

Masterclass

Road map to a sales culture

In the second installment of a two-part article on boosting the top line, the focus shifts from behaviour change to seven practical steps firms can take to build profit from sales.

In our previous article, ‘Taking the high road: A guide to boosting the top line’ (published in the November 2005 issue of *Managing Partner*), we put forward the following views:

- Although cost control is an important management function, and can bring quick profitability wins, long-term growth and success is a matter of working on increasing the top line;
- Despite traditional resistance to the notion, the increasingly competitive environment in legal services is such that straightforward ‘sales’ is a process whose time has come;
- Telling people to start selling, even when supported by good quality sales training and the right carrots and sticks, will be less successful than hoped for, unless cultural resistance is addressed.

Building strong selling skills, and the culture to support their application, is an easy enough course to prescribe, but implementation can mean dealing with considerable resistances. No initiative ever fails at the planning stage. It is always implementation that matters, and many consultants have observed that even an average strategy, well executed, will beat an excellent plan executed without discipline and follow-through.

Establish visible leadership that convinces people ‘this is real’

The first step is to establish the key role of leadership. We repeat the point made

By Andrew Bass and Paul Clusker

in our first article that there are only a few people in any organisation who have the credibility to convince others that an initiative is ‘real’. Those people are very rarely, if ever, consultants, trainers or HR staff. This means that if you try to delegate the leadership of change to your business-support functions, people just won’t join in (or will only be there in body, not spirit). Hiring a sales-training firm, even if it has an excellent reputation, will not do it.

Make sure established partners are on board or are at least prepared not to stand in the way

In trying to steer a particular course, there are various tides and currents that can help or hinder progress. These are the cultural factors, prevalent opinions, local received wisdom etc, and they are influenced by many people outside of the formal organisational chart.

It’s easy for established partners to undermine plans and not necessarily through concerted or even deliberate effort. Sometimes key influencers ‘don’t know their own strength’. A raised eyebrow or offhand comment, in response to talk of a new initiative can be enough to discourage juniors from buying in.

A further difficulty arises when juniors get mixed messages about learning and development activities. If they are put on courses by one part of the firm and then, depending perhaps on the topic, pulled off them by someone

else at the last minute, so that they never get the training, they develop an acute sense of priorities. Those priorities may or may not match the strategic direction the firm wants to take.

Much of a firm’s culture is propagated tacitly. Irrespective of what they are told to do, people copy the conspicuous behaviour of those considered successful. In the last article, we flagged up some of the behaviours inconsistent with a sales culture, including:

- Ditching rehearsals for pitches at the last minute, and then muddling through on the day;
- Turning up for seminars, but chatting to colleagues or established clients rather than engaging with new contacts;
- Relying on a few star ‘rain makers’, which cultivates a kind of helplessness, underpinned by the idea that only a few people can bring in work.

The implication of these observations is that a lot of consensus-building may be required among the partners before trying to influence the associates and juniors. Ideally, of course, the partners will be enthusiastically sponsoring the change, but to those less keen, you might say: “With your reputation and contacts, I know you don’t need to get into sales, but things are different for the youngsters, and we don’t do them any favours if we let them believe that what worked in the good old days will work for them.”



Develop and communicate a new view of sales

Changing views is an educational rather than training process. Many people have acquired the restrictive view that sales is somehow an unprofessional, somewhat unethical activity that takes advantage of a potential client. In fact, really good high-value salespeople add value beyond that of the goods or service, because they have to understand their clients so well (this is where strong/deep relationships become so important).

It's interesting to think and act with the idea that the purpose of a professional is to create a client (after all, no clients, no profession). To sell a high-value service effectively, you have to take time to understand, develop and articulate a value proposition to a potential client. The process of doing this is consultative and, by requiring the client to think through and verbalise their issues, brings additional clarity, so adding value over and above the service itself.

Top sales people are extremely client-focused. As a matter of necessity, they are intimately involved in understanding their

No initiative ever fails at the planning stage. It is always implementation that matters, and many consultants have observed that even an average strategy, well executed, will beat an excellent plan executed without discipline and follow-through.

client's industry, its underlying economics, current issues and breaking news.

Figure one examines the client's experience of being sold to under various conditions. We use it to reassure people that as long as the salesperson is both persuasive and has a high concern for the client's interests, the usual worries about sales are avoided, the client's experience is positive and the firm's interests are optimally promoted. There are several strategies for getting the new message across:

- **High visibility, in-person appearances by leaders and opinion formers are most powerful.** These can be formal events and, probably more powerfully, informal – for example, stopping by for a chat about the new initiative. Distributing videos can also help but, in general, beware of overload in remote methods of communication – the photo and scanned signature of the managing partner on every new mail-out is an overused device, for example;
- **Gather and tell true stories that make the various values of a sales culture clear and concrete.** The values might include being proactive, really listening to clients, having patience and tenacity in cultivating contacts over a long lead time etc. We recently attended a talk by Howard Kraus of Eversheds, at which he discussed the power of

such stories as part of a 'Visions and Values' initiative at the firm. They work particularly well when told by prominent influencers in person, and you can also record and disseminate them on video and audio;

- **Invite clients to visit to talk about sales with your people.** Many of them are involved in B2B sales in their own businesses. Their feelings about the role of sales, the process of selling, and the experience of being sold to, are likely to offer credible challenges to old views. Asking clients to perform in this expert capacity can't hurt your relationship with them either;
- **At every opportunity, attack the unrealistic idea that 'the quality of work should speak for itself'.** Maybe it should, but this idea, which seems to us quite prevalent especially among former A-grade students, is just not how the world works, and is inconsistent with business success.

4. Identify individuals and teams to use as exemplars

Earlier, we discussed the ways in which people take their lead from the behaviour of key influencers. The use of exemplars turns this dynamic into a powerful way of positively influencing the culture.

Essentially, the idea is to identify up-and-coming, ambitious associates. Coach them to perform in the required way and make sure that they are seen to benefit from doing so. The experience gathered at this stage is also invaluable in piloting the presentation of training programmes for subsequent roll-out.

5. Plan a learning and skill-building programme and evaluate it properly

We once met a senior civil servant who complained of his boss's management style, which included thinking of a memo as a proxy for action. If memos influenced behaviour reliably, management would be easy indeed.

Intention	To help client	Client experiences uncertainty, mild interest, lack of urgency	Client experiences enthusiasm, confidence, reassurance
	Only to help self	Client doesn't perceive anything worth attending to	Client experiences pressure, discomfort, manipulation
		Unpersuasive	Persuasive
Persuasiveness			

Figure one: The best intentions make the best sales

Just as directives are limited in their effect, so, very often, is stand-alone training, especially when trainers parachute in, do their performance, get their happy-sheet scores (which are notorious for having no correlation with business results) and then leave. Yet this way of using training is the norm rather than the exception.

As universal as happy sheets are, does it really matter that much what trainees thought of the training? It follows from our discussion so far that a young professional who doesn't think that they need to sell is probably wrong, and almost certainly has no basis to assess a sales trainer. Sometimes we dislike and resist what we most need to learn. And a good score might just mean that the trainer's personality was agreeable, or that they could tell a good story.

Neither should we get too excited that trainees could demonstrate the skills in the training room. What counts is whether they do new things in the work environment, and those new things lead to improved results.

Minimally, a sales-training programme for professionals should cover:

- 1 Educating people that relationships are assets (adult learning requires that people know and accept the rationale before they will give something their attention);
- 2 How to track towards business;
- 3 Interpersonal influencing skills.

Trust is higher, so:

- Fee sensitivity is reduced;
- Recovery rates are likely to be better;
- It's easier to cross-sell your services;
- The client is more likely to try you out in new practice areas (giving you a chance to build market share);
- It's easier to leverage juniors – the client knows you'll keep an eye on things.

Because the relationship is between two individuals:

- It's hard to emulate – you achieve automatic differentiation;
- You get early warning on upcoming work;
- There's a strong barrier to competition.

Figure two: Strategic advantages of developing broad and deep relationships

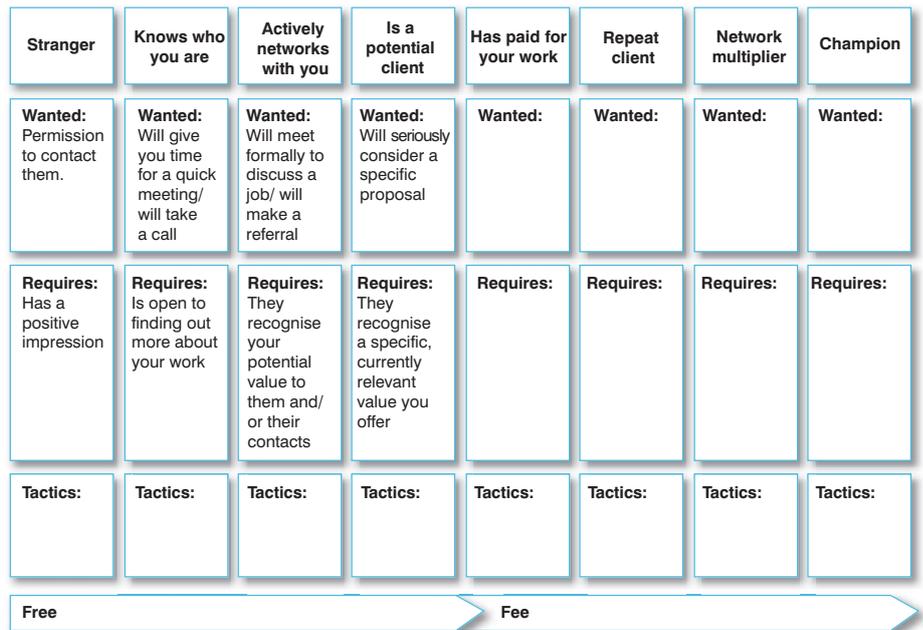


Figure three: Framework for the sales process

Recognising that relationships are assets

We believe that relationships are assets but, in essence, the aim should be to become what David Maister terms 'the trusted advisor'. Figure two summarises some of the main advantages.

Specifically for our current focus on sales, there are two further key benefits:

- It enables you to really find out what your client wants – you have a context in which people are prepared to open up and reveal their business issues and concerns, and their criteria for a solution;

- It makes it much easier to ask for the business – there's less pressure on both parties.

Tracking towards business

As necessary as building relationships is, it can easily end up as what venture capitalist John Handley, senior director of LDC's Birmingham office, calls 'soft marketing' (see box two in BassClusker's first article, published in *Managing Partner*, November 2005). Soft marketing is Handley's way of describing pleasant social interaction, which, although done in the name of business development, doesn't end up yielding work.

It's a well-known problem for sales people in all sectors. It's very common for sales meetings to be pleasant social affairs that lead only to an agreement to 'keep in touch'. Experienced sales professionals are focused on finding some way to move forward, perhaps not all the way to a sale in one go (high-value selling often involves multiple meetings), but some definite step nearer.

Figure three is a framework we have used successfully to get this step-by-step nature of the sales process into people's minds, to give them a direction to head in, and to give them a way to keep track of progress. It's a generic process (originally based on the work of Joe Gregory and Debbie Jenkins, co-founders of Lean Marketing – we have adapted it to professional services).

The key value of the pipeline is its function as a focus for attention; networking and business development is a longish game, and the pipeline framework directs the attention of everyone to the ongoing activity of turning contacts into clients using a logical, sequential and manageable set of steps.

From a managerial perspective, it is important to have such a framework because it gives you a way of tracking, discussing and coaching individual (and group) performance. It also gives you the opportunity to reinforce and reward behaviours, which, although they have yet to yield a huge deal, are moving in the right direction and are evidence of people building their skills.

As a further development, we have recently been experimenting with ways of valuing likely future earnings from a given pipeline (in much the same way as drug companies are valued, based on their development pipelines). This gives quantitative data that focuses the mind on building the asset value of business relationships.

Interpersonal influencing skills

To advance through the sales pipeline requires person-to-person influencing skills, and perhaps this is the area where old cultural stereotypes about slick-talking and patter can most easily assert themselves.

Actually effective sales couldn't be further away from the slick-patter approach – rather than talking too much, effective sales people ask a lot of questions and listen carefully to the answers. Various questioning models exist, and a review is outside the scope of this article, but the successful ones share an emphasis on teasing out the undesirable consequences of inaction. Rightly or wrongly, many decisions on a proposal are based not on what the benefits would be if you went ahead, so much as the pain you would experience if you did nothing.

Of course, asking about problems can upset, rather than motivate, the other party. Any good selling programme should foster the interpersonal skills needed to ask about the dangers of inaction, without upsetting the seller.

Role conflict and switching

A number of lawyers have told us that they find it hard to switch roles from

being a professional adviser to being a salesperson. The skills required of each role are different. Typically in the adviser role, one takes the stance of expert, and the style of communication is one of targeted questions (often to quickly exclude irrelevant information), and of telling the client the answer.

In a successful selling process, the balance of expert power is more equal, and the seller often has to ask questions from the stance of 'not knowing'. The style is very different and can conflict with the legal-adviser stance. This incompatibility can be a source of discomfort. People benefit from reassurance that, when selling, there is no loss of respect or authority in asking questions in a more open-ended style – it is alright not to know the answer in advance.

One litigator we know told us that he is aware that he shifts roles and style when involved in a mediation, and that he needed a way to make a similar switch to the role of salesperson or networker. A good training programme should help people make such shifts.

6. Put in place the right cultural reinforcers

Better behaviours will happen not only when people have the right skills but also, crucially, when it's in their perceived best self interests to do them.

There are a number of factors to consider, including at least:

- 1 Links to promotion criteria;
- 2 Managing the conflict between fee-earning time and business-development time;
- 3 Maintaining motivation over the long term.

This is a big topic, but here are eight proven suggestions to tilt the playing field in the desired direction.

- 1 **Reinforce desired behaviours early, rather than waiting to reward ultimate results.** Business-relationships development is a medium to long-term investment. Actions have to be taken consistently for a long time before tangible financial results appear. Few, especially early in their careers, can keep going without some external

reinforcement and encouragement that it's going to work;

- 2 **Reinforcements can be very small but they need to be timely.** People are surprisingly responsive to simple and immediate recognition of what has been done – a nod, a wink, a 'well done'. A good appraisal six months later won't do the same trick;
- 3 **Taking people networking gets better results than sending them.** We've done this on behalf of clients with great success. It helps shy people to see what happens, and you can give them a kick-start through judicious introductions. One department head we know likes to occasionally pick a junior to join him to see some of their clients;
- 4 **Introduce them with more than just their name – give them the seal of approval.** For example, saying to a client: "This is James C. He's been working with me for two years now," and to James: "This is Jane D from XYZ Plc – she's a good person to know.;"
- 5 **Make the rules of engagement clear.** Make sure your people are clear about who they can and cannot talk to. If they are unsure, most young professionals won't take a chance on upsetting a senior;
- 6 **Encourage people to cultivate existing contacts.** It's more comfortable for shy people, and generally more profitable, to cultivate a few high-quality relationships than to be a face on the scene. Coach them on their progress in filling up and moving people through a pipeline;
- 7 **Encourage peers to work in pairs to coach or even nag each other.** For example, once a week they can review their pipelines, forthcoming events, news, opportunities to revive lapsed contacts and to target individuals not yet in the pipeline;
- 8 **Encourage your people to seek out up-and-coming talent at the client's organisation.** Consider asking your client to suggest people. Explain that it's in the client's interest to facilitate better two-way communication.

7. Recruit young professionals (including laterals) who are prepared to sell and build the business

We recently heard about a high-flying graduate with a first-class honours degree

The point at which you acquire staff is the easiest time to make clear that the job does not just involve receiving instructions and dispatching excellent advice. It also includes key business functions...

who had just joined a top-tier law firm. She was keen for her friends to know that, in her view, networking and selling were 'cheesy' and she had no intention of doing either. She expected business to land on her desk because she was clever and worked for a prestigious firm.

Undoubtedly she didn't say this in the interview, and this raises challenges for recruitment and selection:

- Make it plain that selling services is how the firm makes money;
- Hire enterprising, ambitious people who are interested in building a business that they will one day be able to share in;
- Train them and coach them (or have them trained and coached) in the most persuasive and sophisticated possible sales techniques;
- Use the best possible sales-management techniques – there's a huge amount of pragmatic, effective knowledge that's been gained on this in other sectors.

Overall, the point at which you acquire staff is the easiest time to make clear that the job does not just involve receiving instructions and dispatching excellent advice. It also includes key business functions: attracting and creating relationships with clients; giving exemplary service; negotiating fees; and knowing that the sale's not made until the bill's been paid.

Difficult times ahead?

We believe there is a need for a proactive approach to sales but this may be difficult because:

- Certain types of established partners don't personally need to change, even though their firm does, because they have a strong repeat client base;
- Associates have not woken up to the commercial reality that it is no longer good enough to be a good technical lawyer;
- 'Brain surgeon' types who simply lack the personal wherewithal to develop

the requisite skills in a realistic timeframe. (It may be better to give these people 'resident expert in this field' status, and sell their expertise as a firm resource, rather than expect them to sell themselves. This option should only be reserved for those with extreme technical competence.)

It has to be said that our suggestions are probably not for everyone. Cost-cutting is much easier. And because it can produce the effect of a quick profit win and make people feel that they are running a tight ship, it will continue to be attractive; but is not a growth strategy.

Post-Clementi, we are likely to see a variety of structures for legal businesses in the future. Those being run for shareholders will come under a lot more pressure to optimise the sales process, and more traditional approaches will probably only continue to work in particular niche operations. ■

References:

- 1 Maister, D., *The Trusted Advisor*, published by Free Press, January 2002

Andrew Bass PhD and Paul Clusker are principals of Bass Clusker Consulting. For further information, contact andrew@bass-clusker.com or visit the website at www.bassclusker.com

Subscription invitation

Managing Partner is available by subscription only. It is published ten times a year. If you would like to subscribe then complete and return this form.

Guarantee: If you are not satisfied with *Managing Partner*, you may cancel your subscription at any time. The unexpired portion will be refunded to you immediately.

Method of payment

I wish to order subscription(s) to *Managing Partner* @ £345/\$595 each per year

Signature: _____ Date: _____

Title: _____ First name: _____ Surname: _____

Position/Job title: _____ Company name: _____

Postal address: _____

Postcode/Zipcode: _____ Country: _____

Tel: _____ Fax: _____

E-mail address: _____

Please tick

I enclose a cheque for £.....
Please make cheques payable to
Ark Publishing

Please send me an invoice
for £.....

Please photocopy and return this form to:

Ark Publishing,
266/276 Upper Richmond
Road, London, SW156TQ, UK
Tel: +44 (0)20 8785 2700
Fax: +44 (0)20 8785 9373