

How to market your firm

Marketing, when done properly, can maximize your firm's financial performance, writes [Robert C. Sawhney](#)

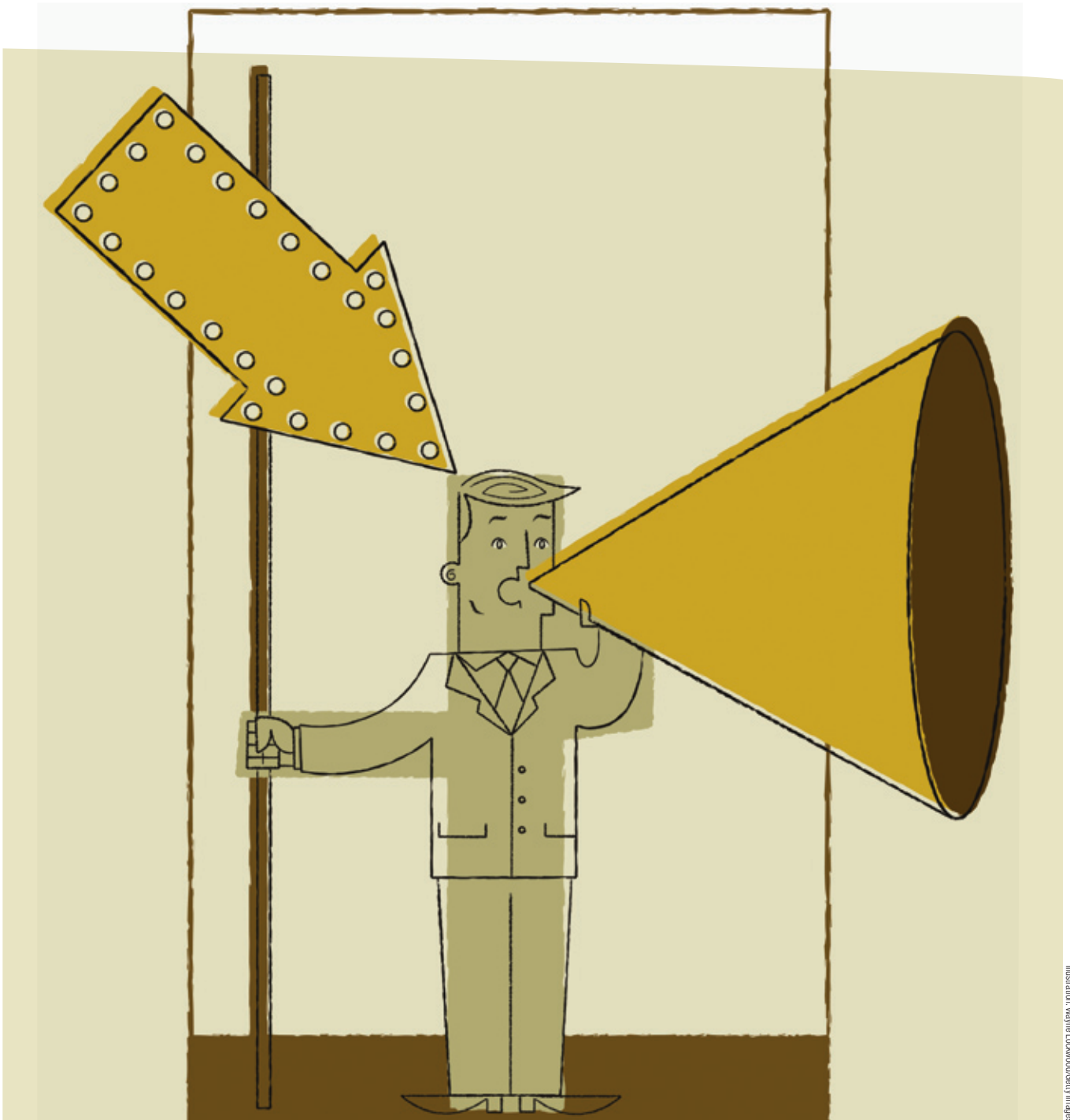


Illustration: Wayne Lockwood/Getty Images

Some accounting and professional service firms think of marketing as an add-on that involves promotional materials, such as websites and sales brochures. When marketing is viewed this way, its ability to lift a firm's performance is, at best, hit and miss.

Professional service firms are different from consumer product companies. As a knowledge-based firm, an accounting firm's ability to leverage professionals' experience and know-how depends on whether it can engage its people and link the core activities of strategy, marketing, human resources and knowledge management. This will fail if you don't have the full support of your staff.

When a firm has a true market orientation, it is focused on its clients and how to deliver top quality services to those clients. It seeks to understand clients and the marketplace, and share that information within the firm. This allows the firm to provide an upward spiral of better services, and new and innovative products.

Value creation

Accounting firms are in the enviable position of being able to create value for their clients once they embrace marketing as a way to serve them.

Marketing tactics such as advertising or promotion are not the whole picture. In addition, many firms hire marketing staff in the belief that marketing belongs solely within the marketing department, but a marketing culture needs the commitment of every employee from the top down.

A marketing mind-set adds value because it helps the firm decide what it wants to be known for, what clients it wishes to serve with which services and how the firm can structure itself to ensure it stands out.

Some practices within accounting firms tend to hold back performance

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and erode client value:

- Reliance on hourly billing
- Lack of direction and values on the part of management
- Consensus decision-making
- Lack of business training for professionals and knowledge sharing among partners, practice groups and offices
- Culture focused on partnership promotion track

Some professional service firms have changed their business models to valuing knowledge and results more than time; that is, they have switched from a focus on billing to a focus on sharing knowledge and great results.

Most clients care more about results and the value you can deliver than they do about your time - they care about what you can do for them. In many firms, the existing working structures and systems work against delivering value.

Training and education

To become more market-oriented, a firm needs to change its mind-set. One of the best ways to achieve this is through training and education, with a strong focus on successful case studies.

Addleshaw Goddard, a well-known law firm in the U.K. (now a Harvard Business School case study), went to great lengths to

train partners about their clients' needs. The firm brought in multiple outsiders, including one of its own clients who was in the change management business, to train its staff. The firm is doing well despite the recession, although it hasn't released its full financial results yet.

Harrex Group, a New Zealand-based accounting firm, did away with billable hours and time sheets, and charged a fixed fee based on value instead; this required the firm to understand and articulate what clients demanded and what set it apart from its competitors.

This culture shift also changed the way Harrex measured staff performance, taking into consideration qualities such as innovation and creativity, communication skills, and the ability to understand client industries and think strategically on their behalf. This led to considerable success for the firm in terms of revenue growth, reputation and branding.

Once a firm realizes that client value is the cornerstone of success and requires the integration of various company functions, it will be ready to change. A market orientation will give you the mind-set, culture and tools to ensure change is headed in the right direction.



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