



# MARKETING

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## The Three-Headed Sales Monster

*By Focusing on Specialty, Lawyers Manufacture Cross-Selling Problems*

By Mike O'Horo

Discussions about cross-selling in law firms remind me of the well-publicized discussions a few years ago in the scientific world about cold fusion. Both represent their respective professions' Holy Grail, but no one has really made much meaningful progress toward either, in part because there are some very real and persistent barriers. More significantly in the case of cross-selling, the problem is self-created.

By associating themselves and their value to clients exclusively with their practice specialty, lawyers create and perpetuate a product-centric focus that is the root of the cross-selling problem.

If your nanotechnology client perceives you as an IP expert, what would make them think of you in relation to tax issues, or employment problems? On the other hand, if, as a result of an industry focus in your conversations, they saw your primary value being your understanding of — and credible thinking about — the emerging nanotechnology space, all of the problems inherent in building a nanotech company are natural subjects for discussion. What would be odd about talking to a lawyer who understands the industry and the business about capitalization challenges, com-

peting for scarce talent, protecting the technology itself, creating distribution alliances, financing and building a factory, etc.? Don't all of the firm's varied services derive from these underlying business realities?

### HOW TO OVERCOME THE BARRIERS WE CREATED

A commitment to changing the future focus away from our legal specialties toward our clients' business challenges will eliminate the cross-selling problem permanently, but that's in the future. Meanwhile, we still have to deal with the existing reality.

Many lawyers tell me that a major barrier to cross-selling is their limited knowledge of other practice areas in their firms — at least compared to their knowledge of their own specialties. They feel that they don't know enough to pitch others' services. The unsupportable assumption embedded in this concern is that knowing about and describing

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a legal service “product” is a desirable sales behavior. It is, in fact, counterproductive, as illustrated by the difficulty lawyers experience with it. (Ironically, this “not knowing” is a good thing, as is anything that stops you from pitching. There is no market for pitches.)

Don't try to know enough about your colleagues' services to pitch them. There is no need. Instead, all you have to do is learn your colleagues' *demand triggers*, *ie*, the underlying objective business problems or situations that trigger demand for each practice group's most strategically important services. Make sure that the triggering problem is tangible, immediate and personal.

How do you learn your colleagues' *demand triggers*?

Consider this quote from Samuel Johnson: “Knowledge is of two kinds. We know a subject ourselves, or we know where we can find information on it.” Cross-selling requires the second definition of knowledge, and it simplifies solving your problem. You already have close relationships with a number of sources of *demand trigger* information: your colleagues.

For example, if you have an investment banker client for whom you now structure cross-border deals, you might ask a colleague specializing in employment law, “How would an objective observer, not knowledgeable about employment law, recognize that an investment

banking firm is at risk of sexual harassment claims?” Ideally, you'll approach an employment specialist who has worked with investment firms or analogous business cultures. She might say,

***Overcome cross-selling barriers by using the questioning and listening skills that make you a successful lawyer to learn all other parties' self-interest and show how your mutual interests align.***

“There seems to be a bit of a ‘Masters of the Universe,’ locker-room mentality among salespeople who do huge deals like that. It's often manifest in language and behaviors that had previously been ignored as the boys-will-be-boys behavior of sales stars, but which are now the basis of sexual harassment claims.”

Don't try to explain your colleague's practice or expertise to your client. Instead, test for the client's recognition of, and willingness to acknowledge, the condition, and ask questions that enable your client to reveal why your colleague's knowledge or expertise would be important or valuable to have available. This is “proving the need,” rather than making claims about quality. Until they know they need it,

they don't care how good it is.

Remember that knowledge, no matter how voluminous, has no inherent value, only *applied* value. Why should your client want or need your partners' knowledge? What would she do with it? What effect does she envision from its use? What economic impact would she attribute to that effect? Now you know not only why your client would benefit from your colleagues' knowledge, but also why your colleague would benefit from having this potential client.

This is how a willing lawyer can get her client to welcome meeting her partner, perhaps even thank her, rather than agreeing to a meeting simply because she was asked. We've now addressed one part of the cross-selling problem.

### **‘SELLING SQUARED’**

But, what about the reverse situation, when you want a colleague to introduce you to his client? How do you overcome your colleagues' seeming hard-wired reluctance to do so?

I'll argue that cross-selling is “selling squared.” First you must sell the relationship-controlling partner, which reminds us that the most important question in cross-selling — “What's in it for me?” — is the same as in any other sale. This is the question on the mind of your colleague, who now controls access to the client.

Client trust is an asset whose value every lawyer recognizes and protects, including against potential sales clumsiness by well-meaning colleagues. In cross-selling, your partner will act much like any corporate gatekeeper, for the same reasons of self-interest. “If I permit access to my client, three things can happen: 1) the client loves you and is grateful for my introduction; 2) the client is unmoved either way; and 3) the client reacts negatively. Two of these are bad for me.” Unless you first help the relationship partner recognize how introducing you supports his — and the client’s — self-interest, you’re likely to get lots of smiling, head nodding and creative excuses, but little action (“I’ve left messages, but nothing yet.” “His calendar is really a killer right now.”)

Of the two human motivators — opportunity for gain and fear of loss — the latter is stronger. You must facilitate the controlling lawyer recognizing how the client’s business situation likely contains a threat-based need that your service will satisfy. Therefore, his failure to help the client pursue the solution represents a larger threat to the relationship than the minor risk of negative reaction to your cross-sale approach. You have shifted your colleague’s focus from obligations to his partner and the firm to his obligations to his client. Now you have to back it up with a professional sales investigation, not some tiresome “let’s tell you

all about us” pitching approach.

The final barrier to cross-selling is law firms’ reward systems. Again, everyone talks about the importance of cross-selling, but where are the specific rewards for it? Sure, if my M&A client begins buying employment services from my partner, my client origination numbers go up incrementally, and I may benefit somewhat at compensation time *next year*. But what will encourage me to make it a point to approach my colleagues now with ways to sell *my* services into *their* clients? If my hours are down, I’m motivated to make the sale if I’ll be the one to perform the billable work, but otherwise, the primary credit goes into the relationship partner’s origination column. In either case, the time gap between behaviors and reward negates motivation to change.

#### WHAT GETS REWARDED GETS DONE

If firms are serious about cross-selling, they’ll have to create direct incentives to encourage the specific actions sought. By “incentives,” I’m referring not merely to direct economic participation — although that must be a component — but also to the broader concept of reward, which includes other values such as recognition, flexibility, etc.

“What will I get as a result of succeeding at cross-selling” is too diffuse, and implies an inappropriate focus on achieving the economic outcome, over

which lawyers have limited control. If you change behavior, outcome will follow. To change behavior, you must define what specific behaviors you wish to discourage, and which you wish to encourage. This changes the self-interested question to, “What will I get for undertaking this specific [cross-selling] action or behavior?”

Once the firm succeeds in *establishing* the desired selling behavior, its goal shifts to increasing its *frequency*, *effectiveness* and *cost-efficiency*. Only then does it make sense to modify the economic incentive further to reward specific sales outcomes and results.

The common factor throughout is self-interest. Overcome cross-selling barriers by using the questioning and listening skills that make you a successful lawyer to learn all other parties’ self-interest and show how your mutual interests align. To eliminate the cross-selling problem forever, avoid product-centric pitching in favor a sustainable, business-centric conversation that positions you as a valuable person with whom prospects and clients choose to discuss the challenges of the day.



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