



## **Rainmaking Challenges in Today's Professional Services Market**

**“Build a better mouse trap and the world will beat a path to your door.”**

Ralph Waldo Emerson coined this famous phrase in the 19<sup>th</sup> century, before the advent of telephones and before television or the internet was ever conceived. Business development by professionals has changed a great deal since that time, and the pace of change is quickening. The most significant change we have seen in recent years is the growing reliance on Marketing Managers. Many professional firms have made significant transitions in getting organized for marketing, selling and business development. Marketing departments have been established with significant roles, responsibilities and budgets.

Despite the deployment of technology, the influx of competition, and the growing role of the marketing manager, much remains the same. There are some timeless principles regarding business development, principles which transcend industry, geography and markets. In the following pages we will explore those principles in greater detail, in an effort to help you best apply them to your practice. Let's begin by examining the seven most common challenges faced by “selling professionals” in today's marketplace. In no particular priority order these challenges are:

- 1) The “sales stigma”
- 2) Lack of business development skills
- 3) The comfort zone of practitioners
- 4) Little or no formal mentoring or coaching
- 5) The billable hours conundrum
- 6) Poor succession planning
- 7) Poor execution of marketing plans

### **1) The “sales stigma”**

Business professionals do not like the stigma associated with sales. When the term salesperson is spoken it evokes the image of a manipulative, fast talking, self serving snake-oil peddler, which certainly has no place in a respected professional practice. Delivery of professional services is unique and has some very specific standards and ethics. True professionals will not use questionable methods that may imperil their professional relationship with clients, nor will they compromise their integrity. There are written and unwritten rules about how professional practitioners are expected to act and behave.

The good news is that fast talking, manipulative sales are from a bygone era. Good salesmanship is highly honorable and will in fact enhance your brand, improve your reputation and strengthen client relations. The bad news is that old habits die hard and the old stigma of “sales,” which was probably fairly fitting, persists to this day. Your goal is to attain the enviable status of trusted advisor. You are there to solve your clients’ problems by applying your expertise in a professional and consultative manner. You are a solutions provider who always has your clients’ best interests at heart. Your integrity is beyond reproach. Does this sound like your objective? I should hope so. In fact, however, it is my philosophy and I am proud to say that I am a salesperson through and through and have been one for over 30 years. So you see, if approached properly, selling is in a professional category on par with attorneys, accountants, engineers, doctors and architects. It is all in ones approach and perception. As you read on, it is my hope that you will begin to shift your paradigm.

## 2) Lack of business development skills

Professional firms are challenged with finding persons capable of building their business practice. The current educational system is focused on developing the tactical skills required by professionals. The system does not accommodate the business development skills required when the graduate reaches the business world, however. Professionals graduate, hang a shingle and quickly come to the stark realization that in order to practice their craft, they must first build a practice. They enter the workforce with huge debts accumulated in learning their craft, then are faced with the added stress and daunting task of growing their business yet they lack those skills most critical to attaining partner status; the ability to “make it rain.” They resort to reading a book, seeking a mentor or attending the perfunctory 1 week training seminar in Atlanta. The reality is that mastering business development skills cannot be done in a classroom. It takes a focus and commitment over an extended period of time, even if you are lucky enough to find a solid mentor with rainmaking skills who can devote the time to your personal growth.

The most common business development issues cited by professionals with whom we work are:

- They do not have a written business plan
- They lack a repeatable engagement process (**read sales steps**) which allows them to control and predict outcomes
- They have difficulty reading people and uncovering their true motivations and building trust
- They do not use effective questions to diagnose real business issues
- They have call reluctance and are uncomfortable networking
- They have an aversion to asking for the business, and end up conducting a great deal of unpaid consulting

The good news here is that most of the above are remedied by learning skills, and lacking business development skills is not nearly as debilitating as the next issue we will address - Comfort Zone.

### 3) The comfort zone of practitioners

Alas this is the most problematic of all challenges faced by professionals. The majority of professionals have chosen their career out of a passion for their craft. They are quite comfortable applying their skills and energy to practicing that particular craft. They love the technical and theoretical aspects of their job. In fact, those are the very things that most likely drove them toward that career. Having a preference to apply their hard earned skills, they are uncomfortable in the role of business development. They enjoy conducting research or solving challenging analytical problems, but may not be particularly outgoing or gregarious. They may have miscalculated the amount of time they would spend dealing with people and risk, and instead were hoping to solve intellectual problems and conduct research. While people have the ability to adapt, it is seldom that we see a monumental behavioral change. It is a fact that people operate in a manner consistent with their own self image and comfort zone. Brad Smart in his best selling book “TopGrading” offers us insight into change management. Management can, and must, create a climate which supports change. In the end, however, change is an internal phenomenon owned by the practitioner themselves. As his table below indicates, some attributes such as experience and education can be modified fairly easily, whereas traits such as assertiveness, initiative, adaptability and tenacity, which are essential rainmaking attributes, are much tougher to change:

**The Amenability of Competencies to Change**

<i>Relatively Easy to Change</i>	<i>Harder But Doable</i>	<i>Very Difficult to Change</i>
Risk Taking	Judgment	Intelligence
Leading Edge	Strategic Skills	Analysis Skills
Education	Pragmatism	Creativity
Experience	“Track Record”	Conceptual Ability
Organization/Planning	Initiative	Integrity
Self-Awareness	Excellence Standards	Assertiveness
Communications-Oral	Independence	Inspiring “Followership”
Communications-Written	Stress Management	Energy
First Impression	Adaptability	Enthusiasm
Customer Focus	Likeability	Ambition
Political Savvy	Listening	Tenacity
Selecting A Players	Team Player	
Removing C Players	Negotiation Skills	
Coaching/Training	Persuasiveness	
Goal Setting	Team Builder	
Empowerment	Change Leadership	
Performance Management	Diversity	
Running Meetings	Conflict Management	
Compatibility of Needs	Credible Vision	
	Balance in Life	

Reprinted from “TopGrading” Brad Smart, pg 187

#### 4) The “billable hours” conundrum

The two most important business practices that exist in the professional’s world are attracting and keeping customers. There is incredible pressure to serve these two masters in the professional world. One master is **billable hours**; the second is **practice management**, which is required to sustain an ever higher level of billable hours. These two masters are inextricably linked yet almost polar opposites. Few professional firms have mastered the cultural balance between the two.

This challenge by itself is not a real issue, but when combined with the selling stigma and the comfort zone challenge it can become a real problem, particularly if you lack a strong mentor who can navigate this fine line. Time management must be mastered or you will end up serving the **billable hours** master because the urgency of meeting the billable hour requirement will displace the importance of **practice management**. There is a very important premise regarding time management that states:

**“ACTIVITY GROWS TO THE TIME TO WHICH IS ALLOTTED”**

Should one have an aversion to business development and lack a rigorous plan to make it happen, they will seek their comfort zone, avoiding the unpleasantness of business development and pour themselves into becoming a great tactician. Please do not get the wrong impression; every professional firm has a need for a strong backbone of tacticians. They do, however, need strong rainmakers as well. The problem is that many firms expect tacticians to make rain, and do not adequately career path those who cannot.

#### 5) Little or no formal mentoring or coaching

The role of senior management in the professional organization is to:

- (a) Provide a clear purpose for the organization, and set the pace and culture of the firm
- (b) Set the performance standards of the organization
- (c) Coach and mentor the individual to find his or her passion, providing alternatives, encouragement, and rewards as needed
- (d) Provide clear, honest, and timely, feedback

Mentoring and coaching are the two highest levels of personal development available in today’s business marketplace. Both should be in ample use within your firm. Let us review some simple definitions to help us understand both and place them in the proper framework.

**men·tor·ing** - *adverb* to counsel or teach; to sponsor or support; to influence or guide.

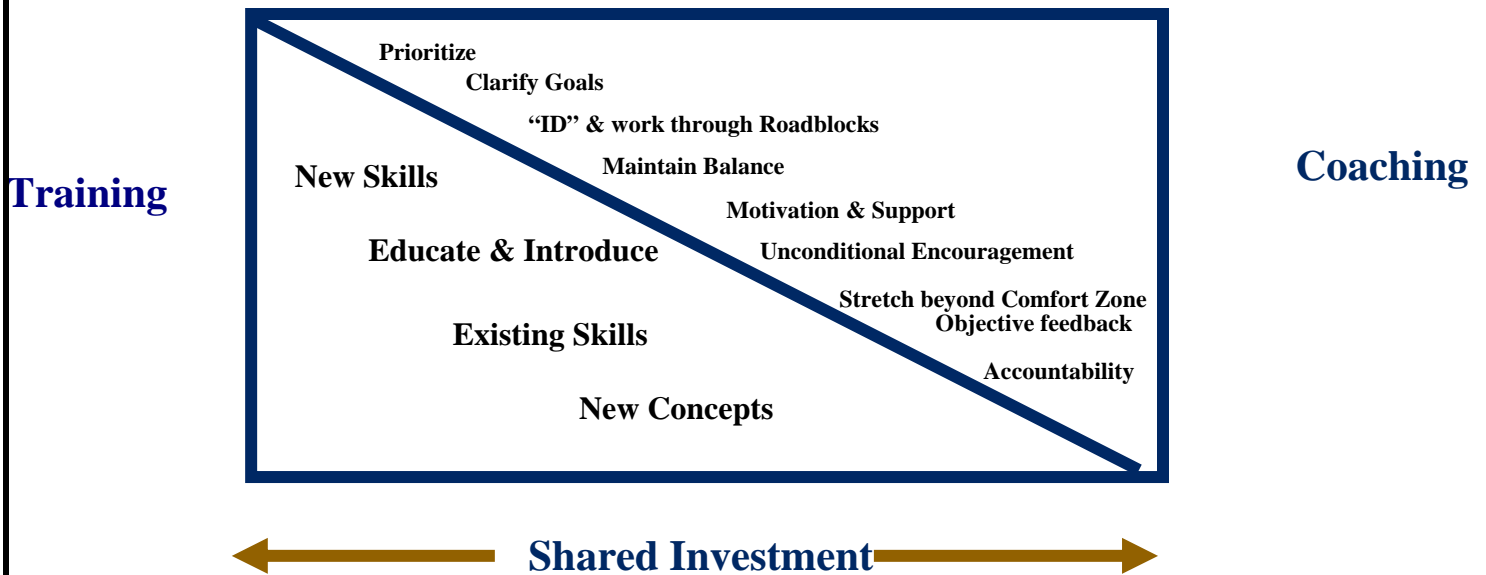
**coach·ing** - *adverb* an empowering learning engagement leading to self realization and self actualization by the coachee.

It is easy to become confused about the differences between coaching and mentoring. Often times the two terms are used interchangeably when in fact there are some very specific distinctions. The primary distinction between the two is “who established the course of action.” In mentoring, the course of action is usually provided by the mentor, whereas in a true coaching engagement, it is the coachee who creates the action plan. It has been my experience that most managers revert to mentoring, thinking they are coaching and as a result the lasting quality of the lesson is marginalized. The reason is simple. If a person sets a personal goal, and successfully accomplishes it after painstakingly working toward its achievement, personal and professional growth is always a powerful byproduct. The result is that similar situations will seem familiar, the coachee’s confidence will rise and they can approach that new problem with greater confidence. In a mentoring engagement, however, the mentee does not go through the pain of evaluating options, choosing a course of action or experiencing the personal satisfaction of conquering the challenge. Thus, they are deprived of a key component of coaching: personal and professional growth.

Business coaching is an ongoing partnership that helps people produce fulfilling results in their personal and professional lives. Coaching behavioralizes learning, improves performance, and enhances quality of life. In each meeting, the practitioner chooses the focus of conversation, while the coach listens and contributes observations and questions. This interaction creates clarity and moves the practitioner into action. Coaching accelerates their progress by providing greater focus and awareness of choice. Coaching concentrates on where the practitioner is today and what they are willing to do to get where they want to be tomorrow. Great coaches provide clarity, perspective and most importantly accountability.

Whereas conventional sales training programs never fully considered the personal abilities and talents of each salesperson, coaching enables the practitioner to reorient their selling approach around their strengths, making the process more natural, enjoyable and attractive to their customers. This provides you with the edge over your competitors, enabling you to align your approach with the clients’ preferred buying strategy and communication style, instead of having to rely on generic selling and closing strategies that have lost their effectiveness in today’s rapidly changing marketplace. The below chart depicts the connection between training and coaching.

## Today-Forward



In the end, the reason coaching and mentoring often fail is due to one or a combination of a couple issues:

- 1) Senior management themselves are too busy with their own client and business development. Thus they lack a sustained focus on having formal and effective one on ones with their practitioners.
- 2) Senior management lacks the skills and expertise required to coach and mentor, therefore growth opportunities are squandered.
- 3) Senior management looks to training as “the fix.” In reality, training provides an intellectual transfer of knowledge but cannot modify behavior.

## **6) Poor succession planning**

Jim Collins, in his book “Good to Great” stated it best when he coined the adage:

- Get the right people on the bus
- Get them sitting in the right seats
- If there are no seats available, ask them to get off at the next stop

We all realize that past performance is the best indicator of future performance. Why is it then that we are not prepared with a good hiring process?

In my 25+ years of sales and executive leadership I have found that the majority of managers are ill equipped to conduct an interview as they:

- Lack effective job descriptions
- Write ineffective want ads
- Hire for skills versus character
- Have not identified the key requirements of the position
- Lack pre-prepared questions that uncover hidden weaknesses

Attracting and retaining top personnel is, in the final analysis, a company’s greatest asset because it insures a perpetual revenue stream long after the partners have retired. The creation of and reliance upon a reliable hiring process is critical to that effort. Senior management must recognize that there is no greater opportunity to add to or detract from the firm’s culture than when they are evaluating human talent. Great firms recognize this fact and give it the attention it is due. With the growing labor shortage, it is critical that people have strong career pathing which enables them to achieve both their personal and professional goals.

## **7) Poor execution of marketing plans**

Marketing and sales cover a wide area of practice management. To get results in a controlled, predictable and affordable way, a long series of correct actions and tools have to be created, tested, piloted, documented and HARD-CODED. Very few professional firms have in place any organized sales or marketing system. One can only imagine the huge loss of revenue this causes annually.

Marketing is the most misunderstood concept in professional service firms. Too often marketing is deemed to be tactical or strategic, but seldom both. Strategy is a plan for action whereas tactics are the actionable steps to accomplish that strategy. Few professional firms have a strategic business plan which translates into tactical accountabilities at the practitioner level. A firm may have the best plan in the world but they lack the discipline to act upon it, or they may be very good at driving activity, but it is misdirected due to poor planning. Each professional services firm has a unique culture from which their marketing acumen is derived.

**Successful firms are able to answer these questions:**

- Who is my market?
- What is my unique value proposition?
- Where do I find decision makers?
- How do I keep ahead of the competition?
- How do I get my customers to remember me?
- Why would they buy from me?
- How do we create and sustain a recognizable brand?

**Successful firms train everyone** in their organization to be a better marketer and to understand marketing. Practitioners in their organizations:

- Have personal business development plans
- Know which tactics are most effective for them in building their business
- Know the attributes of best fit customers
- Understand their SWOT (Strengths/Weaknesses/Opportunities and Threats)
- Maximize their networking, association memberships and Circles of Influence
- Measure and monitor their business activity

**Solutions that work:**

Clearly there is a fragile and complex interconnection between these business development challenges. Each firm grapples with the challenges as best they can, some manage the issues fairly well others have lesser degrees of success. How does your firm fare? Rate your firm’s culture on a scale of 1-10 (poor – great) on the following:

- \_\_\_\_\_ **Overcoming the “sales stigma”**
- \_\_\_\_\_ **Strong business development skills**
- \_\_\_\_\_ **Managing the comfort zone issues of practitioners**
- \_\_\_\_\_ **Having a formal mentoring or coaching program supported by top management**
- \_\_\_\_\_ **Balancing the billable hours / new business conundrum**
- \_\_\_\_\_ **Having a strong succession plan**
- \_\_\_\_\_ **Each practitioner owns a robust marketing plan**
- \_\_\_\_\_ **Accountability to business development tactics**
  
- \_\_\_\_\_ **Total**

**If your total is 64 or higher:**

Congratulations, you are a pacesetter in business development. The competition has a lot of catching up to do!

**If your total is 48-63:**

You’re on par with most firms, your business development practices, while not a detriment, are not setting you apart from the pack.

**If your total is less than 48:**

You should seriously reconsider your business development focus, as you are losing ground in the battle for client growth and retention.

Regardless of your score, there is always room for improvement. Focus on the following five principles and become a CHAMPion of Business Development:

**C.H.A.M.P – an introduction**

Exceptional leaders understand the value of human relations and the distinction between leadership, management, supervision and training. In addition, and perhaps most importantly, they are able to apply these skills in appropriate doses and at appropriate times. The role of a sales manager is one of the most daunting of all within the business development enterprise. Caught between rightfully needy and demanding front line sales people and the requirements of executing on the strategies developed by upper management, they walk the fine line between; intermittently serving the role of nursemaid one moment, strategist the next, motivator and coach in one instance and collaborator, confidant and negotiator the next. It is expected that they will execute on all these roles flawlessly while maintaining focus on attaining ambitious revenue goals which they may or may not believe to be attainable.

What is it that great leaders do to avoid being swallowed up in these competing requirements, rendering them ineffective? They recognize that leadership boils down to their ability to maintain focus on those practice areas which yield the greatest gain: Coaching, Hiring, Assessing, Managing and Planning, an acronym which I have come to call **CHAMP**.

Great leaders are, above all, champions of the cause and champions of their people. Great leaders are able to rise above the minutia and sustain allocating 80% of their time to these five critical high gain areas. Let's look at the components of each of these practice areas in greater detail:

**Coaching**

Current management practices require us to accomplish more with fewer human resources at our disposal. Effective managers are good at coaching. They are able to take a step back from the frenetic pace, sift through the tasks and find ways to continuously coach their people. Coaching is undoubtedly the highest order of human development available to managers. A great coach will turn an employee's mistakes or challenges into significant growth opportunities. Lesser managers see similar issues as management intervention or disciplinary opportunities.

**Hiring**

Human Capital is undoubtedly your greatest corporate asset and great managers recognize this fact. The sad reality is that many managers spend more time selecting the right copier than hiring the right employee. In fact, most organizations have no process and virtually no training for managers in what is arguably the most important thing they

do. Managers do not invest enough focus into recruitment and interviewing. In reality hiring can be looked at as a distraction as they are consumed with urgent fire drills that inevitably pop up. In most instances these urgent fire drills relate directly to the quality of the sales rep which they have hired in the first place! The only way to really break out of this vicious circle is to invest the time in hiring great salespeople from the outset. Exceptional managers have learned to avoid six key “Hiring Horrors:”

1. Hiring from a position of desperation
2. Ill defined selection criteria
3. Superficial questioning techniques
4. Too much reliance on the interview
5. Bypassing the reference check
6. Failure to validate using objective testing

Leaders realize that there is no time in their business career when they have more to gain (or lose) than when they are hiring someone. They adhere to stringent guidelines when selecting and evaluating candidates.

### **Assessing**

The importance of assessing and benchmarking their team is important to leaders. There is a need to know, in a very detailed way, the strengths and weaknesses of their team as a whole, as well as those of the specific individuals who comprise that team. Assessments allow them to benchmark and measure those specific skills and behaviors required to succeed within their work environment. It also allows them to create targeted training and coaching which will enhance individual behaviors. There are many subjective as well as objective testing tools which are designed to inspect competency in skills, knowledge and behaviors. Objective assessments are part of any great manager’s toolkit.

### **Managing**

Corporate America is results driven, and expects more productivity from fewer and fewer resources. This causes management to focus on quantifiable end results. Many managers focus on the final result - quota attainment - and leave the daily blocking and tackling to their sales reps. Unfortunately, this approach leaves a large gap between daily activity and an eventual sale, providing enormous pressure (but very little guidance) for the individual.

I agree that in the final analysis the real measure is the team’s performance to their stated objective. A disconnect, however, occurs due to the seemingly loose connection between cause and effect, in this example, between activity and results derived from that activity. A reps activities 2 weeks, 2 months or 2 years previous will generally result in a sale today. By measuring results, we are measuring a latent result of a success or series of successes that are long past. Successful leaders have reverse engineered their goals (quotas) and have established metrics and activity standards which hold their people to clearly defined activities. Instead of measuring sales results, they are able to monitor performance when it really counts, which is weeks or months preceding the order.

## **Planning**

While the majority of companies in Corporate America engage in annual strategic planning, fewer than 20% of sales reps operate from a written strategic plan. Great leaders effectively close this gap. They make this connection by helping their people understand the importance of creating a plan. Furthermore, they help their people manage to that plan on a regular basis through inspecting and coaching them on their attainment to the metrics outlined in their plan. Ineffective managers get caught up in hysterical activity in an attempt to get a lot of “stuff” accomplished. The problem is that this activity lacks the purposeful activity that accompanies effective planning. To make matters worse, their employees will usually mimic the pace of their leader, and they too get caught in a frenetic pace. The most empowering action by a leader is to provide their people with a strong connection between their goals and daily tactics; a well defined strategic plan, and then coach them regularly to attaining that plan.

Time management is the most requested workshop which I conduct. As managers it is easy to get caught up in daily tasks if we do not have the discipline to say “no” to those demands that are not “mission critical.” Leaders maintain a focus by spending 80% of their time and energy on the high gain activities. Their greatest strength is their ability to focus. They have a wonderful ability to say “no” to good opportunities. Why, because they say “yes” to BETTER opportunities.

Effective leaders have an uncanny ability to maintain focus and alignment. They are effective at living the mission and set the organization’s pace through their strong example. The sad reality however, is that the majority of managers have not received adequate training or coaching and continue to spend 80% of their efforts on all but the high gain activity.