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Pitch

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Gone pitching

How successful is your pitch and tender management?

Building bridges for better business

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Ryan Hannan, associate client partner at Hubbard One, argues that tougher conditions at professional services firms lend weight to the business case for establishing an alumni marketing programme.

Unlike any other time in the last decade, professional services firms are working harder than ever to find and win new business. It is well known that the global financial crisis has hit firms' bottom lines and as a result most have been reviewing their operations with an eye to reducing costs, which means close attention is being paid to marketing expenditure. Ironically, it is these conditions which provide business development teams with ammunition for the inclusion of an alumni programme in the new marketing mix.

Alumni marketing programmes are a powerful business development channel. They help firms leverage a truism of business behaviour: people go with what they know. If a person has a good experience with a particular business partner, invariably they will seek out that expert when the next piece of relevant business comes around. An alumni programme makes sure that past connections remain top of mind.

For this reason it can be invaluable for a firm to track the progress of a fee-earner who moves on to become a company's in-house counsel, allowing the firm to tap into a potential source of new business. An alumni programme helps build a two-way communication platform whereby the firm and the ex fee-earner are informed of the other's growth and success, heightening the chance that the firm will be considered when the next piece of relevant work arises.

A dedicated website is the hub of most alumni programmes. The website typically consists of a searchable alumni directory, which carries up-to-date information on former employees, news and events relevant to the alumni audience, and a jobs centre – a powerful

value-add for alumni looking for further career advancement. Other standard alumni programme activities include the publication of an alumni newsletter and the organisation of various alumni-specific events, such as networking functions and speaking opportunities.

Return on investment

Return on investment (ROI) for an alumni programme is hard to measure, as it often is for many other marketing activities. Because an alumni website is not selling anything, it can be difficult to quantify benefit in monetary terms. However, the business case is significantly strengthened if you compare the costs to establish and maintain an alumni programme to many other business development activities. The upfront costs are certainly price competitive in comparison to an advertising or event marketing approach.

Rather than revenue capture, a better way to analyse return on investment for an alumni programme is to measure the number of relationships it fosters. Striking up new contacts, and refreshing existing ones, creates a huge amount of new business potential for a firm.

Supporting this is the argument that an alumni programme adds value to a firm's brand. If a firm can show dedication not only to current staff, but reach out and maintain contact with previous employees, it endows it with a reputation for fostering relationships and being at the cutting edge of networking. In my experience if a firm's current employees have access to an alumni site, and can share in the networking that is taking place, it can also lead to them feeling more secure and satisfied with their own working environment.

Another factor to consider is that due to the recent high number of redundancies and shrinking job market there are many professionals moving into sectors they traditionally wouldn't have considered during boom times. If a firm can maintain contact with a former employee who moves into a new work area, it could create inroads into all sorts of different opportunities. Keeping an open mind about where work can come from, and a direct line of contact with those who initiate it can pay handsome dividends - opening up new channels and diversifying work streams.

In the collegial environment that typifies many professional services providers, the value of expanding the firm's brand through the word of mouth channels that an alumni programme fosters should not be under-estimated. Remember, in the world of Web 2.0, your alumni activity can be easily leveraged to reach a broader audience through social networking sites, such as LinkedIn and Facebook.

It pays to be proactive in the area of social networking. Anyone can create a group on Facebook, so if your firm doesn't proactively set one up, an unofficial one could be created - which has obvious risks and disadvantages. Have your Facebook group create information teasers that lead people back to your firm's alumni site, and create links from your alumni directory through to each individual's Facebook or LinkedIn accounts.

Very recently LinkedIn has created an API that allows for communication between LinkedIn and other applications (learn more by visiting this link: <http://blog.linkedin.com/2009/11/23/linkedin-platform-launch/>). It is worth exploiting this if you can. Automatically capturing information from LinkedIn or Facebook accounts and dragging it back to your alumni site makes sense, as it is much more likely that people will update these accounts before their alumni profiles. Employing the power of social networking is a great way to leverage your existing alumni web content. Make sure the content on your site can be bookmarked so visitors to your site can easily make it available to other people within their specific network.

When considering the pros and cons of an alumni programme it is worth considering that the actual investment to get a site going can be small in comparison to the value of just one deal. In the US, many leading firms, such as Sidley Austin, White & Case, and WilmerHale, have judged the benefits an alumni site brings as worthwhile enough to invest in, and now in the UK, with early adopters such as Clifford Chance dipping a toe in the water, the wave may be breaking these shores as well.

Having an established alumni programme in place has become ever more important as many firms have recently been forced into large-scale redundancy programmes. These firms are painfully aware that the reason they are being forced to let staff go is not due to a lack of ability or quality of work, but because of shrinking fee income brought about by the global recession. There is a tendency as the market shifts to see fee-earners returning to past employers, so maintaining relationships with alumni, who are clearly valuable assets, becomes ever more vital.

The most successful alumni programmes are the ones that start from as early as the exit interview itself. Firms should use the exit interview as an opportunity to ensure that they have the correct personal contact details for fee-earners, and should also give individuals their user name and password to the alumni site then and there. This means firms are already starting their new relationship with their alumni on a transparent and solid footing.

In conclusion, good relationships lie at the heart of successful business deals and in the current economy relationships are more valuable than ever. The impact of the global financial crisis has reduced the amount of work that walks through the door and now, more than ever, professional services firms have to fight harder to win work. Developing untapped business through an alumni programme is a cost effective way of maintaining a firm's market presence.

Ryan Hannan is an associate client partner at Hubbard One. Hubbard One provides marketing and business development consultancy and solutions to leading professional services firms. For further information visit www.hubbardone.co.uk.