

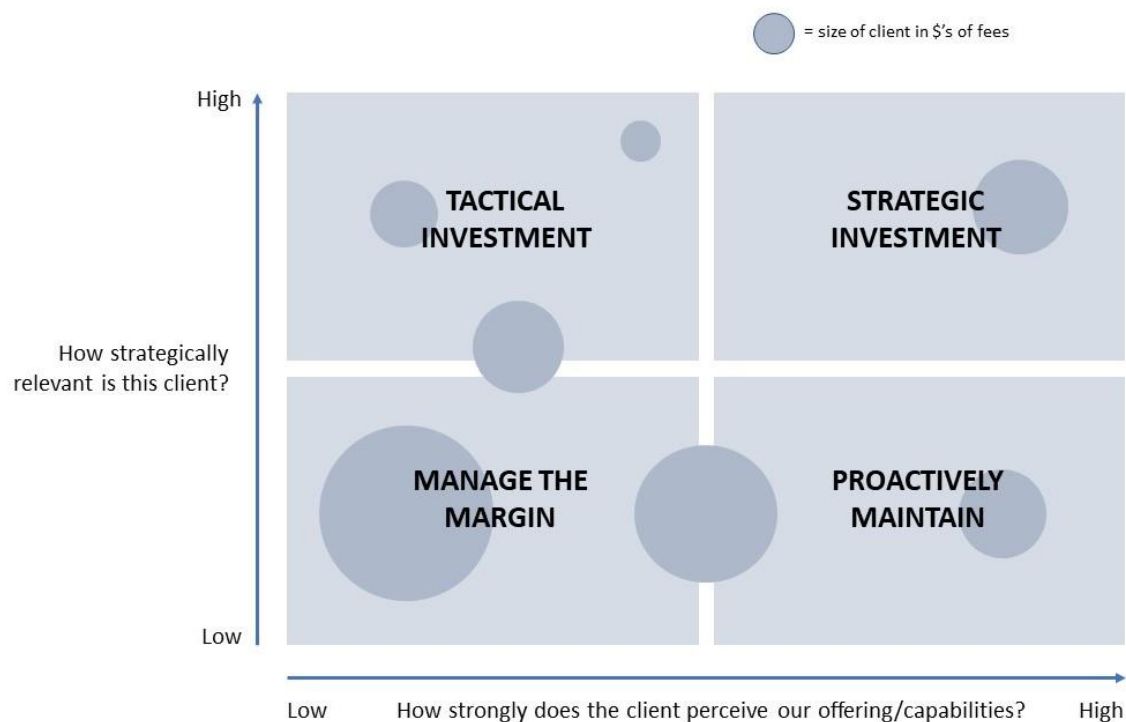
Prioritising Your BD Resources

It can be difficult to decide how much BD time and cost should be invested in each of your clients.

Often this can be quite a subjective process, depending upon factors that might include:

- The number of people/Partners involved in the decision
- Recent client activity versus historical client activity
- The number and proportion of different services you provide to the client
- The amount of fees the client delivers to the firm relative to other clients
- Personal relationships
- etc

The model below is one way to introduce more objectivity into the analysis and remove some of the natural bias from the outcome.



Firstly, plot your important clients onto the matrix according to where you think they sit on each axis.

To help you decide the positioning, try to answer the following questions for yourself:

How strategically relevant is this client?	<ul style="list-style-type: none"> • Is this client doing more work with us over time? • Is this client growing their own business? • Does this client have operations in other geographies that are part of our focus? • If we lost this client, how much would we worry about filling the fee gap? • Will this client help us to win more clients? (Either through referral or testimonial)
How strongly does the client perceive our offering and capability?	<ul style="list-style-type: none"> • How many of our services does the client use? • Does this client refer us to new prospects? • Does this client always give us excellent feedback? • Does this client ask us for advice in areas outside of our specialisation? Do they see us as a partner/trusted advisor? • Does the force us into competitive tenders for all their work? • If we ended the relationship, how would the client perceive that loss?

The model above uses bubbles to represent the relative size of fee revenue for each client. This is another layer of information that might be important for you, but equally might not matter for your purposes. Only try to map it if it is going to be useful in your decision making. (You don't have to use bubbles – you could simply write the client name and fee numbers, or use some other means for adding the information).

Once you have plotted your important clients onto the matrix, then you can start thinking about possible strategies and tactics for managing the client relationship in the most appropriate way according to their relative importance to you.

The table below sets out some examples of the sorts of strategies and tactics that you might want to adopt:

<p>Strategic Investment Your aim is to reinforce what is already a strong relationship and make it very sticky</p>	<ul style="list-style-type: none"> • Build peer-to-peer relationships between senior executives in your firm and the client • Consider exclusivity arrangements for services, with a corresponding benefit to the client (e.g. lower pricing) • Conduct joint planning sessions with the client to map out how and where you will engage with each other going forward • Introduce the client to your networks (where it makes sense) and get the client to do the same for you • Collaborate on the provision of value-added services
<p>Tactical investment Your aim is to neutralise any competitors</p>	<ul style="list-style-type: none"> • Offer some selective, judicious discounting • Deliver targeted value-added services • Regular client relationship hospitality activities
<p>Proactively maintain Your aim is to keep the client satisfied and maintain the business</p>	<ul style="list-style-type: none"> • Provide newsletters with relevant content • Let more junior staffers run the client account to learn in a "safe" environment • Provide low cost value adds • Do not discount – there is no strategic upside
<p>Manage the margin Your aim is to minimise your cost to serve</p>	<ul style="list-style-type: none"> • Use lower cost resources in your service delivery • Do not discount • Do not entertain • Minimise client relationship effort and customisation

This mapping should be one of the key inputs into any account planning process that you undertake.

The key take-away's for you from this lesson should be:

1. The need to remove subjectivity from your resource allocation and account planning process.
2. The importance of allocating BD resources into the right clients.
3. Thinking more proactively about your clients and resisting the urge to be reactive.