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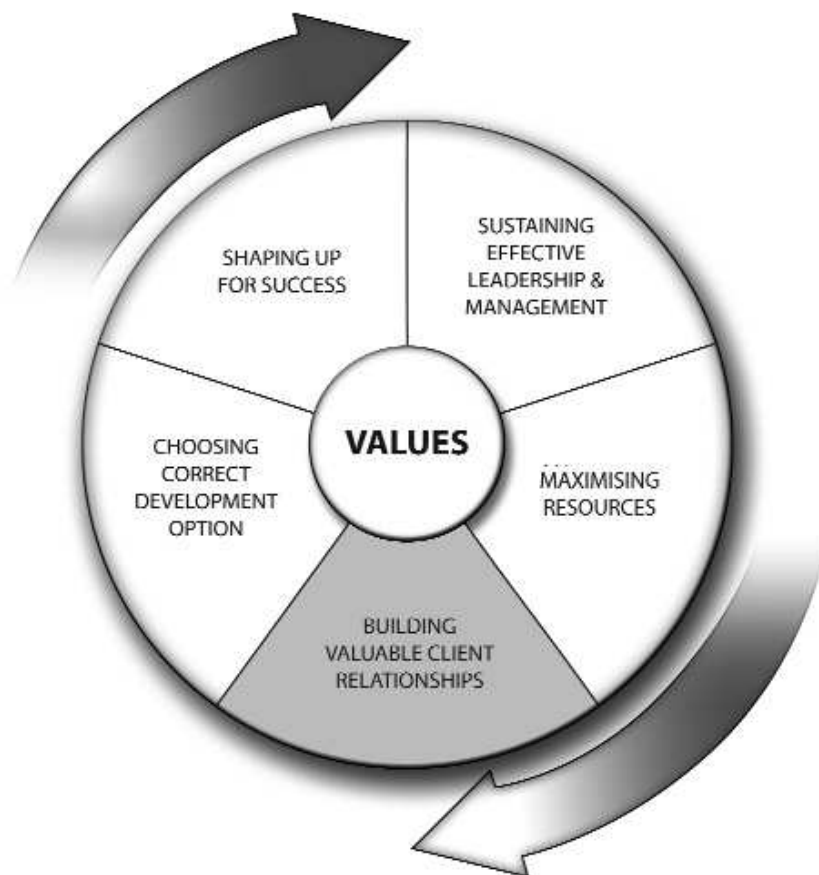


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CHAPTER 6 BUILDING VALUABLE CLIENT RELATIONSHIPS



6.1 Introduction

In Chapter 2, we considered the importance of asking our clients what they want from us, and working with them to agree their expectations and establish their trust. In this Chapter, we will look in these issues in more detail with the ultimate objective of allowing us to build valuable relationships with our clients.

All professionals identify strongly with working with clients where there is mutual trust and respect. However, clients now expect us to tailor our services to suit them and most want to know up front how much these services will cost them. We have to respond to that and at the same time, deliver a relationship that produces 'value' for both sides. We need to adapt our traditional ways of working and timescales to match what our clients want and are prepared to pay for. Technology offers one route to achieve this, allowing us to access and manage information in differing ways. However, we have to be wary of using too much technology and losing the personal touch. We will look at this in the context of implementing cross selling to existing clients and how we attract new clients.

6.2 Good versus exceptional

Most professional firms accept the need to be client focussed. Some have adapted their structures to develop client service teams, others invested considerably in

technology to allow their people to be contactable 24 hours a day. Most of us now feel that we are at the beck and call of clients to the detriment of our health and family life. Yet many clients feel that we are remote and distant. Clients comment that we are '*not on their side*', and more interested in abstract details than the concept of what they are trying to achieve. Significantly our professional bodies continue to receive a lot of complaints based on a failure to communicate effectively.

Why is it that while we seem to be trying harder and harder to please clients, they still do not value what we do? Why are they so difficult to please? The answer lies in identifying what clients want from their professional advisors. Finding out what our clients want from us is crucial for two reasons. Firstly of all, it ensures that we will be able to deliver what they expect us to achieve for them. Secondly, the quality of our service is dependent on what the client perceives as good value.

In Chapter 2, we defined the three basic steps to developing long-term relationships with our clients, which were to: -

1. establish and agree client's expectations,
2. develop and retain trust, and
3. be responsive to their needs.

To compete in today's consumer-orientated market, at a minimum, we need to consistently deliver a high quality professional service. *All* good quality professional service firms should be able to address these three basic steps, through taking initial instructions and developing effective work practices. However, to differentiate ourselves from our competitors, we need to do more than that. We need to think about the last time we used another professional service, and ask ourselves a series of questions: -

- Did the professionals involved get to know us as an individual?
- Did they spend time listening to what we had to say - and then, offer a solution tailored to what we had told them?
- Did they take the time to involve us in agreeing what course of action should be taken?
- Were they always available and pleased to respond to us?
- Did they avoid confusing jargon?
- Did they pre-empt some of our concerns and needs?
- Did they think ahead and flag up issues that we should be aware of?
- Did they suggest some practical solutions to current and potential problems?
- Did they show that they cared about our problem?

We need to check these questions against our own service delivery. What clients truly want is for their professionals to be proactive, in other words, to think beyond the matter in hand, focusing on achieving end results rather than the details of the process of getting there. For most firms, these are the clients we want to develop long-term relationships with - the ones who remain loyal to us, use our and their time effectively and refer more business to us. In that way, we will build and maintain their loyalty to us and as a result, build long-term relationships which bring value to *both* parties.

As a result, we need to deliver a service that our clients feel is exceptional. The distinction between good and exceptional is hard to define, as it depends on what each individual client values. For example, one of the aspects that I value if I stay in a '5 star' city centre hotel is that their staff park my car for me, as this saves me time, energy and anxiety. For other people, that '5 star' value may be reflected in the availability of a gym or free access to the Internet. However, there are a number of core elements that all clients agree on.

In my experience, it is worth asking key clients how they define 'exceptional' as the examples they choose tells us a lot about their individual preferences. For example, I asked one of my senior director clients (an engineer by profession) to describe what he wanted from his professional advisors. He said:

'This is kind of asking the difference between 'that's my right and expectation as a client' i.e. good professional service and the WOW factor where you are really taken by surprise because it's well beyond what you expected.'

Criteria

- *very caring client service from the start and then throughout*
- *high quality timely communications*
- *delivered on time*
- *professional reporting, clear, concise, good descriptive English*
- *priced competitively and up front*
- *careful recommendations (beyond the fear of litigation stuff)*
- *precisely agreed contract and carefully specified*
- *relevant support and back up when needed*
- *available when needed or at least user-friendly contactable.'*

As a result, I now know that if I deliver all of these criteria, I will provide him with what he sees as exceptional service. Indeed, he had defined his 'standards of service' for me.

Many of us will look at that list and say that, in essence, what he describes is nothing hard or difficult, yet he finished by saying that *'to be 'wowed' would be a rare occurrence for me and many others!'* It is interesting that he uses the phrase 'caring'. This is the essence of our relationships with our clients. They want us to care about what we do for them, whether we are working on a large property development or a small family problem. We need to get to know them as people rather than as simply as a piece of work. We also need to look at the way we deliver our services to ascertain if we truly are delivering what clients value.

6.3 What do clients value?

As we discussed in Chapter 2, most professionals still throw up their hands in horror at the suggestion of asking key clients what they think of their firms, their people and the services that they provide. However, as our clients are the ultimate judges of the quality of what we provide, the source of what additional services we should develop and at the end of the day, the future success of our organisations, it is essential that we carry out regular Client Service Audits.

Taking feedback from our clients is important as it allows us to tailor our services and identify future services. It also enables us to identify the types of clients we want to encourage and build into our future success. Every client is different and as a result, what is 'value for money' for one person will not be perceived as good value by another. However, as a minimum, all of our clients deserve to receive a quality professional service, delivering what they have asked for within the timescales we indicated and within the costs we agreed with them.

Some of the information this analysis produces will be positive, as clients can tell us a lot about what happens in other areas of our firms and what people say about us. They can also offer suggestions about what can be done better and most importantly, how services can be improved. As always, very simple aspects are important to them, for example, how friendly or helpful our support staff are or how well reception deals with them when they call into our offices. One facilities management consultants firm I know tells everyone in its formal presentations and website how expert it is in this service, yet any female client visiting its offices would have noticed that the doors in the ladies toilets do not shut properly!

Too often firms feel that clients buy from them on price alone. Yet, selling on price can create a number of difficulties, which include that:

1. the work may not be profitable,
2. the whole relationship is based on money, rather than value,
3. it devalues other aspects of the service delivery,
4. the professionals doing the work may feel undervalued,
5. it causes difficulties when the brief requires alteration,
6. it has a direct influence on future fees, and
7. it affects the firm's image and positioning in the marketplace.

It is important to remember that clients 'value' other aspects of the services they buy. Again, to appreciate this, we need to think that on many occasions, we will pay '*over the odds*' to secure something we need or particularly want. Clients make the same kind of decisions when choosing to employ their professional advisors.

So what criteria do they apply? Having listened to a wide range of clients, they all mention to me accessibility, value for money and pleasant and helpful support staff. They describe their frustration with not understanding what is involved in a piece of work, how long it will take and how much it will cost. They speak of professionals who talk much more than they listen, who focus on the process of what they do rather than the results they obtain, and being reactive rather than proactive. This feedback allows us to identify the core elements which form the bases of building valuable relationships with our clients. In summary, these include that we must:-

1. establish and agree their expectations,
2. agree timescales, levels of service and costs,
3. develop and retain their trust,
4. be responsive to their needs,
5. be good listeners,
6. find proactive solutions to their problems, and
7. deliver results not processes.

Let us now look at each of these seven elements in more detail.

6.3.1 Establish and agree clients' expectations

Too often clients come to us with totally unrealistic expectations of what is achievable – in terms of timescales, costs and/or outcomes. We do not have a magic wand that can make everything right for them or resolve complex matters without taking time, incurring costs and dealing with details.

Part of this lack of realism stems from lack of understanding of what individual professionals actually do to earn their fees. We need to think how little we know of other professions and their daily work demands. What do building surveyors do that is different from quantity surveyors? What do solicitors do that takes so much time and produces so much paperwork? What do accountants do other than sit in meetings? Clients are at an even greater disadvantage as they are not familiar with our language. Because of this, clear terms of engagement letters are vital. These must be written in simple language, dealing with the essentials of what we will do for our clients and how. In my experience, they often run to many pages of carefully drafted caveats and disclaimers, which may offer the potential of a strong case in the event of client complaints but are not likely to start from the premise of building trusting relationships.

Clients tell me that most of all they want clear initial explanations from their professionals about what is involved. Few clients are comfortable with being asked to write a blank cheque for intangible services, which they cannot test out in advance or make any objective assessment of the quality of the services being supplied. Firms should therefore develop handouts and flowcharts showing the process, anticipated timescales, who does what and what the client is expected to do.

6.3.2 Agree timescales, levels of service and costs

Clients therefore want us to advise them in direct and simple terms what is achievable, how long it will take and how much it will cost. If what they want is too time consuming or expensive, they want to know this upfront so that they can adjust their choice or select an alternative solution. They want the benefit of our expertise and advice to decide on options. Once they have been guided through this and made their choice, most clients are happy to let us get on and implement it. If matters go off course, they expect to be informed in good time to be able to adjust that choice. Over and above that, they want us to keep the end result of what they are trying to achieve in mind.

They want us to be '*sympathetic*' to their situation, not just provide surgically precise information, to show them that we care about what we do in general and what we are doing for them in particular. This once again highlights the importance of accessibility. Clients continue to complain about poor communications. With due respect to our professional brethren, some of us still use long-winded and complicated jargon. Similarly, the tone of much of our correspondence and emails can sound aggressive and/or arrogant.

When clients talk about accessibility, they mean having direct contact with someone who has up-to-date information about their file and can progress matters. I regularly hear of clients phoning in day after day without the courtesy of a return call. We seem to forget that in most cases, the matter is very important to our clients. Many still feel intimidated about phoning professionals. They may well wait beside the phone for a return call, thinking that they will be phoned back in 20 minutes. Yet, some professionals I talk to think that to phone people back within two days is acceptable. No wonder some clients become agitated.

They also want matters to be resolved with all possible speed – so that they can get the keys of their new property, access to their money or simply get on with their lives. For example, no one enjoys visiting the doctor, dentist or lawyer. They provide services that we would prefer not to use and prolonging the agony serves no one. Clients also need to be educated in what *we* expect from *them*. We do expect them to be up front and honest with us and not abuse our time or support staff. Giving them indications of timescales and when we need them to provide information or funds allows them to prepare accordingly. Clients, like most people, hate surprises. As a result, talking about money up front is vital.

(a) Talking about money

Too often professionals avoid talking about money or if asked directly by the client, become hesitant and evasive. When I ask professionals to analyse why this happens, they come up with a variety of excuses. These range from:-

- being too embarrassed,
- being afraid of the client's reaction,
- not understanding the basis of charging,
- being worried about quoting the wrong amount,
- needing time to think,
- being uncertain about the brief,
- not considering it to be their job, and
- afraid that it might damage or devalue the relationship.

In all of these, prior preparation and practice of such discussions will help. We must remember that commercial clients especially, often push us on the subject of money, to test how we will react. They argue that if we cannot talk comfortably about money with them, how well will we do it when acting for them? They see this therefore as a test of our competence.

Quite apart from not building our clients' trust in and respect for us, the practical consequences of not talking about money are considerable. These include:

- not getting the work at all as our competitors are better at it,
- that the client becomes frustrated or confused about likely costs,
- the work is started before costs are agreed,
- there are different perceptions about what is covered and what is not,
- it causes internal management problems,

- it causes later misunderstandings and problems with payment and level of fees,
- the client has no certainty of budget and feels ‘unsure’ about service levels, and
- overall it damages the working relationship.

All of these problems are significant and should be avoided as such misunderstandings and ambiguity undermines our ability to build trust. It is essential therefore to educate our people in how to talk about money in an informed and comfortable way. In my experience, this education is best done directly, through in-house training sessions.

6.3.3 Develop and retain trust

Clients do not know how to select their professional advisors. They often have no detailed understanding of what we do for them. Even the most sophisticated commercial clients talk of a ‘*leap of faith*’ when it comes to instructing us. In other words, they have to make a judgement based on trust. As everyday life becomes even more complicated, clients have no real perception of the content of the service they are buying. They are forced more and more to cling to the intangible aspects of their buying decision - their confidence in our knowledge and reliability. We have discussed trust in some detail in Chapter 4. The same comments with regard to its fragility and intangibility apply here. Trust is nebulous and is based on intuition, backed up by personal recommendations from people we already trust.

Professionals also want client relationships to be based on trust. Most of us want to work with clients who trust us to get on with the job and who are loyal to our firms. Some of you will be saying that that is all in the past, and that I am being naive to think that such a relationship is possible. However, if we treat clients as though we do not trust them, covering our backs with detailed letters and defensive language, they will respond in kind. Ironically if we concentrate on developing a trusting relationship, we will become what our clients are asking of us - i.e. the proactive professional who thinks about what each client wants to achieve and gives their work priority. As a result, as discussed in Chapter 5, we need to be selective about the clients we take on.

Trust is therefore a very powerful tool in developing client relationships. However, there are some key aspects about it that we need to remember: -

1. each side need to trust the other,
2. it requires openness and honesty,
3. it is particular to the individuals involved,
4. it takes time to develop, and
5. it can be destroyed easily.

I sometimes ask young professionals to work out how we develop trust with clients and how we lose trust. They find it an easy exercise to complete, commenting that what I have asked them to do is too simplistic. But that is exactly the issue. Developing trust is what all good professionals are committed to. To develop trust we

need to be honest and upfront with clients about what we can and cannot do, stick to the timescales we have indicated and do what we said we would do. To lose trust, we need to avoid issues and break promises or undertakings we made to them.

Developing a trusting relationship brings benefits to us as well as the client. When clients trust us:-

- we don't have to cover our backs,
- we can get on with what we need to do,
- they pay us without any problems, and
- they let us get on with our work.

The overall end result is that they will allow us some leeway as life is not always perfect!

6.3.4 Be responsive to their needs

We must be responsive to the needs of our clients. To achieve this, it is therefore important to see it from the client's perspective and think about how we feel when we go to seek personal advice from another professional. On many occasions, clients come to us: -

- feeling unsure what to expect – how much it will cost, how long it will take, what does it mean,
- having heard '*awful*' stories about other people's bad experiences (we will remember that clients are three times as likely to tell people about their bad experiences than their good), and
- not wanting to come to see us at all because they have made a mistake, have avoided dealing with something, or through no fault of their own at all.

As a result, they may appear defensive, anxious, angry and distrustful. We need to be able to handle this behaviour, show them that we understand and have experience of their problems, explain what we need from them and develop their trust. One of the best ways of doing this is to spend time upfront listening to them.

6.3.5 Be good listeners

It is important to really listen to clients when they first come to see us. They may not always give us consistent information. Sometimes, they may appear to want to press ahead with some specific activity, when in fact, they want us to talk them out of it. Unfortunately, many professionals are poor listeners. We have a habit of scanning conversations, sorting and sifting as we go along. We tend to finish people's sentences for them, hurry them along and even interrupt. We quite often take notes. This can mean that when clients are talking to us about something they feel passionate about, they end up talking to the tops of our heads. So much for our eye contact! It is no wonder that professionals are often criticised for being poor communicators.

To appreciate how we may appear to our clients, it helps if we think again of other professionals outwith our own discipline. When we see our GP, think of how quickly he or she reaches for the prescription pad. We may wonder if we have been given

enough time and attention to explain what we are really worried about. I am not suggesting that the GP has not done a professional job. We may well have come out of the surgery with the right solution to our problem but do we fully understand and appreciate that? Similarly, if we think about reading a building survey report on a house we want to buy for ourselves. Surveyors quite correctly focus on what is wrong with the house, but to a layman, a survey report often makes us feel that the house is in imminent danger of falling down.

We looked at the importance of listening in Chapter 4. Good listeners listen rather than talk. They look at us and appear to be paying attention to what we say. They wait for us to finish and then ask questions which show that they have listened to what we have told them. The opposite is equally true. Both sides are summarised in Table 6.3.5.

Table 6.3.5 Listening

<i>Good listeners do</i>	<i>Good listeners do not</i>
<ul style="list-style-type: none"> • Listen rather than talk • Maintain eye contact and positive body language • Let us finish • Make us feel important • Ask for clarification if they don't understand • Prompt us if we lose our train of thought • Empathise with us 	<ul style="list-style-type: none"> • Talk about themselves • Fidget and look bored • Interrupt • Allow themselves to be interrupted • Make assumptions • Jump to conclusions • Sit in judgement of us

We need to develop our listening skills to allow clients to feel that they are working with people who fully understand them. For those of us with too much to do already, to suggest that we concentrate on spending even more time listening to clients must seem like an insane suggestion. However, if we spend time establishing what each client wants to achieve at the outset, this will allow us to focus on delivering that rather than wasting time at a later stage, altering our brief. This should then allow us to get on with the job with less interruptions and time-consuming back covering. Using technology to take the drudgery out of routine elements of our work will also free up our time.

6.3.6 Find proactive solutions to problems

In Chapter 4 we looked at the importance of solving internal problems. Clients also want us to solve their problems. Many professionals are trained to be technically skilled and adept at finding reasons *against* adopting a certain course of action. Few seem to understand the importance of also finding a practical solution. For example, whilst many clients may have a legal remedy, the costs and time involved in pursuing this through the courts may not benefit the client in the long run. A more immediate out of court settlement may be better. Similarly, a client who wants to jump at what appears to be a financially lucrative property deal may need to be persuaded of the longer-term consequences of signing up to such a contract.

To be an effective problem solver requires the ability to:

- analyse an issue and identify possibilities,
- plan ahead and think dispassionately,
- gather accurate factual information,
- gain access to expert help and practical advice, both internally and externally,
- be open minded to suggestions, good at listening and learning,
- think innovatively and ‘out of the box’, and
- present solutions in a persuasive way.

Most clients want their professionals to take their problems away and fix them, not bother them with the details of what is involved and most importantly, progress matters with good speed. Many clients have little perception of, or indeed interest, in the technical details of what we do. This means that once we have established what *each* client wants, we should be able to get on with what we do without spending too much time explaining technical issues. I accept that, in some cases, we need to educate our clients about what is actually achievable for them and sometimes, we need the passage of time to allow clients to come to terms with the reality of their situation. However, in most other cases, clients simply want us to get on and do it.

They also want us to think ahead – to foresee potential problems and find ways of avoiding them before they arise. Few things annoy clients more than being told by their advisor that ‘*when we met initially six months ago, I thought that this issue would arise*’. It is our job to use our experience to be proactive rather than reactive, and as a result, prevent that situation arising.

6.3.7 Deliver results not processes

Technology continues to provide huge potential to remove the drudgery of routine client work. It allows us to standardise a lot of what we do and at the same time, tailor the services to individual clients. In other words, it allows us to drive down the cost of producing the work and concentrate on the elements that the clients value i.e. direct contact with their professional advisor.

Some firms, however, have forgotten the nature of the services clients want. Clients want us to provide support rather than paperwork. Introducing standard procedures for what we do is fine if we remember that we still act for people not just file numbers. For example, buying a house is regarded as generating almost as high stress levels as a divorce. I know it often appears that all house purchase clients are agitated – but in fact they are!

IT also provides the opportunity to progress work faster as less time is needed on drafting and checking. The quicker we can progress the project to a successful conclusion, the quicker we will get paid and the happier our clients will be. As a result, we need to change *where* we spend our time, moving from routine document producing to adding value to the client relationship - using our skills and experience to devise an effective solution to his or her problems.

Not all clients value the same thing – some value our detailed and intricate specialist advice, others our pragmatic, problem-solving approach. That is what makes our work

exciting and challenging. We need to be chameleons, matching clients with particular types of people within our firms to deliver what each client wants. For example, overly busy clients want us to take away the details, sort them out and *not* send them endless reams of paperwork. Commercial clients want their deals done within agreed timescales, input from us about better options and for us to co-ordinate all of other professionals involved.

Clients want us to be innovative in how we deal with their work. They pay us for our ability to find a practical result. They also want us to take a commercial view of what can be done, rather than stick slavishly to the '*safe*' answer. Being proactive requires that we have the time to plan ahead - time to sit back and look at what can be achieved. However, most of us spend too much time doing and not enough time thinking. We need to devise ways of providing quicker and/or better solutions as this allows us to show clients that we care about resolving the situation. When we do that, we build a reputation for delivering good results. It also allows us to concentrate on what we enjoy doing.

We now need to look at the application of what we have learned about our clients and what they value in the context of cross selling to existing clients and winning new clients.

6.4 Implementing Cross Selling

Nearly every professional firm speaks of the importance of cross selling its full range of services to clients, yet very few firms achieve it in practice. However, the strategy of cross selling is sound as the effort and time it takes to attract new clients away from their existing professional advisors is considerable. It is much easier to sell new services to existing clients who already appreciate the quality of what we provide to them. We already understand these clients and what they value, and therefore can focus on explaining the benefits our additional services will bring them.

It will also bring significant benefits to our firms, which include: -

- increased sales, the potential to maximise the use of existing overheads, and increase profit margins,
- improvements in communications and inter-departmental understanding,
- improvements in consistency and quality of service, and
- identification and sharing of best practice.

Many of us are all too familiar with the problems associated with selling professional services. Quite apart from the difficulties of selling something intangible, our clients often do not want to buy from us in the first place, seeing our service as a necessary evil. Also, professionals are deeply uncomfortable with the concept of 'selling', and even perceive it as something inherently unprofessional. Even when professionals are brave enough to try to introduce clients to other parts of their firms, it can go wrong. When work is referred to another professional or department, the client may not enjoy the experience, which will reflect badly on the professional making the original referral.

Given that the strategy of cross selling is correct, how can we overcome these problems and put it into practice?

First of all we need to educate our clients about our services and their benefits. We need to support our clients through the crossover process and make sure that internally, we reward people who make it happen.

6.4.1 Educate our clients

As outlined earlier, most clients have difficulty understanding what professionals actually do. As a result, we need to start by educating clients about the range of services we provide. By this, I mean that we need to give them basic information about what we do, and most importantly, what benefits that will bring to them. The best professional brochures and web sites achieve this by providing illustrations, sometimes by way of case studies or stories of the successes these firms have achieved for their clients.

Many professionals seem to have become incapable of seeing it from the client's perspective. As a result, when asked to define the benefits of their services, they talk a lot about the technical content of what they do. However, we must be able to define the benefits of our services from the client's point of view. As we have already discussed, most clients value speed of response and that their professionals concentrate on delivering results. As a result, we need to focus on promoting those aspects rather than telling clients how expert we are. For example, the benefits of our litigation or landlord and tenant department should not describe the expertise of our partners but should instead illustrate our speedy resolution of what appear to clients as being insurmountable difficulties. Yes, I can hear my colleagues commenting that that is easy to say but very difficult to achieve, but that is the point I am making. To earn high quality fees and win high quality clients and work, we need to be able to do what many other professionals cannot.

It is worthwhile stopping at this point to reflect on what we say in our websites, formal presentations and brochures. Are we telling the clients how important we are or are we telling them what we can *do* for them? It is essential to develop all our communications to existing and new clients with this orientation in mind.

To focus on what our clients value, it is essential to be able to answer these three questions:-

1. What services and products do we offer to clients?
2. What are the features of these (i.e. what distinguishes them from what our competitors are offering)? and
3. What benefits do our clients gain from them?

For example, rather than talk about the process of facilities management, we should highlight the benefits it brings. For our client's Finance Director, it brings certainty of budgets and cash flow, no surprises and no embarrassment at Board meetings when he or she has to ask for exceptional funds to pay for some major building repair. It also ensures that capital assets maintain their value year on year.

6.4.2 Hand holding is not a waste of time

Once we have ascertained what our clients want and what they will want from us in the future, we can then introduce new services to them. This is a very important stage in the relationship and must be handled with care. Clients, like most people, are resistant to change. They do not like having to get to know another professional and will not take it well if they have to explain themselves to other people within our firm, as they will expect quite rightly, that the handing over of details about their background should already have been made.

Retaining contact with them after the handover is essential. Too often, the referring professional hands clients over without any attempt to keep in touch with them. Too often, the new professional keeps the referring professional out of the communication loop. This causes professional and client problems on all sides, which include:-

1. clients feel abandoned and forced to build the new relationship themselves,
2. the referring professional feels resentful that he or she has been taken for granted,
3. existing client relationships becomes vulnerable as clients struggle to get to terms with the dynamics of the new relationship, and
4. particular background knowledge of the clients' situation may be missed which can cause professional indemnity problems later on.

On one occasion, I nearly lost an important client of mine as a result of referring him to a partner in another office. After making the introduction and attending their initial introductory meeting, I was kept in the dark about what was happening. When I phoned the client for a routine chat a couple of months later, he was less than civil to me as he had just received a large bill from my colleague which I knew nothing about and which he considered was outrageously high when in his view, little had been achieved.

It is therefore essential to keep all three sides of the referral triangle in touch with each other as the new relationship develops.

Initially at least, the client will tend to check out the new service or advice with the original professional. As a result, he or she should be kept informed about developments *in advance* of the client to make sure that the advice or approach will be acceptable to the client. This may not look cost effective in the short term but it will pay dividends in the long term by developing a strong and cohesive relationship, both internally and externally.

6.4.3 Make sure we reward cross selling

Professionals are reluctant to get involved in anything that is described as '*selling*'. They see it as unprofessional and not what they should be asked to do. Yet, many of them talk about the importance of client care and delivering high quality professional service. It is important therefore to build on that inherent commitment to client relationships rather than put professionals off the concept by talking about increasing their selling skills. Cross selling (or more accurately cross referrals) is about developing and *deepening* existing relationships with clients. Once professionals see it from that perspective, it is much easier to encourage them to do it.

We need to ensure that our structure and culture supports that aim. Too often, firms specify the importance of cross selling in their business or marketing plan yet operationally set fee and time targets which actively discourage it. Professionals and clients alike must believe in the quality of *all* of the services we provide and of *all* of the people providing it. People must know and value each other as cross selling will not be achieved in an atmosphere of distrust and resentment. As a result, we need to educate each other about what we do, through cross-departmental in-house presentations and promoting examples of successful cross selling. We need to ensure that we follow through by developing ways to reward the people who implement it. These could include recognition for the introduction to the new service or a percentage reward on the fee recovered. We also need to ensure that people and departments trust each other and are willing to share clients.

Implementing successful cross selling is one of the core elements of sustainable business growth. We know our existing clients and what they value. We should build on this and expand the range of support we provide to them. Clients choose us because they trust our professional judgement and us. It is important to maintain and not damage that connection. Cross selling implies that we trust the professional we refer our client on to and that the client will benefit from that additional service. We need to believe in the value that we can provide to our clients.

We now need to move on and look at the concept of ‘value-based’ selling in more detail.

6.5 Value-based selling to win new clients

‘Value-based’ selling has become the vogue for many professional firms. Quite correctly, it is argued that clients will buy our services if we focus on the value that we bring to them. However, as we outlined above, if we place too much emphasis on the word ‘selling’, we estrange a lot of professionals from becoming involved in the process.

Some of their resistance comes from the use of the word ‘selling’ as it conjures up pictures of second-hand car or time-share sales pitches. They argue that it is not our job to sell our services, rather it is for our clients to come to us and ask us to provide our services to them. However, given that clients continue to be vague about what we can do to help them, we need to be able to explain what we can do for them. Value-based selling by definition focuses on ‘values’. However, for most of us working directly with clients and other professionals, many of the skills are similar. As we have already established, it is our job to find out what is valuable to our clients and then find ways of delivering that value through our service.

We need to find out as much as we can about the potential new client and what that client is likely to want and need from professional advisors. We must plan our presentation to them, decide whether it should be formal or informal, who will be involved from both sides, its content and how long it should take. Often, we may only have a short space of time in the constraints of a formal presentation to get our message across in a way that the potential client is able to distinguish us from other presenters and, most importantly, feel that they could work with us in the future. We

need to both ask and answer questions and listen to what is said. Over and above all of this, we need to show that we are passionate about what we do.

In summary, the key skills we need to harness include the ability to: -

1. source and analyse information,
2. forward plan and structure words and thoughts,
3. communicate strongly and develop empathy,
4. effectively question, probe and listen,
5. deal with challenges and objections, and
6. show that we care about what we do.

It is worthwhile putting professionals through some internal training on this ‘sales’ process to overcome their initial resistance to the whole concept. As a result, we must never call it ‘sales training’ as this puts professionals off from the outset. Many a time, I have been asked to deliver this type of training and had to spend half of the first morning persuading people that they are not being asked to become salespeople. Once we get over that initial hurdle and they realise that what we are offering will benefit their clients and improve their service delivery, they enjoy the session.

If we focus on the six skills outlined above, most professionals will discover that the process of selling should give good professionals little concern or problems as we *already have these skills*. For example, what good professional cannot source and analyse information? Is not able to forward plan and structure words and thoughts? This provides reassurance that what we are asking people to do is not alien to them or against their professional values. What we are asking them to do is to focus on what the client wants and needs.

Let us now look at this in the context of formal presentations or pitches.

6.5.1 Winning pitches

Clients can only appreciate what we do for them by what they directly experience. As a result, to win a pitch for work, we need to be able to contextualise what we will provide – by showing them that we have expertise in and experience of their particular situation. In addition, we need to start to build a working relationship. At the end of the day, clients will have to make a personal judgement about whether to use us or not. We have already established the importance that trust plays in the clients’ selection process. As we have discussed clients want to work with people who understand them and are focused on solutions. Finally, clients want their professionals to listen to them. Too often when making formal presentations, professionals do all of the talking and expect the clients to be impressed by this. Clients however, would prefer to be listened to rather than talked at, even when it comes to formal pitches.

(a) Contextualise what we do

Many professional brochures and web sites tell us how important these firms are – for example, that they have offices in 15 cities in Europe or that they employ 200 people. This generates a ‘*so what*’ response in clients – ‘*so what does that mean for me?*’ Clients can become cynical about expensive offices, web sites and staff and wonder if they will be expected to pay for all of these in the fees we charge. Quoting our hourly

rates at them merely confirms that we charge by the hour rather than by the results we achieve. Clients are much more interested in finding out whether the firm has experience of their particular situation and what success it has achieved for other clients.

It has become fashionable to present formal pitches using PowerPoint software. This allows firms to develop template introductions about themselves and their services. However, many clients now complain of '*PowerPoint fatigue*', where teams of professionals spend 40 minutes or an hour talking at them, showing no regard for the clients' business or any understanding of their situation. Clients notice when there has been little pre-thought or preparation and often find it difficult to differentiate one group of presenters from another.

Some firms do rehearse and practice their presentations but many do not, thinking that they will '*wing it*' on the day, as the time and effort involved in preparation is costly. As a result, it is essential to focus on formal presentations which are worth this investment. One of my clients accepted any and every opportunity to pitch for work, with the result that they won one in ten pitches. They estimated that, including preparation and travel time, each pitch cost them about £4000, with the result that the one piece of work they did win had to generate £36,000 of profit to break even. By shifting their emphasis and concentrating on targeting clients where they can build a valuable relationship, they now win one pitch in three.

It is important to think through the content of the presentation. With limited time, it is essential to make it direct and straightforward, avoiding jargon. Depending on the client, using humour can be a valuable way of getting our message across. One firm of surveyors, pitching for a project where teamwork was vital, simply showed three slides illustrating great cartoon teams.

It is also important to illustrate to the client what we can *actually* do by offering a couple of options of how the project would be tackled. This allows us to show our understanding of and experience in their situation, as well as illustrate that we are prepared to invest time in these particular clients up front.

In presentations, as with promotional material, it is essential to focus on the features and benefits of what we offer. Rather than tell clients that '*we have 200 staff based in 15 offices around the world*', we need to tell them what features differentiate us from our competitors and what benefits we can bring to our clients. We need to be able to *prove* that we 'add value' rather than simply *say* that we do, by providing real life examples of what we have actually achieved.

As discussed before, whether we trust a person is based on our instinct checked against our subsequent experience. In formal presentations, the key element is therefore to provide sufficient illustrations of what we have achieved for other clients to allow potential new clients to make that choice. Stories about the firm and client projects are an excellent way of achieving this (see below).

Knowing who we are presenting to is vital. If, for example, the selection panel includes the Finance Director, he or she is likely to value professionals who minimise

risk and deliver certainty. If we can provide examples of bringing the project through on time or where we directly reduced risk, that Director will want to work with us.

Formal pitches by definition can become too formal with clients struggling to see the people behind the presentation. It is important therefore to keep the pitch short and to the point and then sit down and let the clients speak.

(b) Listen to them

In general, professionals tend to talk rather than listen, with clients complaining about our inability to communicate effectively. As a result, we need to be very careful about how much we talk, as listening to clients allows us to find out what is important to them and what they are looking for from their professionals. Questions from clients should be encouraged and prepared for and not something to avoid at all costs. Instead they should be seen as evidence that the client is interested enough to be part of the discussion. In many cases, we can second-guess the likely objections that will be raised, for example:-

- *'In what way are you different from firm X?'*
- *'How can you add value?'*
- *'Why are you so expensive?'*

We should anticipate the questions, be proactive about them and have our answers ready.

Clients also want to hear their professionals say that they *want* to work with them, yet many firms do not include that in their pitch. This may to us appear to be stating the obvious (as why else would we be here and have put all this effort into being here?) but in the clients' view, it still needs to be said.

In summary, there are a number of crucial stages to achieving a successful formal presentation. These include:-

1. preparing fully for any formal presentation, including the background to the client, their brief, their overall objective and the impact this project will have on their business,
2. thinking through whether a formal presentation is the best option as many clients would prefer informality,
3. finding out who will attend the presentation,
4. tailoring the presentation to show that we understand their problems and using practical examples demonstrate what we can achieve for them,
5. using stories to contextualise and illustrate what we do, demonstrate our values and how we add value,
6. keeping it short and to the point,
7. building in time to listen to the clients proving that we are confident that we can take any questions they have,
8. having some specific questions for them to illustrate that we have thought about them and their challenges,
9. if possible, offering them a number of options as this bypasses the first stage of clients asking themselves *'Should we use them?'* to the second stage of asking *'How can we use them?'*, and

10. saying that we want to work with them!

The *process* of successful formal presentations is important with each of these stages fully addressed. It is essential never to make assumptions and hope that we can '*wing it*' on the day as lack of preparation always shows. Finally it is important not to assume that formal presentations are always the best way to convince a potential client. Some clients would prefer informality.

6.5.2 Informal presentations

Informal presentations to clients happen every time we meet and talk to them. In essence, every meeting with contacts and potential new clients is an opportunity to 'pitch' for work. As always it is important to have some structure to what we are trying to achieve.

As clients choose us because they like us as people, most of us have the opportunity to talk to potential new clients and contacts on a daily basis as we go about our work. More formally, it is important to choose the type of networking that we are comfortable with. Some people prefer lunches or dinners where they can chat pleasantly to a small group of people. Other people can successfully '*work a room*' without knowing anyone there and leave a trail of business cards behind them. Others do most of their client development on the golf course, tennis courts or gym.

In any of these situations, it is impossible to talk in too much detail about what our firms offer without appearing '*too pushy*'. However, what we can always do is tell a story.

6.5.3 The importance of stories

Stories are an important part of both formal and informal presentations. Indeed, they are an essential part of developing client relationships generally. Stories are important for a number of reasons. They allow us to:-

- illustrate our values and what is important to us,
- show what differentiates us from our competitors,
- put what we do in a context that the client can understand,
- demonstrate in a tangible way that our services can bring real and practical benefits,
- illustrate our specialist knowledge in the context of their particular situation, and
- overall help clients understand better what we do.

They also allow us to be remembered in a distinctive way – and talked about to other (potential) clients. They are therefore powerful tools in building long-term relationships.

From the client management point of view, they also are an excellent solution to telling clients they are wrong without directly confronting them. For example, telling a client about another client in a similar situation who ended up with a bad result because of pursuing a certain line, is an easier way of getting that message across. However, there is one aspect of using stories that has to be borne in mind at all times. Most clients hate to think that we would be telling such stories about them to other

clients. Clients therefore pick up immediately on any breach of confidentiality. It is essential therefore not to use actual names or give any information that would allow the client situation to be identified.

6.6 Marketing and branding

So far in this Chapter, we have focused on our clients and what they value. I have not mentioned the word 'marketing' or 'branding'. Based on my experience of being personally responsible for business development in my firm and from working with senior management teams, too often the person in charge of marketing is expected to wave a magic wand, spend the marketing budget on advertisements and promotional literature, develop a brand and as a result, new clients will flood in. However, new business generation is the responsibility of the whole firm, from the receptionist who may take the initial enquiry to the fee-earner that is asked to complete the new project.

Most of us now accept that selling and branding professional services is not that easy. Our 'products' are intangible and vary depending on our client sector or service. Our clients buy us because of intangible reasons, for example, that they trust the individual they work with. Clients in general continue to find difficulty in distinguishing what we do. The only way they can choose is on the basis of firstly, *personal* recommendations and secondly, whether they *like* the firm.

It is therefore essential to promote our personality, our values and our distinctiveness in our websites, literature, formal presentations and stories. It is equally important for the clients to experience that same personality and culture when they speak to us, meet with us and visit us. This must be built into our recruitment and training programmes as that is the essence of branding for professional service organisations.

Conclusions

Building valuable relationships with our clients forces us to focus on the long term. As a result, we need to ensure that our firm delivers services in the way that our clients value. This requires that we listen and respond to them, as well as concentrate on achieving results in as short a time scale as possible.

Cross referrals and value-based selling are important tools for successful client and firm development. The skills required are no different from those of good professionals who are able to communicate effectively. It is important to provide reassurance that '*selling*' is not unprofessional and provide training to reinforce that.

Business development includes both formal and informal presentations, telling stories and maximising our brand.

Key Action Points

1. deliver exceptional service consistently throughout the firm
2. focus on what clients' value, not on price
3. become comfortable with talking about money
4. always demonstrate to clients that we have listened to them
5. find proactive solutions not more problems
6. reward cross selling and cross referrals

7. do not talk too much in formal presentations
8. develop some powerful success stories about our firm