

Research and (Business) Development

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As we discuss in detail in our upcoming book, *SAM-Legal: From Key Clients to Strategic Accounts*, business research and analysis is one of the core competencies that law firms need to have on board as they seek to build out relationships with important existing clients and to attract new ones.

A wealth of information about companies – especially those that are publicly traded – is available and easily provided by law firm professional staff resources. Some lawyers may want access to all of the copious information that is available, but we have found that in practice most do not have the desire, appetite nor need for all of the information that potentially can be provided. We recall the reaction of an AmLaw 100 firm’s Corporate & Securities practice group leader who had requested business information on 10 clients and received from the Business Intelligence Department a 10-inch stack of great, painstakingly assembled, but unfiltered information. “What am I supposed to do with all this stuff?” the practice group leader complained. “What does it mean?”

For lawyers like this practice group leader, too much information can not only be unhelpful, it actually may hinder strategic account progress. With this in mind, we advise those who are assigned the task of research and analysis to consider and understand the information needs of different audiences, and to render information in a format and length that is tailored, relevant and useful to each.

All that said, consider the breadth and depth of information that today’s business intelligence departments can easily assemble and quickly provide to strategic account teams:

- Financial performance (including key ratios compared with others in the same industry)
- Strengths, weaknesses, opportunities, and threats
- Business strategy, plans, and tactics
- Needs and opportunities
- Key competitors
- Risks and exposures
- Industry trends
- Business effects of transactions, compliance, intellectual property, and litigation
- History and development of the company
- Gleanings from the client web site, social media posts, and marketing materials
- LinkedIn and other profiles of key client professionals – both those in the legal department and business executives generally
- Charitable, philanthropic, and societal interests of the company in general and the key buyers in particular
- Stated importance of Diversity & Inclusion on the part of service providers

- Stated deployment of Alternative Fee Arrangements
- Recent news developments, including company press releases, and Investor Relations Communications
- Corporate family tree
- Geographic locations of key business operations, and the specific company activities at each
- From third-party information providers, company reports on key business activities, litigation, transactions, and Intellectual Property
- SEC and other publicly available information including annual reports, proxy notes, minutes of quarterly shareholder calls, industry analyst reports, etc.

That's a lot! And it's only a partial list. No wonder the practice group leader we mentioned earlier screamed "Uncle!"

While Business Intelligence most often can provide the raw information listed above (and more), in practice, most information professionals at law firms do not yet possess the acumen to conduct advanced analysis of the information. Tremendous value is generated when a senior staff leader understands how to read, digest, interpret, and synthesize this information and to produce it in a format that lawyers find easy to grasp and practical. This information-translating ability is so foundational that we strongly recommend that law firms' information professionals undertake at least a mini-course in how to read, understand, and interpret business information, particularly that contained in SEC filings.

Another alternative is to engage an outside consultant who specializes in business and competitive intelligence. Many resources are available, but one of the best at poring over reams of complex information and summarizing it in a way that is useful for most lawyers is Latin Brains (latinbrains.com), an organization that has been branching out significantly in the legal arena.

A thoroughly prepared and studied intelligence brief/dossier makes it easy for lawyers and strategic account teams to interact with a client's inside counsel and business professionals. Filtered information tools eradicate the need for outside lawyers to ask general background questions or to make requests for information that easily could have been found in advance. Having an intelligence brief/dossier in advance of a client feedback interview allows those who will interact with clients including in the context of client service reviews to divvy up the lines of inquiry, and to rehearse their roles so that the team can demonstrate close coordination and communication. Importantly, preparation of a well-constructed intelligence brief/dossier, enables interviewers to demonstrate knowledge and expertise in the guise of questions. It's the difference between a question like this: "What is your company's strategy?" And this: "Based on our research, we understand the 18-24-month strategy of your company to be the acquisition of mid-market companies in the Artificial Intelligence vertical. Is our understanding correct? If so, has your company recently fine-tuned the strategy at all, and what is the responsibility of the Legal Department in its execution?" Night and day!

More than ever, effective and professional information-gathering and interpretation capabilities are part of the contemporary law firm's business development arsenal. Make sure to keep them front of mind as your firm develops strategy and generates operating budget.