more effectively.

Low-ROI firms primarily used basic platforms within the Microsoft Office Suite. High-ROI firms largely incorporated business development technology into their programs to track progress and measure ROI, namely PipelinePlus or CRM.

6. Improved Skills among High-ROI Programs

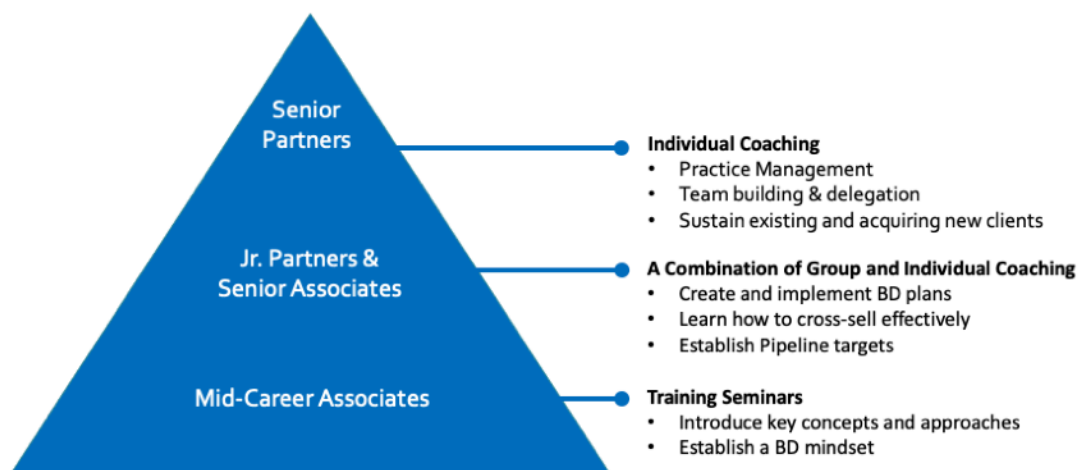
There was a significant improvement in all skill categories among high-ROI programs. Respondents rated approximately 25-30% higher on business development skills.

These outcomes are obviously precursors to the high ROI enjoyed by the firms that followed best practices and the recommendations in this report.



VI. Best Practices

1. **Secure buy-in across the firm, especially with leadership.** Coaching and training programs perform significantly better when there is buy-in from leadership. Case studies, research papers like this one, well-tracked pilot programs, and data visualization tools can position these programs in the best light and set them up for greater success.
2. **Match the focus of the training to the lawyer cohort.** In order to provide scalable, affordable training for mid-level associates, use e-learning or classroom-style training. For senior associates and junior partners, provide a combination of group and individual coaching with an emphasis on implementation, cross-selling, and pipeline management. Providing a combination of group and one-on-one meetings with this cohort helps with two psychological angles to accountability: group meetings foster a sense of “peer pressure” that inspires lawyers to compete at the risk of falling behind their peers. And one-on-one meetings create a “captive audience” so that lawyers can focus on their business development objectives and address specific concerns. Senior partners with nuanced practices should receive individual, high-touch attention from an experienced coach. The Business Development Training Pyramid can be an effective model for scalable firm-wide coaching and training. Divide the population of entrepreneurial lawyers into seniority cohorts and provide tailored training to each one.



3. **Provide a combination of internal and outsourced resources.** Marketers at small and midsized firms can leverage external coaches, trainers, and technology service providers if their bandwidth is too limited to manage the entire business development initiative. They can often accomplish a greater ROI by leveraging the expertise of service providers. Marketers who drive internal coaching and training programs should consider Train-the-Trainer programs so they can learn effective coaching techniques.
4. **Track ROI.** Data visualization, CRM, and PipelinePlus relationship management software will allow you to track the results and revenue from a business development initiative. This is absolutely crucial for marketers who want to demonstrate that their department isn't a cost center, but a highly valuable profit center. Track all forms of ROI: behavior change, increased efficiency, lawyer satisfaction, and new revenue. Continue the pipeline management process post-program for sustained results.

VII. About the Author



David Ackert is the President of Ackert Inc., a business development coaching and training firm with law firm clients across the globe. Widely recognized as a pioneer in the intersection of business development coaching and technology, David is the founder of the PipelinePlus software platform, which helps firms manage key pursuits and enhance the skillsets of its business developers. His work has been published in a variety of media including the *Wall Street Journal*, *The Los Angeles Times*, *Strategies Magazine*, and the *National Law Journal*. He has an MA in Psychology and is a Fellow at the College of Law Practice Management.

VIII. Additional Industry Research

We publish annual white papers that examine the business development trends in the professional services industry. Each white paper provides relevant takeaways intended to provide best practices that strengthen your firm and your book of business.

- The State of CRM at Law Firms: A Market-Wide Study (2020)
- Business Development Trends Across Firm Demographics (2018)
- Key Performance Indicators for Law Firms (2018)

To request our other white papers, please contact us at info@ackertinc.com.

IX. Additional Resources

Our **Business Development Coaching Programs** provide a forum for your lawyers to develop actionable business development plans and implement them through discussion and accountability.

Our **Business Development Presentations** provide dynamic business development programming on a variety of relevant topics.

Our **Train-the-Trainer Program** is specifically designed to help legal marketers run more effective training and coaching programs within their firms.

PipelinePlus is a simple pipeline management tool that helps lawyers pursue new clients, prospects and referral sources. It includes a business development e-learning curriculum, a user-friendly relationship management tool, goal-setting features, and performance metrics that get your lawyers engaged and their practices booming.



For more information, visit www.ackertinc.com or contact us at info@ackertinc.com.