Creating and Managing a Sales Pipeline Report

By Silvia L. Coulter on July 24, 2023

Creating a sales forecast (aka pipeline report) is an essential element of business development. With a sales forecast, it will be much easier to keep focused on active pursuits, revenue goals, and where to invest limited available time. This invaluable sales tool is easy to create and essential for keeping up to date on revenue opportunities.

Defining the Revenue Goal

- Start with the number of billable hours one is expected to bill in the current year and multiply that by the billable rate to give you a revenue goal

OR

- Select a revenue goal that shows an increase of 10-15% over last year's originations (adjusted as needed to acknowledge a significant case or deal in the previous year)

Consider what you want to go into this pipeline. We suggest focusing exclusively on your originations. These may fall into a number of 'buckets,' with the three largest being: 1) work for which you are the originating lawyer; 2) work for which you are one of the team and originating some of the work but someone else is the "originating" lawyer; or 3) work for which you are given some of the credit since–without your expertise–the client would go elsewhere.

Others consider 'work originated' and 'work billed' toward their revenue goal. This is not a pure sales pipeline but can be useful for those starting out to build their practice. This is where you will consider work you bill for others and any work you brought in yourself–like 'pure' sales forecasting above–and includes your billable time. The key is similar: To focus on your expected total revenue generation and how you will reach those goals.

Identify Clients and Opportunities

The next step in the pipeline/sales forecast is to identify active pursuits, such as RFPs to which the firm has responded, budgets presented to the prospective client for a matter or case, discussions about specific matters and cases that may turn into a new piece of business, and initial conversations about an overall potential client or engagement in a new area. All of these are examples of where to focus effort during busy times. Keep opportunities in mind and stay connected regularly. The next step is always in your court, not the prospective or existing client's court. Be proactive about pursuing these engagements.

Maintaining an active pipeline will help individuals, practices, offices, and the firm overall become more proactive and focused on the possibilities for future revenue.

For a copy of LawVision's Pipeline Report, please email scoulter@lawvision.com.