

# CRM and the emerging professional services sales culture

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**Until very recently, the mere suggestion that professional services firms engaged in anything remotely resembling sales would have been scoffed at. But times have changed. A sluggish economy, increased competition and the global economy, among other factors, have created a new sales culture.**

Client relationship management (CRM) software is the technology firms are relying upon to enable sophisticated sales strategies. Following are some examples of how this technology is advancing sales programmes within the professional services sector.

## **Opportunity management**

Traditionally a firm's ability to manage prospective business has been extremely limited. Business development coordination amongst individuals and groups was minimal, making it virtually impossible for management committees to understand the pipeline of current business development projects and future revenues.

In response CRM systems have evolved beyond their traditional focus on people, companies and relationships to provide structured opportunity management. For instance, these systems empower firms to manage new opportunities through firm-defined sales stages to closure, making it easier to predict future revenues and take preemptive action if the sales pipeline does not match expectations.

These systems will also track and manage referrals or acquisition candidates, enabling firms to identify and focus efforts on relationships that bring business to the firm. They will also estimate and forecast revenues, monitor the opportunity pipeline and produce meaningful management reports so that management has constant intelligence pertaining to the sales health of the organisation. The opportunity management functions of CRM systems can also support distribution list management and maintenance, providing firms and organisations with the ability to

streamline day-to-day communications surrounding any pending deal or opportunity.

## **Relationship capital management**

What other assets do firms have at their disposal that can be leveraged in a sales culture for new business development? They fall into two categories: knowledge assets – what professionals know; and relationship intelligence – who professionals know.

By placing primary emphasis on maximising knowledge and relationship assets, firms adopting a sales culture will see the greatest bottom-line revenue impacts. CRM systems are also playing a central role in this regard.

For instance, professional services always have and always will be centered upon personal relationships. Historically, as part of their duties, professionals involve themselves with religious, business, civic, charitable and social institutions as a means of networking and ultimately building their clientele. Over time, their network of relationships becomes an ongoing source of referrals and new business.

At many firms, CRM software capable of managing and tracking relationship intelligence has been put in place to help leverage the collective relationship networks of all professionals within the organisation. Through social networking functions built into these systems, users can instantly view who else within the firm has a relationship with, for example, a prospective client. Some systems also offer relationship-mapping capabilities, providing a professional with a relationship pathway to a prospect via intermediary relationships. So, for instance, using this CRM functionality I might discover that two professionals with whom I am not personally acquainted but who are now colleagues might be in a position to broker an introduction between the prospective company I am trying to win as a client and me.

By employing strategies and IT tools capable of integrating a firm's relationship intelligence, professional services firms can quickly and efficiently harness their hybrid network of relationships in a manner that can deliver value quickly to the firm.

## **Cross-selling**

Two challenges immediately confront a professional services firm seeking to increase cross-selling opportunities: visibility into internal experience and expertise and obtaining a shared, 360-degree client view. For example, to cross-sell more effectively client development teams must know who the clients of the firm are, understand their businesses, and the past work that has already been done for those clients.

Without access to this information, analysis into potential cross-selling opportunities is virtually impossible.

Likewise, once the client-base has been analysed and segmented, a client development team must then match potential revenue opportunities with internal staff capable of delivering the necessary professional services. As firms grow, keeping track of this information becomes increasingly difficult and can threaten cross-selling efforts.

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CRM systems, again, can drastically increase a firm's visibility into its knowledge resources. For example, through integration with practice management, human resources, contact managers and other back-office systems CRM software can aggregate this relationship intelligence to provide a holistic view of clients and their entire relationship with the firm. Once deployed, this allows users instantly to see profiles of all firm clients, who they've worked with in the past, on which engagements and to what result.

Once a client has been profiled thus, it is then incumbent upon the business development team to determine what areas of opportunity exist for selling additional services to existing clients. This requires access to expertise intelligence necessary to determine the best resources to apply to client engagements.

The challenge of manually aggregating this information can be daunting. Today, most firms lessen this challenge by implementing CRM packages capable of aggregating and managing experience and expertise data. With quick access to experience data, engagements worked upon, industry experience, etc, matching professionals to cross-selling opportunities can be greatly simplified.

### Client service

In a competitive marketplace in which traditional notions of client loyalty are plummeting, positive or negative client service experiences also directly impacts a firm's marketability. CRM packages can be most effective to enhance client service and ensure client retention, thus contributing to the bottom line.

For instance, without tools to identify potentially inaccurate, duplicate or out of date information, client and prospect communications will suffer, causing unnecessary embarrassment to the firm and client doubts about the firm's capabilities. CRM systems now have sophisticated built-in data quality and data change management tools to help alleviate data-driven barriers to excellent client service.

CRM can also be used as a tool for client relationship managers who need to ensure consistency amongst all client touch points. For instance, in instances in which multiple individuals are charged with client responsibilities, a client relationship manager must oversee and coordinate all activities to ensure proper and consistent service. To help minimise the risk of oversights or omissions, business activity monitoring functionality within the CRM system can be set to notify a professional of specific events or non-events warranting his or her attention. Examples include:

- Notification of all top clients that have not been communicated with by anyone within the firm for certain periods of time
- Alerts when "over-due" billing notifications are sent to key clients
- Alerts when other firm members telephone, email or otherwise communicate with top clients
- Notifications when client contacts have changed jobs, received promotions or left their companies

Clients must have confidence that professionals are tuned in and aware of all activities relating to their engagement. CRM systems are now sophisticated enough to serve as back-up ears and eyes, constantly monitoring client interactions and alerting the professional when something important has happened (or has failed to happen) that warrants his or her attention.

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