



8 Barriers to Cross-Selling

Cross-selling challenges and solutions

I Poor internal communication

| Barrier | 'Solution' |
|---|--|
| <ul style="list-style-type: none">▪ Individuals who work in practice area teams very often have little communication with other people in other parts of the firm.▪ Organisation primarily along practice area lines, whilst providing easier governance, usually creates a degree of silo mentality.▪ This can be exacerbated by people working in different offices - or even just working on different floors.▪ Senior figures who are seen as unwilling communicators act as poor role models to others in the firm. | <ul style="list-style-type: none">▪ Organise the firm primarily by market focus area with multidisciplinary teams working regularly together.▪ Break down those physical barriers that exist and that can be eradicated.▪ Get partners out of their offices and insist that they spend part of their time educating other parts of the firm about the capabilities of their practice area.▪ Arrange business and social events where people from different parts of the firm can talk – and arrange it so that they do! |

2 Lack of knowledge of what others do

| Barrier | 'Solution' |
|---|---|
| <ul style="list-style-type: none">▪ Individuals who work in one part of the firm very often have little knowledge of the capabilities of other people in other areas.▪ Firms change and add capabilities continually and it is easy for busy fee-earners to become detached from the firm's up to date service offering.▪ Also in some firms there is no demand made for continual learning and training and education support may be lacking.▪ It is impossible to sell what one does not understand. | <ul style="list-style-type: none">▪ Insist that all professional staff dedicate time to learning about, and updating themselves on, the latest capabilities of the firm.▪ Use every possible medium to continually educate professional staff about the firm's full range of service offerings.▪ Arrange short secondments for people to learn about the capabilities of other parts of the firm. |

Cross-selling challenges and solutions (continued)

3 Lack of trust in others' capabilities

| Barrier | 'Solution' |
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| <ul style="list-style-type: none">▪ If there is a belief that any part of the firm (or any individual) is incompetent, untrustworthy or will not dedicate the right level of effort and expertise to client work that could be referred to them, then their services will never be cross-sold. | <ul style="list-style-type: none">▪ Perception or reality?▪ If this is reality then the firm must make a decision. Is it willing to countenance parts of the business that operate sub-optimally? The business decision may be to keep the practice area or individual but if this is the case then any ambition to cross-sell this capability will have to be foregone. People will not cross-sell other's capabilities if they believe that either they or their clients will suffer as a result.▪ If this is perception then the firm has to open up communication between individuals and practice areas. Misunderstandings about capability and trust cannot be solved unless people have the opportunity to talk together. Many of the ideas on the previous page will go some way to breaking down the mistrust that so often is a by-product of silo mentality. |

4 Fear of loss of control

| Barrier | 'Solution' |
|--|---|
| <ul style="list-style-type: none">▪ Partners fear that the introduction of other people into their clients will mean that their (total) control of – and influence over – the client will be threatened.▪ They may worry that they will not know what was happening in 'their' client or they may be concerned that their client will benchmark them poorly against the newly introduced contacts – preferring them to him/her.▪ Partners may also keep others at bay as they intend (at some point) to leave the firm and take their clients with them. | <ul style="list-style-type: none">▪ There are no easy solutions if this type of thinking pervades a firm. The culture is unhealthy and the 'my client' thinking may permeate to very near to the top of the firm.▪ If a firm with this type of culture really wishes to cross-sell it must be totally determined to smash the current culture.▪ Inevitably this means that people who will not subscribe to the new way of thinking and behaving will have to leave. As a great number of these people are the most productive and profitable it is rare for firms to break out from this barrier. The desire to cross-sell tomorrow is usually defeated by the need for continued levels of profitability today. |

Cross-selling challenges and solutions (continued)

5 Financial penalties / lack of incentives

| Barrier | 'Solution' |
|---|--|
| <ul style="list-style-type: none">▪ This may take a number of forms.▪ By introducing other parts of the firm who charge lower rates, a partner may fear erosion of his/her fee income.▪ Alternatively the newly introduced practice area may compete for the same budget – therefore the cross-seller is almost certain to get less work.▪ It could be that the firm has other financial disincentives, which discourage cross-selling.▪ Finally, there may be no disincentives to cross-selling but equally there are no financial rewards for going out of one's way to cross-sell the services of other offices or practice areas. | <ul style="list-style-type: none">▪ The firm has to examine every aspect of potential financial disincentives to cross-selling and eradicate them.▪ People do not work solely for money, but few people work purely for the good of the business - at their own expense. People will not do what is right for the firm if it costs them financially.▪ If the financial aspect is an issue then firms have to be tough with individuals who 'hoard' business, sometimes carrying out work that others are more qualified to do. They also need to change their traditional ways of measuring performance. Double count business if necessary!▪ Also, if cross-selling is going to provide such rich rewards for the firm, then give the people who make the right contribution a share of the rewards. |

6 Not knowing how to cross-sell effectively

| Barrier | 'Solution' |
|---|---|
| <ul style="list-style-type: none">▪ We don't know what we don't know.▪ Most professionals have never been shown what effective cross-selling looks like - therefore they have no benchmarks by which to judge their attempts.▪ The untrained professional usually articulates selling arguments that are very firm-centric and not client centric.▪ For a client to buy another service from a firm there has to be a very specific benefit for the client to make this decision.▪ A benefit-neutral argument ("We can do this for you as well") is no argument at all. | <ul style="list-style-type: none">▪ Train all people who are expected to cross-sell.▪ Ensure that the training doesn't just tell them what to do. This is a skill and the only way one improves any skill is through practice.▪ Insist that the training includes practice and role play elements. This will build skill and, more importantly, confidence. |

Cross-selling challenges and solutions (continued)

7 Poor understanding of the client's business

| Barrier | 'Solution' |
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| <ul style="list-style-type: none">Many professionals admit to being project or transaction orientated. This means that they have a great depth of knowledge about a very small part of the client's business.Many cross-selling opportunities that the professional may get a glimpse of are not pursued because the professional realises that the ensuing discussion may well take him/her out of the comfort zone of that part of the client's business that he/she understands. The professional realises that his/her lack of real understanding about the client's business could be very exposed by some dumb questions and/or dumb responses.The loss of face that could ensue is not worth the risk involved in pursuing an opportunity that is for someone else's benefit after all. | <ul style="list-style-type: none">The time to learn about a client's business is not during an attempt to cross-sell another part of the firm's capabilities.It should be part of the client partner's brief to develop a full understanding of a key client's business. As part of the Relationship Protection Index (RPI) the client partner must be able to demonstrate his/her understanding. This takes an investment of time.It may be a sound business decision for a firm to insist that partners maximise their fee-earning time at the expense of taking time to just develop a better understanding of their clients and 'what makes them tick'.However few partners will take the risk of trying to cross-sell when an opportunity appears in a part of the client's business they do not understand fully. |

8 The client's image of us

| Barrier | 'Solution' |
|--|---|
| <ul style="list-style-type: none">Because we bring specific capability and expertise to a client we can very quickly become 'pigeon holed' in the client's mind.Different clients very often categorise us differently. We may be one client's property advisers and another's employment specialists.This makes it very difficult to cross-sell another service to a client that has made this de facto decision about the width of our capabilities. The client's perception and mindset makes it difficult for them to really hear what we claim when we speak of other capabilities. | <ul style="list-style-type: none">The solution is to continually market our width of capabilities to existing clients.This does not mean bombarding them with irrelevant messages but it does mean crossing our client's desks with messages of 'what else we are up to'.Whilst these messages are not meant to try to sell to our clients, they are meant to convey a perception that the firm doesn't just specialise in what the client currently uses us for.When we execute new work or take on board new capabilities we need to make our clients aware. The awareness that we are not 'niche' will assist our credibility when we attempt to cross-sell other services at some point in the future. |