Cross-selling

Growing Your Client Base – Chapter Five

Chapter 5 - Cross-selling

The titles of the three previous chapters of this book have mirrored the first three segments of The PACE Pipeline – Prospecting, Promoting and Projecting. The next chapter is called Pruning. It would seem logical that this chapter is entitled Protecting. However, protecting client relationships is a far larger subject than just being able to sell and market to them successfully. Indeed it is such a large (and important) subject to professional services firms that we have devoted a whole book, *Managing Key Clients* to the topic. Because this book is dedicated to the subject of managing business development this chapter is focused upon one element of client management – the issue of how to sell more of a firm's services in an existing relationship – cross-selling.

Before proceeding we should define exactly what we mean by cross-selling. Our definition is as follows. *Gaining the client's willing acceptance to meet with professionals from other disciplines, offices or practice areas that have not previously carried out work with this client. The purpose of the dialogue is to explore the opportunities for adding value to the client relationship through the provision of additional areas of our expertise.*

We are not talking about a property valuation expert returning from a client meeting and saying to a property management professional, "I've just won some work for you. I've got the instructions in my briefcase!" These things don't happen and on the rare occasions that they do, they create problems not plaudits. What sort of work would someone with his expertise in valuations win for a professional in property management? What impossible agreements might this person have made in all good faith? What fee rates would have been quoted and what would these rates include?

Professionals have to negotiate their own business. Cross-selling is all about providing a colleague with a warm environment with an existing client in which to seek out and win new work.

Few firms have achieved real success in being able consistently to cross-sell their capabilities. As one Managing Partner once said to us, "If we could cross-sell more effectively we could hit our fee income objectives for the next five years and never have to win one new client. I keep on at my people about this. It seems such a logical route but apart from occasional successes we are not really making much progress. Do other firms have this problem?"

Well, if misery loves company, then this Managing Partner has lots of counterparts to be miserable with. We refer to success in cross-selling as the Holy Grail. All firms are seeking it and it is a very elusive object.

For something that is just so logical to be such a rare occurrence would suggest that there are some very real barriers to implementation. Over the last eight years we have studied the issue of cross-selling. We have discussed the subject with dozens of firms and hundreds, if not thousands, of individual professionals. We have concluded that there are definite and specific barriers within firms that militate against success in this activity.

We have identified eight separate barriers and have created a 'healthcheck' tool whereby professionals within a firm can assess which of the barriers, in their opinion, have the greatest impact upon the firm's ability to cross-sell its services.

The steps firms need to take in order to release the potential fee-income and profitability that could be unlocked through successful cross-selling, are simple. Firstly they need to agree honestly and objectively which of the barriers apply to their business. Secondly they need to put in place the actions that will reduce the effect of these barriers. In this chapter we will examine each of the eight barriers and suggest what firms can do about them.

There could be nine barriers but we have already explored the ninth in some depth in our book *Creating New Clients.* The ninth is this. If the client does not regard the professional who is attempting to cross-sell to her as a trusted advisor then the attempt will almost always be unsuccessful. When examining the eight remaining barriers we will work on the assumption that the person who manages the relationship with the client (and who is therefore the person who has the opportunity to cross-sell) is considered by the client to be a trusted advisor.

The Barriers and How to Reduce their Effect

Communication

One of the most common symptoms of a firm that is failing to make the best of the cross-selling opportunities that must inevitably arise in day to day dialogue with clients, is the existence of what is referred to as 'silo mentality'.

Silo mentality starts because people whose work involves spending nearly all of their time with the same set of people (e.g. the people in their department or the people on their floor) see little reason to communicate with the wider organisation. At the outset there is no malicious intent in this behaviour. Generally the individuals are working hard but solely focused on their own objectives and roles.

However, any department, practice area or office that becomes so insular that it fails to communicate well with the rest of the organisation is highly unlikely to cross-sell others' capabilities. Likewise they are not likely to benefit from others cross-selling their abilities and services.

Silo mentality not only has an effect on a business's ability to cross-sell. It will always have other negative impacts. When silo mentality hardens, people lose sight of how their work and behaviour impacts upon others. Teamworking inevitably suffers. A blame culture can also develop. When things go wrong (as they invariably do in an environment where poor communication and teamworking prevails) departments are more concerned to prove that they are guiltless in respect of problems that arise. Therefore the guilt – and the blame – lie elsewhere.

Whilst silo mentality, poor communication and poor teamworking are rarely consciously initiated, these behaviours can quickly contribute to a very corrosive way of operating.

To reduce the cross-selling barrier caused by poor communication:

- Avoid (wherever possible) locating people in numerous buildings and on many floors.
- Create a physical working environment that encourages people to talk to each other. (Get rid of unnecessary physical barriers.)
- Create common areas where people from different parts of the firm can get together. (We have been told on more than one occasion that the best connected and informed people within a firm are the firm's smokers!)

- Create a lunching area – and make a real effort to ensure that this area becomes habitual for most people taking a longer break from their working day. Discourage people from eating at their desks or in their departments.

- Organise primarily by market (or client) facing teams rather than by practice area or by department. This will usually result in virtual multi-disciplinary teams forming, carrying out work and then disbanding on a regular basis.

- Organise events, whether business or social, where people from all over the firm attend. For instance, in some forms of training mixed groups are perfectly acceptable. 'Stage manage' such events in order that people cannot circulate purely within their own clique.

- Insist that partners and other influential individuals within the firm be seen to be role models of good communication with others outside their immediate interest area.

Knowledge of what others do

It has long been recognised that business developers need strong 'product' knowledge in order to be successful. One cannot sell to a discerning buyer if one's product knowledge is at an insufficient level. There is no suggestion that a professional must know everything about every capability of every practice area and every office within the firm. This would be an impossible quest. However, a professional who is willing to engage in cross-selling must know enough about other capabilities of his firm in order to persuade the client to engage in dialogue with one of his colleagues.

Lack of knowledge can exist on two levels. These are:
- An absolute lack of knowledge.
- A lack of accurate and up-to-date information.

Absolute lack of knowledge is prevalent in very large firms – but can be found on occasions in much smaller professional practices as well. There have been countless times when we have worked with mixed skills groups in major firms where people have admitted to the person sitting next to them, "You know, I didn't even know that we had the capability to do what you do. How long have you worked for the firm?"

Given this situation it is hardly surprising that these 'new' people get very few introductions into the firm's existing client base and are often reduced to prospecting for new client work.

A lack of accurate and up-to-date information pervades most firms. The Banking team may know the headlines of what the Corporate team does but they probably have little idea of the latest capabilities of the Corporate team. Additionally, they would have difficulty in articulating in an effective and convincing manner, the capabilities of which they are aware.

Whilst the archetypal salesman may try baffling the customer in order to hide his lack of product knowledge, most professionals quite rightly recoil from this type of behaviour. People who are paid to be right have no desire to be put in situations where they can be 'caught out'.

The suggestion from a professional that, "You should talk with one of my colleagues in X Department; I believe that they could assist you", is likely to be followed by some questions from the client. Few professionals are going to make such a suggestion to a client unless they feel reasonably equipped to deal with ensuing questions – without being 'caught out'.

To reduce the cross-selling barrier caused by a lack of knowledge of what others do:

- Insist that a core element of the firm's Continuous Professional Development (CPD) consists of staying abreast of the capabilities that the firm has to offer its client base. There should be a demand from the top of the firm for people to continue to learn.
- Ensure that practice group leaders put aside some time on a regular basis in order to meet with their colleagues from other parts of the firm with a view to educating them on the department's latest products and services. (30 minute 'brown bag' lunchtime meetings could be considered as a vehicle.)
- Where possible arrange for secondments to other practice areas – with secondees charged with the responsibility of educating their colleagues upon return to their own department.
- Invest in an intranet site that allows professionals to find for themselves most of the information about another practice area's capabilities and people – if there is no one to ask.
- Insist that each practice area is responsible for keeping its intranet information up to date in order that others in the firm can rely on its contents.
- Consider investing in an 'intelligent' knowledge management software solution that provides information on any aspect of the firm's operations.

Trust in others' capabilities

As individuals we would never buy important services from someone we felt we could not trust. Therefore it is highly unlikely that we will recommend to others the services of those in whom we do not have absolute faith. Our reluctance will be even greater if we believe that such an introduction will one day backfire badly as the client realises who it was that made the original recommendation.

Unless professionals are trusted implicitly they will never be on the receiving end of cross-selling opportunities from their peers.

Lack of trust can develop in two main ways.

Situation 1. In this instance we may have evidence that a fellow professional is technically weak or is insufficiently skilled in dealing with certain situations or types of client. (Unfortunately there are occasions when this lack of ability or skill pervades entire practice areas or whole offices – usually due to a lack of enforced high standards.)

The case for lack of trust in others' abilities is reinforced where there are specific, documented examples of client work that have been badly managed or delivered by another department. If the business in question was won as a result of a cross-selling effort, then the situation is even worse.

Situation 2. In many instances however, the 'evidence' of poor performance or lack of client orientation is weak, unproven and exaggerated by rumour. Add to this a lack of understanding as to the capabilities of the 'offender' plus an unwillingness to communicate on a potentially very sensitive subject. Result? There is a *belief* that the other party is incapable and therefore not to be trusted with a valued client.

When it comes to whom we trust, belief is every bit as important as facts.

To reduce the barriers caused by a lack of trust in others' capabilities:

- Insist on high standards of management and delivery of all work to all clients – irrespective of the source of the work.
- Provide all support and training necessary to underperformers in order that they have the opportunity to develop quickly to the firm's required standards.
- Don't be tempted to keep people or practice areas that are not operating to a high standard – even if they are providing useful fee income and profitability today. This sends out the wrong message and the profitability will only be temporary in any case.
- Get rid of people or practice areas that cannot (in spite of encouragement and adequate training) consistently manage and deliver client work to the required standards.
- Sack people who see referred work as 'for free' – and therefore have less commitment to deliver this type of work to the highest standards.
- Don't allow cross-sold introductions to be 'thrown over the fence' or 'dragged over the fence'. Ensure that the cross-seller makes an effective introduction of his colleague – attending at least the first meeting between his colleague and the client.
- Insist that the introduced professional keeps the cross-seller informed of all developments with the client.
- Where there are poor relationships between parts of the firms that should be cross-referring work, bring them together. Insist that they talk openly and honestly about the real (and perceived) issues that cause them to avoid cross-referring.

  Use a professional facilitator to run such interventions. If it were to be poorly managed this type of encounter could result in entrenched positions and attitudes.
- Refer to the suggestions under the previous subject heading of Communication. Very often Lack of Trust problems and Communication problems are intertwined.

Loss of control considerations

Probably the greatest barrier to cross-selling in a firm is a high level of insecurity felt by professional staff. Feelings of insecurity affect the behaviour of people in many negative ways.

For example 'owning' the relationship with a highly prized and valuable client is one way in which an individual can compensate. Knowing that the firm relies on the professional for access to the client creates a feeling of power – critical in an environment where insecurity prevails. Some professionals, who have worked in a number of firms that have this aura of insecurity, have built their careers on moving from firm to firm - taking their key clients with them. It is clear that the relationship is with the individual and not with the firm for which they work. Such people are almost never willing to introduce other colleagues into 'their' clients, as this would diminish the total ownership that they hold over the relationship.

Professionals who feel insecure are also unwilling to introduce clients to their colleagues because they fear that once their colleagues begin a relationship with the client, they will not know everything that is going on within the client. Their feelings of security are tied into the certainty of being in control – and giving another person licence to 'do their thing' with your client is a sure way to weaken that certainty.

This feeling is exacerbated when the professional believes that some of his/her colleagues could be threatening because of their high capability. The last thing that an insecure person needs is to be negatively benchmarked by the client against a colleague who is perceived to be brighter, more knowledgeable, more personable or more client orientated.

On the face of it this very major barrier to effective cross-selling lies deep within individuals. This is only partially true. The question must be asked, "Why do these individuals behave in this way – or, more significantly, why is this behaviour endemic in some firms?"

Where this behaviour is common and widespread within a firm it is because the firm supports and fosters a culture of fear. Professionals quickly realise that the path to security and success is to grab any opportunity that arises and never to share the spoils with others. An opportunity shared is recognition halved, could well be the motto.

Whilst many people find such a working atmosphere abhorrent, the fighters and scrappers, the strong and the politically adept thrive in such a challenging environment. New day, new battles to be won.

We find that these problems invariably start at the top of the organisation. The whole firm is usually a mirror of the behaviours of those who run it.

Alternatively the firm may have weak management. Management recognises the 'my client' issue. They can identify the people who are the acidic role models. However they are unwilling to take actions that will change the prevailing behaviour. This is often because these negative role model figures are recognised – using current metrics - as the most successful and productive in the firm. To challenge their behaviour would be to run the risk of losing them – and the client relationships that they control.

Those firms that actively seek to recruit lateral hires who bring significant client relationships with them, run the risk of importing this insular, self focused way of thinking and behaving. However, the short term gain of additional fee income for the firm is usually too much of a temptation to resist.

To reduce the cross-selling barrier caused by loss of control considerations takes time and strong management:

- Firstly the senior people within the firm must act as positive role models. They must be seen to be active in bringing colleagues from other parts of the business into their client relationships.

- Senior management must identify what causes the aura of fear within their business – and they must tackle this and eliminate it. This may mean changing their own behaviour quite substantially.

- The metrics for measuring success must be changed. Professionals solely measured (and rewarded) on chargeable hours carried out by himself – or his department – have no reason to cross-sell others' capabilities, or indeed carry out any activity that is for the long term good health of the firm.

- The negative role models have to be 'worked out' of the firm – even though this will probably have a short term financial impact. Whilst these individuals are allowed to flourish and set the cultural tone, no-one will believe the stated commitment of management to build a culture where sharing and supporting one another is a demonstrable core value.

An example related to points two and three above arose during a series of research meetings with a number of professionals who worked for a property consultancy. One particular individual had been very successful in building up a practice area from scratch and it was obvious that he had enjoyed the process. His talent was rare in the firm. It had many doers but few genuine business developers. It was clear that he had an identifiable, replicable model for doing what he had achieved. However, his success meant that he was now stretched in carrying out the work he had generated.

When asked the question, "Why, instead of doing the work, don't you continue to build the business for others, selling their capability?" his answer was as follows.
"To create the time to do this I would have to give a lot of my current clients - and the work they generate - to others. If it should happen that the market changed quickly I could be left with very little fee-earning work. That's all that is measured in this firm. In such a situation I know that I would be amongst the first who would be asked to go. The track record of this firm is that if you don't have a desk full of work you'll be made redundant when times get tough."

Fear kills people's motivation to cross-sell and fear can be either generated by, or implicitly supported by, senior management. Exhortations by these same senior figures for professionals to cross-sell their colleagues' capabilities fall on deaf ears.

Financial considerations

Why should any individual dedicate effort, time and resource to cross-sell his colleagues' services when the very success of the endeavour will have a negative financial effect on his practice area or on him personally? We have herd it said; "If you ask me to do 'x' and pay me to do 'y', then what do you think I will do?" Senior management repeating the mantra of everyone 'doing what is best for the firm' cuts little ice if the individual who is asked to do the doing, suffers in the process. Helping others should not be at the expense of the helpers.

In poorly disciplined firms some work generated from clients may be carried out by an office in the wrong geographical location or without the resources to deliver the work to the standards that could be delivered by other practice areas. In reality a different office or practice group would better serve the client. It would therefore be in the best interests of the firm and the client if others' capabilities were cross-sold.

However the incumbents are usually loath to surrender their client as they recognise that their fee income will be reduced and, as a consequence, the earnings of those currently engaged on the client's work may also suffer.

Geographical differences can also affect cross-selling in another way. The fees charged by one office may be much less (or more) than those charged by another. A client who is cross-sold the services of a low fee-rate office (or practice area) may demand that all future fees be at the lower level. This clearly makes high fee-rate offices nervous about introducing their colleagues from lower fee-rate offices. Even worse than their own fee rates coming under pressure is the fear that the client may play cute – and ask that all future work is managed from the lower fee office.

In some circumstances clients may have a budget for how much they can spend on certain professional services. Cross-selling a colleague to these clients means yet another competitor for the (limited) budget.

In some firms none of the above examples of Financial Considerations apply. However, whilst there may be no negative financial impacts related to cross-selling others' services, likewise there are no financial incentives. Few people work purely for money but money is a very tangible way of rewarding those behaviours that the firm is trying to encourage.

To reduce the cross-selling barrier caused by financial considerations:

- Understand from the fee-earners' perspective what they see as the negative Financial Considerations related to cross-selling others' services.
- Act to defuse these as appropriate.
- Set rules and guidelines on who can sell (and service) different skill sets in different markets and geographical sectors. Do not allow cross border banditry driven by financial reward – or greed!
- Enforce the rules - and be prepared to move clients from their current relationship manager if it can be demonstrated that the client work is being carried out purely for financial motives whilst putting at risk either:
    - The quality of the client work or client relationship management.
    - The quality of the relationship with the firm.
    - The internal harmony of the business.
- Over time, drive out of the system all of the old anomalies of client 'ownership' motivated for financial reasons.
- Be tough on offices and practice areas that are seen to try to steal work and clients from others. Don't allow it to happen.
- Give real rewards for cross-selling – including financial rewards.
- Be innovative and break the accepted ways of recognising and rewarding people. One firm that has fewer problems than most when it comes to cross-selling its services allows both the giver and the receiver to claim credit for the business won. They double count – and double reward – and have no client ownership problems motivated by Financial Considerations. Conversely in other firms the leaders just purse their lips, knowing this could never be done for a host of 'rational' reasons. Their firms then still face this Financial Considerations barrier with no positive motivation in place for their fee-earners to cross-sell.

Knowing how to cross-sell

Most professionals are unaware that they don't know how to cross-sell.
The reason is that they don't know what they don't know.

When professionals tell us that they have attempted to cross-sell the capabilities of one of their colleagues but have received a polite turndown (and existing clients are always likely to be polite and courteous when they reject an offer from an incumbent trusted advisor) we ask them to talk us through exactly what happened. It is not unusual to hear something that goes like the following.
"Well, we had been talking and on a couple of occasions the client made reference to a new transaction that was on the horizon. Now I know that we do that sort to work and I know the people who do it. They're

very good and I would have no hesitation in recommending them, so that's what I did. I said to the client, 'Do you know, you should speak with my colleagues in our XYZ Department. They do this work all the time. They are extremely good and I would recommend that you speak with them. I can arrange for John Smith the lead partner to give you a call.' The client made some comment about already having a short list of people that they would consider for the work so, 'Thank you for the offer and if the situation changes they we'll get back to you'. But that's wishful thinking. She meant 'No' in the nicest possible way. I didn't want to push it. That would only have strained my relationship. But no one can say that I didn't try."

Try, yes – but in a completely firm-centric manner. Think about it from the client's point of view. What's in it for the client? Where's the added value? In the instance above, instead of considering (perhaps) three options, now the client has to consider four – and the fourth option will probably demand more of the client's time in order to generate a realistic proposal as the two parties have not worked together before. Not exactly a compelling proposition from the client's perspective is it?

Before attempting to cross-sell the professional must have thought through the proposition from the client's perspective. He must then *be able to articulate* why it would be good for the client to engage in discussions with other people from his firm - over and above any other competitors that client may either be dealing with today or considering in the future.

The argument must be client-centric. The simple question is, "Where is the benefit for the client?"

Similar scenarios occur every day in firms when one professional wishes to be introduced to a client whose relationship is managed by an incumbent partner. Rarely does the supplicant ever spend any time thinking through how his proposition to sell his services is going to assist the current client partner. The mindset is, "This is going to help me". At best it could be, "This is for the good of the firm". Seeing no benefits for him and his team the incumbent partner therefore resists the approach by insisting that: "It is not the right time" and that, "The client is engaged in other issues right now".

To reduce the barriers caused by not knowing how to cross-sell:

- Educate professionals in order that they have explicit understanding of the difference between a client-focused attempt to cross-sell and a firm-focused attempt.

- Provide training for professionals who are expected to cross-sell. Highly developed listening skills are the single most important attribute of a consistently successful business developer. Ensure that the training has sufficient focus on this skill.

- Make sure that during the training participants have time to practise and practise again how they approach cross-selling opportunities. Like any skill, real expertise is built upon practice - not upon having an intellectual grasp of the concept.

- Before any prepared attempt to cross-sell is carried out, insist on a 'rehearsal' when feedback and suggestions can be given. Ten minutes invested the day prior can often mean the difference between success and failure.

A real understanding of the client's business

Like some marriages, business relationships between client and advisor can settle down to be comfortable but undemanding. The initial exploration by both sides at the beginning of the relationship practically ceases and, particularly if there is a good flow of profitable work for the professional, his time is mainly taken up executing this work. The professional becomes expert in this particular (often very limited) part of the client's business and becomes familiar with a (usually small) group of client people who have a direct interest in the work carried out.

Given this scenario – reached after months or years of working with the client – now ask the professional to suggest to the client other ways in which his firm could assist their business, outside of the work in which the firm is engaged today.

The professional 'suddenly' realises how little he knows about the totality of the client's business. This makes cross-selling difficult. In the professional's mind's eye is a picture of his cross-selling attempt being greeted by a raised eyebrow and a surprised, askance look on the client's face. The professional imagines that behind the facial expression the client is thinking: "What a strange thing to suggest. Why would we ever want to pursue that avenue? Doesn't he know how our business works? Doesn't he know our policy? He has always seemed quite credible up to now but to put that idea forward makes me question my judgement. He's out of his depth and he doesn't really understand our business."

Most professionals only want to suggest ideas that make sense and which their clients would view as potentially valuable, workable and in line with the client's future direction. However, in order to be able to do this the professional needs to have an up to date understanding of:

- What are the key issues for this client in their marketplace?
- What are the main 'environmental' (non market related) issues that the client's business is having to face?
- What are the Critical Success Factors for the client's business that they have to focus upon?
- Given all of these factors, what are the client's burning issues and priorities?
- What are the client's business objectives and what strategies are they implementing in pursuit of these objectives?
- What professional advice does the client need as an integral part of the pursuit of their strategy?
- What is their policy with regard to sourcing this advice from their current advisors?
- Who in the client's business would be involved in making the decisions about the appointment of advisors for this type of work?

Unless a professional has a reasonable handle on the answers to these sorts of questions it is very easy to 'put your foot in it'. A well meaning attempt to cross-sell another part of the firm's capability can be viewed as gauche and 'out of character'.

Fortunately (or perhaps unfortunately) most professionals are clever enough to realise this before they open their mouths. When they catch a glimpse of (what they believe may be) a potential cross-selling opportunity they work on the premise that: "If I keep my mouth closed and say nothing you may think that I am a fool – but if I open my mouth and speak, I will prove that I am."

No-one but the super-confident tries to cross-sell other services unless they are certain of the context surrounding the potential application of these services.

To reduce the barriers caused by a lack of real understanding of the client's business:

- Insist that in every 'business as usual' meeting that a professional takes with a client, that some time – even just five minutes – is spent on stepping back from the immediate priorities to understand what is happening in the client's 'big picture'.

- Invite clients to talk to fee earners. Ask them to tell you what is going on in their business and in their universe. This not only helps professionals to really understand a client's business, it also demonstrates to clients that the firm is really interested in them and their business situation. Make this a regular event and insist that professionals attend.

- Ensure that in each of the market sectors in which the firm's key clients operate that someone participates in the major client industry conferences and meetings. This will ensure early sight of issues likely to affect the most important clients of the firm. Ensure that the people who attend such events summarise the main points and then distribute their summarised conclusions to all interested parties within the firm.

- Ensure that someone gets invited to major conferences run by key clients. Again, insist that the person attending distributes summary notes to all people involved with the client.

- For each client (where cross-selling appears to provide major opportunities) establish a non-chargeable fee-earner time investment budget. This time is to be used for one of two purposes – either building deeper relationships or providing some form of 'added value' to the client. Added value is an overworked term. Value is only added if the client says so. If the client has received something over and above a totally professional service - and they really appreciate the additional effort - then added value has been delivered.

- Consider offering key clients a professional on secondment but ensure that the secondee provides regular updates on the client's business.

- If the firm has a research department then make sure that part of their effort is directed toward keeping up to date on developments, trends and latest news in the markets in which the firm's key clients operate. This information needs to be presented in easily accessible format to professionals working with clients in these markets.

- If a client is substantial, ensure that the professionals engaged in today's client work subscribe to the client's main trade publication in order to keep abreast of market events in general and issues impacting on their client in particular.

- Where major clients would seem to present opportunities for cross-selling, bring the people engaged with the client together to discuss what these opportunities could be and how they could be approached. Ensure that there is one person in the meeting who is a 'neutral' who can challenge the client team and prevent mindless 'group think'.

- Every now and again bring new people into the client team. Involve them in direct contact with the client. As they will usually have a natural desire to learn it is OK for them to ask the client the occasional 'dumb' questions that the client partner would die to know the answers to but would be too afraid to ask.

The client's image of our firm

In the previous section entitled *A real understanding of the client's business* we highlighted the problems that can be caused when the professional's understanding of the client's business fails to develop over time. The relationship goes forward; it may even be more firmly rooted, but the real understanding of the entirety of the client's business can diminish as time passes.

This is a two-way street. In much the same way as the professional's understanding of the client's business calcifies, the same is often true of the client's understanding of the professional's firm. Therefore there is a danger that the firm becomes pigeon-holed in the client's mind. Objective reality counts for nothing. The client's perception is reality.

If, due to the type of work we have carried out for a number of months or years, the client perceives us as a planning specialist, then that is what we are. It does not matter that planning work brings in only 10% of our firm's fee income and only represents 25% of our own personal utilisation. From the client's point of view we spend 100% of our time (with them) on planning work.

When we come to cross-sell this gives us a credibility problem with the client. An attempt to cross-sell the services of our colleagues who are employment specialists can be met with a client mindset (if not actual spoken words) of: "Why would I use a firm of planning specialists for employment work?"

There is no referee to whom the client – or the professional - can turn. Mostly clients will back their own judgement – despite the seemingly poor evidence on which that judgement is based.

To reduce the barriers caused by the client's image of our firm:

- In passing, keep telling the client about the varied, new and different activities in which the firm is engaged. This is not an attempt to sell these capabilities but just a way of keeping them on the client's horizon.

- Ensure that current clients are targeted with marketing messages that keep them abreast of the range of capabilities that the firm has to offer. Send newsletters, copies of case studies, invitations to seminars and copies of press releases to clients where there should be (at some point) good opportunities to cross-sell other services and capabilities.

  However every marketing message must be relevant to the individual to whom it is addressed. We are not suggesting 'carpet bombing' clients with irrelevant mailshots, brochures and invitations. The focus should be on quality not quantity. Also it is important to remember that if the effect of the marketing effort directed toward a client is not positive, then equally it is not neutral. It is negative.

- When the firm has developed a new capability or service and has had demonstrable success, promote this widely in the sorts of places where clients are likely to notice.

Which barriers affect your business?

The suggestion is not that every professional services firm suffers from the effects of all of these eight barriers. However if just two or three are embedded in a firm's way of thinking or acting then this will explain why the seemingly reasonable and logical objective of cross-selling more of the firm's capabilities to more of its clients is not being realised.

Where to go from here

Where to go from here if you run a firm or have overall responsibility for marketing and business development

Carry out an analysis of which of the eight barriers to success in cross-selling applies to your firm. The PACE Cross-selling Healthcheck may be a useful tool to use for this exercise. Do not do this analysis on your own. Involve a cross section of people who are prepared to debate the subject. You will almost certainly get more accurate conclusions.

Having identified the priority barriers, look at the suggestions contained throughout this chapter in how to overcome them. Put in place a corrective action plan. Review this plan each quarter to ensure that progress is being made.

Put in place some form of measurement to assess how cross-selling is improving across the firm.

Ensure that you act as a cross-selling role model for others.

Where to go from here if you run a business unit within a professional firm

If you want your part of the firm to be a recipient of in-bound cross-selling introductions, then put together a plan as to how you will market your part of the business to those other parts of your firm that appear to be your most likely sources. Include a short (20 to 30 minute) presentation on your business unit and the benefits that it brings to your current clients. Illustrate your pitch with examples where possible in order to build people's confidence and trust in your team.

Arrange meetings with parts of the firm that are likely to be introducers of opportunities. Your marketing tools and presentation are not much use if they remain in your office.

Ensure that all incoming introductions and cross-sold work are well-handled initially and then executed professionally. Nothing will kill off introductions and work from other departments more quickly than a poor response by your team.

If your business unit has (or contributes to) an intranet site then ensure that it is always accurate and up to date – so that others in the firm know that they can rely on the information that it contains.

If there is a particular part of the firm from where you believe you should be getting introductions but aren't, then arrange a secondment with this part of the organisation. Get one of your good people into this department and offer to take one of theirs in return.

Where to go from here if you are a marketing or business development professional working with fee earners

Talk with the professionals who manage those major clients where there are perceived to be cross-selling opportunities. Work out a detailed programme of *relevant* marketing activities and tools directed toward interested individuals within these businesses. This is to try to ensure that the firm does not become 'pigeon holed'. In order to ensure that the programme is really relevant firstly be certain that you have a very clear view of the clients' issues and needs.

Provide the relevant professionals with updated summaries of key information related to market sectors in which the firm's key clients operate in order to trigger thinking about potential cross-selling opportunities.

Organise training for those professionals who are likely to come across cross-selling opportunities in order that they are practised in articulating the benefits of the introduction from the client's perspective.

Be prepared to provide coaching to professionals who are about to have client meetings where cross-selling opportunities may arise.

Where to go from here if you are an individual practitioner within a professional firm

Work out which people within your firm could most likely be both the recipients and donors of cross-selling opportunities. It is easier to start with situations where there is potential reciprocity.

Work out exactly how these other people and their clients would benefit through your working with some of their client base. Practise articulating your arguments.

Contact these other people with a view to meeting with them to discuss cross-selling reciprocity.

Before you meet with anyone, work out exactly what you can give to them. Be prepared to give first in order to get the reciprocity process started.

When a colleague gives you an introduction always make sure that you keep them continually posted on your actions and progress.

Take time out with your most important clients to spend a few minutes talking with them about their business and where it is going. Cross-selling opportunities may well result from these new insights.

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