Say goodbye to "cross-selling"

Ask purchasers of legal services what catchphrase they would like to expunge from the law firm lexicon and most would passionately respond with "cross-selling".

As those of us in the legal profession well know, it is a term routinely used to describe the marketing of new or different services to an existing client. But the implication that enlarging the range of services delivered to a client flows simply from an internal administrative move by the firm to "sell" a bundle of new services is a near-fatal assumption. All too easily it becomes an attitude that the client "owes" the firm a wider mandate.

Beyond adopting less offensive terminology ("cross-servicing" is far preferable), today's clients demand demonstrable proof why it would be advantageous for them to broaden a relationship with the firm that services most of their already existing needs.

This is not in the least to denigrate a firm's aspiration to provide more services to a valued client. Rather, I urge firms to deal with this process on a strategic level, one which emphasizes value to the client. And in devising the strategy to approach cross-servicing, don't expect one simple set of rules to apply to every client — the process must be tailor-made to suit the needs of each individual client.

As with every client-driven exercise, the starting point for an effective cross-servicing strategy is knowledge of the client's industry and of the client itself. It cannot be over-emphasized how important it is that in order to see yourself through the eyes of the client you must appreciate the client's perspective within its industry and in relation to its competitors.

If this knowledge resides only within Practice Area A – the area of practice which represents the existing work for which the client retains the firm – then, at a minimum, this knowledge has to be shared with and absorbed by, Practice Area B — the area of practice into which you wish to offer the client more services. However, more often than not I find that the current knowledge of Practice Area A needs to be upgraded. The conventional sources such as industry association publications must continue to be reviewed, but if the industry sector is undergoing rapid or extensive change, it may be valuable to hire an economic consultant to ensure that you are not at a disadvantage in your assessment.

Next, do the relevant lawyers within the two practice areas have an adequate general level of understanding of the gist of each other's practices? Even though we are now well into the age of specialization, most firms make little attempt to educate lawyers across the firm about the content of their partners' practices.

How can we expect two lawyers who know little about each other's practices to impress a client with a joint marketing effort? Perversely, the nitty-gritty of sharing basic knowledge and experience about an area of practice is avoided because it seems to run counter to the drive for specialization; yet clients increasingly expect integrated service – not merely services from a series of independent silos within the firm.

Only when you are satisfied that the relevant members of the two practice areas are knowledgeable of each other's services can you begin the creative task of aligning what you believe may be the client's needs with your total services. For many lawyers, this is the key sticking point. (*Question:* how will you demonstrate how effectively Practice Area B can work for this client if you don't yet have any file work with which to demonstrate it? *Answer:* think outside the box and beyond the billable matters for which you already have been engaged.)

To generalize, don't assume this is an existing client but, rather, that it is a prospective client you are courting for the first time. What potentially attractive services can you offer the client that it will value and will serve to demonstrate Practice Area B's expertise? Perhaps the most common "wedge" service used is a seminar designed solely for this target client on a topic that bridges the gap between the two practice areas.

Is there anything more tangible than a seminar to demonstrate value? Here is a possible scenario on which variations can be played: suppose that Practice Area A – which already provides services to the client – is an IT/IP Group and that Practice Area B – which would very much like to provide services to this same client – is the firm's Litigation Group. Can the two practice areas devise a joint project for the target that would compel the two to work together to produce something of value for the client — and which, ideally, could be re-used, with modification, in other collaborations?

Consider this for an outline of such a project: offer to review the client's litigation history with an important category of contracting party; then, devise an alternative dispute resolution process for the client – mediation, leading to arbitration, leading, if necessary, to litigation – that you believe would improve the efficiency of dispute settlement.

There are many variations in "costing" this project. Even if it is offered free of charge to the target client, it should have value outside this particular bid. If the proposal is well received, the client may offer to pay for it. In any event, how much value do you place on the chance of obtaining new work from the target client? Even if the client chooses not to retain the firm for work within Practice Area B, will the client place an increased value on its relationship with the firm because of the time spent on the project — a project clearly intended to benefit the client?

If your analysis leads you to believe that you cannot justify the time involved such a project, then you have probably demonstrated to yourself that you ought not to be seeking the work.

Finally, when crafting your strategy, you should develop in advance a specific plan for managing the new work. Most firms, omit to include in their bid sufficient detail about how the firm intends to administer the work. Whatever the content of the plan, it must be designed to please the client. This is the single most daunting barrier to be overcome in gaining the confidence of the client.

When you say goodbye to "cross-selling", say hello to "trust" because every part of your cross-servicing plan must reinforce and deepen the trust that the client already has in your firm.

Richard Potter is a former business lawyer and marketing director for a leading national firm who now consults to law firms on strategic planning and marketing (www.i-lawmarketing.ca).