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Can Pa. Law Firms Start to Close Revolving CMO Door?

BY GINA PASSARELLA

Special to the Legal

Filling and keeping filled the chief marketing officer position within Pennsylvania's law firms has often been a struggle.

The key to shutting off the revolving door, consultants and CMOs say, is for those firms to be honest with themselves about what they want out of the role while recognizing the position has evolved into much more of a strategic business adviser who has to have the ear and buy-in of firm leadership.

"Marketing is just in a different place now after the Great Recession in terms of the legal industry," said Saul Ewing CMO Damien R. Enderle.

While it used to be the pushing out of information to clients through brochures and client alerts, that is no longer what clients are interested in, Enderle said.

"They are looking for targeted business development partners that understand their industry, the problems they are having and the increased pressure at the GC level to do more with less," Enderle said. "That requires a different skill-set from the marketing perspective than the very communications, tactical approach to more of a business development focus."

The Am Law 50 firms, Enderle said, are much more aggressive at looking at marketing from a sales perspective and the rest of the Am Law 200 are quickly starting to catch on. Enderle said firms still have to use the more traditional marketing principles, but as a supplement to the department's focus on targeting business opportunities and learning about certain clients and industries.

Pennsylvania's legal industry has a long history, and sometimes that staid approach has worked to its detriment, said Gina F. Rubel of Furia Rubel Communications. Firms are used to doing business a certain way, but they need to start giving CMOs a seat at the table, she said.

"It's not this nebulous position where people are pushing brochures," Rubel said. "It's someone who understands the numbers, the pricing and positioning of legal services."

Rubel said she can't count the number of times lawyers have told her marketing has nothing to do with pricing even though pricing is one of the first things marketers learn about in college.

CMOs also have to know how to measure the return on their investment, monitor the law firm's brand and be able to handle crisis communications for the firm if necessary, Rubel said.

"There is a very high turnover rate because, like it or not, [CMOs] are not treated with a whole lot of respect all the time," Rubel said. "They are challenging roles so, as a result, the people who last are ones who are never going to be intimidated and always want to better what they do."

Jennifer Johnson Scalzi of J. Johnson Executive Search has focused her practice for the past decade exclusively on placing marketing professionals in law firms. She said firm leadership often doesn't have any experience in marketing, leading the search process to be akin to "a marketing person charged with hiring an appellate lawyer."

Often law firms will be enamored with a person's resume or the fact that he or she is coming from an elite

or competitor law firm, but once the person is in the door, the parties realize the goals don't match up, Johnson Scalzi said.

"When I see firms that find the right person, it's because the candidate has gone through the interviews and, at some point, it switched from the firm recruiting the candidate to the candidate deciding whether they want to go there," Johnson Scalzi said.

She said the CMO candidate, toward the end of the interview process, should return to the managing partner with feedback from what the candidate learned from interviewing with firm leadership and partners. The candidate should make sure that his understanding of what he heard from the firm is the firm's understanding of what it wants from the position, Johnson Scalzi said.

"One thing that great leadership at law firms should make sure the CMO has is a very clean list of responsibilities and assignments to be performed," said Stacy West Clark of Stacy Clark Marketing.

And firms need to do an honest assessment of their culture and make sure the CMO hired matches that culture. A conservative firm should hire a conservative CMO, Clark said. As Johnson Scalzi said, some CMOs may just have too much "horsepower" for a firm's liking. A firm might not be ready for that much initiative, she said.

But Clark said any CMO should have charisma and care about the firm the same way the managing partner does.

In the past 18 months, Johnson Scalzi has led searches for three Am Law 100 firms. Each of them was looking for someone with a business

development bent, but the goals of each of the firms were slightly different. One was all about branding and capturing market share via thought leadership, one was all about business development, client teams and client feedback interviews, while the third was all about identifying its position in the market, its values and what practices it wanted to continue in.

All of the candidates for all of those roles had experience across the marketing spectrum—classic marketing, business development and public communications. But each specialized in a certain of those areas, Johnson Scalzi said.

Clark noted a CMO shouldn't be a specialist in all areas but has to be able to hire the right specialists and have capabilities in a number of areas, such as public relations, competitive intelligence, graphic design and training programs.

And hiring the right specialists has become critical for the success of a CMO.

Clark said a law firm partner recently told her the partner has no confidence in the firm's CMO because the CMO doesn't hire great people at the lower levels. So the partner avoids using the marketing department altogether.

"More and more, it's very important that, at least from the specialist level on up, that the hires made are people who can be client-facing, i.e., attorney-facing, who say smart things and make really good deliverables," Johnson Scalzi said. "Gone are the days of people who can be back office. Everyone has to be on the mission of making the department look really good."

BEYOND THE LAW FIRM REALM

The days of hiring only from another law firm may also soon be gone. Johnson Scalzi said firms still

aren't quite ready to really branch out beyond the legal marketing industry when hiring CMOs, but the law of supply and demand might force that issue as firms are starting to become wary of simply hiring CMOs who have jumped from firm to firm.

And it also might make some business sense to look to other industries when hiring a CMO.

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— Scalzi

"Law firms that are getting people from accounting firms are really smart," Rubel said.

Someone coming from another professional services industry not only has the benefit of being in an industry that has marketed its services longer than law firms have, but they also have contacts within those industries—industries that are often clients of the law firm. Rubel suggested law firms look at where they get their business from and think about potentially hiring from those industries.

Johnson Scalzi recruited Enderle to Saul Ewing from the accounting world, where he had previously done marketing for Deloitte, Grant Thornton and, most recently, CohnReznick. Enderle said he wasn't interested in joining Saul Ewing until Johnson Scalzi came back and said the firm was really considering hiring from outside of the legal industry. He said that showed the firm was ready to take a different strategic approach to marketing.

"Hiring from outside legal ... encourages [firms] to think outside of the norm in terms of what law firms have done," Enderle said.

Regardless of where the new CMO comes from, savvy firms will make sure CMOs have the public support of firm leadership and are brought into as many facets of the firm as possible so that the CMO can get buy-in from a greater con-

tingent of the firm, Clark said.

Firms might have to do a better job in the hiring process and in supporting the CMO role, but the CMO has a big part to play in her success as well. And a large part of that is being able to demonstrate to as much of the law firm as possible how they are bringing value to the firm.

"The people who make the most money in this industry are people who, at least quarterly, are going before the board and talking about how they are impacting the bottom line," Johnson Scalzi said.

Gina Passarella can be contacted at 215-557-2494 or at gpassarella@alm.com. Follow her on Twitter @ [GPassarellaTLI](https://twitter.com/GPassarellaTLI). •

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