

## The LexisNexis® Tips Series -- Number 4:

### *Competitive Intelligence in Law Firms; How Can You Begin?*

Just as lawyers perform due diligence in researching the ins and outs of case law, law firms large and small need to investigate the business landscape to improve market intelligence. A growing number of legal professionals, particularly law librarians and those focused on marketing and business development for their firms, are leveraging the power of competitive intelligence (CI).

Not a spy game, CI is information gathered and analyzed to identify actionable client development opportunities. Regardless of your role within the firm, cultivating CI skills can make you an indispensable member of the client development team:

- 1. Define competitive intelligence.** Simply put, CI is a systematic and ethical program for gathering, analyzing, and managing multiple data points about competitors, clients and the business environment in which you operate. Coupled with provoking analysis, CI leads to business ROI and enhanced client service.
- 2. Define the role competitive intelligence will play in your firm.** Successful competitive intelligence in law firms resides at the intersection of library, marketing, business development, and strategy and planning. With all of the data available, both inside (billing, knowledge management) and outside (news, litigation, financials, relationships) the more departments with varying skill sets working on CI the better.
- 3. Define the context of CI for your firm.** What most impacts business development in the law firm? Look within at firm structure and organization. Look externally at vertical industries you represent and the long- and-short term clients in your portfolio. Then, take a close look at the competition. Create alignment and balance amongst the ~~sources~~ for enhanced intelligence to consistently draw conclusions and analyses. Gain consensus on whether CI should be a formalized function.
- 4. Start with a SWOT.** When was the last time your firm formally identified its strengths, weaknesses, opportunities and threats? This type of analysis is critical and should be conducted at regular intervals. One of the best business development opportunities on which to run a SWOT analysis is the RFP process. Using competitive intelligence, a firm can anticipate others competing in the RFP, how their firm compares with others, and how best to position strengths while playing up others' weaknesses. Whether it's part of the firm's annual planning or with each RFP, this simple but effective and comprehensive analysis helps determine where to begin competitive intelligence.

**5. Conduct scenario planning.** Do you know what the legal marketplace will look like in three years, five years and 10 years? No one knows for sure. By going through a scenario planning exercise, however, you may know more than you realize. What scenarios do you expect to unfold, and what actions do you expect as a result? By narrowing potential outcomes and building plans for them now, your firm will be prepared regardless of what the future brings. Develop a keen orientation to market and business cycles that impact your firm so you don't get caught by surprise.

**6. Self Promote!** Brand, launch and deliver CI within the firm. Allow CI professionals to tap a team and join forces with firm experts to further the CI function and make it grow. Make sure firm management knows the contribution and influence of CI via smarter pitch books, more targeted RFP process, increase in wins etc.

**7. Get the inside scoop, too!** CI is often understood as external facing; it's an exploration of market landscape, competition, clients' verticals, performance, and other factors that contribute to knowledge intelligence. Don't forget to tap and explore all of the insights from your internal data sources a.k.a. business intelligence, too! The two must complement, and both sets of data are critical to making sound business decisions.

**8. Determine key intelligence topics.** No one can focus on every topic or angle that affects business. As a team, explore the key factors, sources and topical areas that align with your firm's business model. Develop a top-ten list, which can easily be adjusted as time goes on, and cull actionable data within these categories. Then analyze and conclude, always.

**9. Outfit your tools arsenal.** No firm can conduct CI well without an arsenal of content and software tools that help monitor, alert, gather and analyze market intelligence. Familiarize yourself with the tools and information resources available on the market and on the Web then explore and test the ones that seem right for you.

**10. Attend key tradeshows and follow bloggers.** The Society for Competitive Intelligence Professionals is an amazing resource on this topic. Law firms are a growing membership category there, and the high-level education and case studies from around the world can only stimulate your own intellectual growth. Lastly, there are key legal bloggers on the CI topic. Follow them, post remarks and get comfortable with this burgeoning professional category.



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