

Create the right internal enviro

Cross-selling remains as popular a subject as it was at the start of the millennium. Despite more than a decade of heated discussion, debate and professional focus it is clear that it remains the Achilles Heel for many firms – an elusive goal that is often in sight, but rarely within reach.



By Lee Smith

The pursuit of the goal of cross-selling success has intensified in recent years. Sure, the global recession has recently put the brakes on heavy discretionary investment, but that hasn't stopped most firms implementing all-singing, all-dancing Customer Relationship Management (CRM) systems and re-jigging their compensation packages to encourage partners to promote their peer's services. But still they are no closer to the end of the rainbow.

According to one survey (BTI Consulting Group's *Benchmarking Law Firm Marketing & Business Development Strategies*), just 4% of firms rate themselves as highly effective at cross-selling and a worrying 77% rate their firms as ineffective. What we hear in our day-to-day conversations with managing partners and fee-earning professionals bears this out. There is a problem here and it's time to confess that, in the main, existing approaches just aren't working.

From my perspective as an internal communication specialist who has spent many years helping professional services firms communicate more effectively, I can't help thinking that we are missing a trick when it comes to cross-selling. My hunch is

that the usual focus on the hard 'nuts and bolts' side of the equation means the human dimension – the softer under belly of the organisation – fails to get sufficient time and attention.

Could it be that the answer to cross-selling success lies not in the systems, the policies and the technology – the areas where firms typically focus their time, effort and resources – but resides instead in 'softer' dimensions of organisational life, its culture and climate? Could it be that the key to success is to stimulate conversations, connect partners and employees and generally improve the flow of communication up, down and across the organisation? These are themes we will begin to explore in this article.

In the autumn of 2009 I joined forces with Halina Kochanowicz, head of UK marketing at 'magic circle' law firm Linklaters, to design and co-facilitate a number of workshops on cross-selling as part of the 2009 PM Forum Conference in London. Focused exclusively on that 'softer' side of the cross-selling challenge – on creating the right internal climate for success – they proved extremely popular with delegates and sparked some fascinating discussions and debates, which have helped inform this article.

Before delving deeper, let's start with the basics. The Oxford English Dictionary defines cross-selling as 'selling an additional product or service to an existing customer'. It's a simple definition but it's important to have one in mind, as this is a topic that attracts its fair share of jargon and gobbledegook! At its most basic, cross-selling is about expanding business relationships, fulfilling broader client needs and retaining and growing existing business. In recent years the term 'share of wallet' has

been adopted by many firms to capture this essence.

'Sales' remains something of a dirty word within the professional services sector – but denial doesn't mean this subject is going away. The reason is that, recession or not, it's a commercial no-brainer – it's cheaper and easier to sell to existing clients, it makes sense if you're trying to build deep 'trusted advisor' relationships, it allows you to leverage the sometimes substantial investment it requires to win a client in the first place, it helps reinforce a joined-up 'single firm' approach and it helps you drive greater economies of scale and do more with less.

WHERE DO FIRMS GO WRONG?

The problem, of course, is that cross-selling is very, very difficult to get right. It demands that you have all the right ingredients and then combine them in the right way – no easy feat (just ask any Michelin starred chef!)

So where do firms typically go wrong? What are the things that usually get in the way of cross-selling success? We identified **eight common barriers to success** in this area (apologies for our over use of the letter C – a theme we will continue!):

Compensation – a belief by individual fee earners that they will not be fairly rewarded for referrals

Control – a fear of relinquishing ownership of a valuable personal relationship

Contact – not knowing colleagues well enough or spending sufficient time with them

Competence – doubting the knowledge, skills and ability of colleagues (particularly 'unproven' new joiners)

Client focus (lack of) – not thinking from the client's perspective or appreciating what

nment for cross-selling success

they most value

Cynicism – operating in a low trust, sceptical or suspicious environment (particularly relevant during times of change)

Cooks – too many (or too few) senior client contacts spoil the broth!

Chemistry – not selecting the right people to lead and develop the client relationship.

Consider for a moment how many of these relate to attitudes and perceptions and how few relate to the systems, processes and procedures. Soft versus hard.

FOUR VITAL INGREDIENTS

As part our workshop preparation Halina and I identified four vital ingredients required to create the right internal climate for cross-selling success:

Conversation – creating the right internal dialogue

Collaboration – connecting people, match-making, internal networking

Culture – tapping into diversity, creating a positive 'can do' culture, building a 'one firm' identity

Confidence – building brand, reputation and trust from the inside-out

These are, for us, the critically important dimensions of this particular professional services challenge. Let's look at each one in turn.

CONVERSATION

Conversation is the lifeblood of every business – it is what ultimately enables organisations to get things done. It is the essence of communication. It is about talking, talking about clients, talking about your business, talking about what you can do for your clients. And it's about listening.

It is about having leaders who encourage a 'conversation culture' – who listen as

much as they speak, who set the tone for the organisation, who convey a strong and consistent set of messages about the firm and who visibly live and breathe the values you want to engender in front line employees. It's about having a senior team who spot, celebrate and share stories of successful cross-selling, large and small, right across the firm.

It is about having line managers who play an active role in the communication process, who translate high level strategy into local action, who can discuss the importance of cross-selling with their team members and demonstrate how it could be applied, who show their direct reports that they care, who celebrate successes and provide constructive feedback when it's needed.

It's about having a clear, strategic communication framework in place – a well thought through and integrated set of print, electronic and face-to-face channels that encourage feedback as much as they deliver information. It's about using those channels to share stories of successful inter-team collaboration and cross-selling.

It's about having a professional internal communication function that does its bit to identify, package and promote cross selling success stories, supports leaders through coaching and day-to-day counsel, and empowers line managers by providing them with the right information, tools and training to be effective communicators.

COLLABORATION

Collaboration – having individuals working together towards a common goal – is another pre-requisite for a successful organisation. But we all know that some businesses are far better than others at this – more collegiate, more connected, more

collaborative.

This is about building relationships and networking – but with the focus firmly on colleagues. It is about becoming an influencer and a connector – a professional match maker. It is about transcending organisational boundaries and breaking down the barriers between the silos. It is about understanding what your colleagues in different areas actually do – and being genuinely interested in it. It is about building the social capital in your firm.

Although collaboration is fundamentally about people getting to know other people, there is a strong and growing role for technology here. The emerging social media – popular networking sites like Facebook and My Space, as well as their more businesslike cousins, LinkedIn and Yammer – have key roles to play and need to be part and parcel of your cross-selling strategy.

CULTURE

Culture – the shared attitudes, values, goals and practices that characterise an organisation, nationality or group – is another important ingredient in the cross-selling recipe.

There are a number of dimensions to this. The first is the culture of the firm itself. Whilst many firms say they are pursuing a 'one firm' culture, the reality is often quite different, with very little glue holding the organisation together beyond a common brand. Scratch the surface and it's not uncommon to find in-fighting between partners and serious amounts of unhealthy competition between teams and offices.

Then there is the cultural diversity that exists inside most large firms. Here the key is to demonstrate respect – to understand what makes your colleagues tick (the small things count a great deal) and to tap into

PRACTICAL STEPS

Here are 19 practical ideas for creating a more effective cross-selling culture inside your firm – brainstormed by participants in the two 2009 PMF Conference workshops led by Lee Smith and Halina Kochanowicz.

- 1 Hold a fun 'speed-dating' session after work or as part of your internal conference programme – where employees from different teams are tasked with meeting and learning about people from other teams.
- 2 Create face-to-face forums where you mix up people from different teams, service lines or practice groups.
- 3 Publish simple fact sheets (one sided, plain English) on your key services. Better still, get a new starter or graduate entrant to do it as part of their induction so they can become an advocate for cross-selling as they move around the business.
- 4 Tap into your hospitality, sponsorship, sports & social and corporate responsibility activities – maximise any existing opportunities you have to bring people from different parts of the business together in a 'neutral' setting.
- 5 Include a slot in team meetings for someone from another area of the firm to come in and talk-through what they do (short and simple elevator pitch with client benefits highlighted and stories and anecdotes used to bring to life).
- 6 Have a look at the material on your website – is there stuff you are communicating externally that could be repackaged and used internally?
- 7 Make it visible by celebrating cross-selling wins – not just those big new clients!
- 8 Is compensation getting in the way? Have a closer look at your reward strategy to make sure your remuneration policy is encouraging the right behaviours.
- 9 Weave success stories into all communication channels – corporate magazine, e-zine, intranet, team meetings, etc.
- 10 Focus on your leaders – what else could they be doing to champion cross-selling and, more importantly, demonstrate the right behaviours? Can they become your chief match-makers?
- 11 Tap into your firm's competitive spirit by using quick-fire online quizzes (or perhaps a live 'pub quiz') to test employee knowledge of your products, teams, etc. Incentivise with fun prizes.
- 12 Think outside the box – start up a corporate choir like Ernst & Young, or a ballroom dancing club like Lovells!
- 13 Run optional breakfast briefings or 'lunch and learn' sessions where people can turn up, meet new colleagues and learn about products and services in return for free food.
- 14 Embrace social media like LinkedIn and Yammer as a way of connecting people internally.
- 15 Follow the lead of Deloitte and run a 'film festival' – equip employees with cheap USB cameras and encourage them to make short films about other teams.
- 16 Tap into your new starters – get to them while they are fresh and 'untainted' – ensure they are given a good understanding of your services during their induction.
- 17 Water the grape vine – create the right environment in your office for people to talk to each other informally.
- 18 Go and find your cross-selling success stories – proactively go to your 'star' partners and fee earners and interview them, capturing the secrets of their success and packaging their story, identifying good practice, tips and lessons learned.
- 19 Get the partners out there – if you have a regional office network, get them to commit to spending a day a week/month in another/other offices.

the diverse perspectives that form your organisation's collective brain and heart. National culture is just one part of this, but for the international firm it's a vitally important one.

CONFIDENCE

Confidence is a collective state of mind – a belief that you are working for the right organisation, with the right colleagues, that you understand and believe in your firm and its services, that you understand your client's business and that you trust your peers not to embarrass you or eat your lunch.

There are, once again, many threads to this. You need to be able to trust that your colleagues won't steal your contacts if you make a referral. This relies, of course, on getting to know them in the first place. Face-to-face communication builds trust and so we recommend creating opportunities for partners and other fee earners to get together regularly, perhaps relatively informally. Likewise, your clients need to be able to trust you – so regular face time and an established track record with them goes a long way.

Confidence is also about knowledge – knowing enough about the services your colleagues are offering, what 'sales triggers' to look for in your own client base and understanding your client's businesses enough to be able to make a confident recommendation.

Finally, it's about believing in your organisation and what it stands for – critical if you are to have the confidence to go out there and sell more than your own unique talents. Once again, communication is key – not least from senior leaders who establish a clear sense of direction, articulate a common goal and promote shared values.

We believe these four areas – each of them focused on the so-called softer aspects of organisational life – are the vital ingredients for cross-selling success. Focus time and energy on getting them right and that elusive goal might just be within reach.

Lee Smith is an employee communication specialist and one of Europe's leading bloggers on the topic. With a 20 year track record, Lee now leads consultancy and training projects for Gatehouse, the communication agency he co-founded in 2006.
