Cross-selling involves selling existing clients a variety of additional legal services from multiple practice area groups and offices. Full-service law firms view cross-selling as the fundamental basis of their business model. Cross-selling is vital for revenue growth, profitability, and retention, and is an easier, and less expensive way to obtain work than attracting new clients.

BY DAVID KAMIEN

A brief examination of the fundamentals and complexities of cross-selling and how leading law firms are harnessing technology to share intelligence and gain better insights.

BOOST YOUR CROSS-SELLING EFFORTS WITH TECHNOLOGY & SMART COLLABORATION
Dr. Heidi K. Gardner, a professor at Harvard Law School and author of *Smart Collaboration: How Professionals and Their Firms Succeed by Breaking Down Silos*, found that cross-selling increases the value clients receive and serves their best interests. It protects relationships from competitors by increasing client “stickiness,” and it grows share of clients’ spend. The ability to cross-sell also attracts valuable lateral hires who are eager to leverage a firm’s platform.

Some firms explicitly leverage their uniquely strong practices for cross-selling. “By creating synergy between our Public Policy and other Practice Groups and Industry Groups, we have been able to help our clients advance their business objectives, often in unconventional ways, by developing and then executing on legislative and regulatory initiatives to address the challenges they confront,” says Jeff Turner, a partner at Squire Patton Boggs.

**Cross-Selling Is Complex**

Law firms need to address cross-selling as a multidimensional social and technical challenge. Everyone involved needs a clear definition of what constitutes cross-selling. Firms need to ensure that origination and credit sharing and compensation policies, incentives, and recognition approaches are understood, and must encourage the desired behaviors from partners and business development managers.

The firm’s expectations from its partners, leadership messaging, and financial and non-financial barriers, such as fear of losing control of an opportunity, dependence on unfamiliar (or untrusted) people to deliver, risk to the client relationships and a silo or protectionist mindset among partners, are all well-known hindrances to cross-selling. According to Dr. Larry Richard, CEO of the consultancy LawyerBrain, these barriers are amplified by certain common personality traits found among lawyers, notably high skepticism (they’re slower to trust their partners), low empathy (they may not readily detect the client’s interest in their collaboration), low sociability (lawyers may feel awkward about initiating new relationships), and low resilience (reaching out to another lawyer may feel like an admission of weakness). “Awareness of these patterns is the first step in overcoming them,” says Richard.

Cross-selling must be a deliberate and strategic imperative for firm leadership. “If not promoted, incentivized, and celebrated it won’t be cultivated. But it also means that firms must have a cross-selling sensibility built into the fabric of the organization—not just the attorneys, but every administrative department,” says Todd Corham, CIO at Saul Ewing Arnstein & Lehr.

The cultural and motivational dimensions of cross-selling aren’t everything. “Delivering clean, actionable, and timely data to partners and business development teams is key to building these capabilities,” adds Corham.

People can’t efficiently spot, pursue, and execute on cross-selling opportunities with siloed practices and support groups. Disconnected data sources, underutilized information resources, weak data analytics, and inadequate knowledge management capabilities can also be stumbling blocks.

The basis for purposeful client development and cross-selling is understanding the full range of available offerings from the firm’s practice groups and cross-practice teams. Cross-sellers need to have a good understanding of the capabilities of lawyers, including new lateral joiners. Given how busy lawyers are, this won’t happen spontaneously. Law firms can’t simply assume that partners can efficiently and reliably discern their clients’ untapped needs and design high-value cross-servicing solutions, especially in new areas. “Dynamic practices like Fintech require lawyers to understand new service areas like blockchain, which takes time and
Tech-Enabled Innovation

Face-to-face meetings are the ideal way to build trust, educate colleagues about new practices, and share stories about successful client engagements. However, there is a need for more scalable ways for lawyers in complementary practice groups to get to know each other and foster trust in their colleagues’ ability to execute projects reliably and efficiently.

According to Oz Benamram, CKO at White and Case, enterprise search systems can help build the trust between colleagues for cross-selling. “We enriched our enterprise search with ‘evidence’ about the experience of each lawyer. So when you find ‘the expert,’ the system also shows you how they spent their time (by industry, practice, and type of service), what clients and matters they worked on, and what they produced (documents, to which you have access),” says Benamram. Armed with such facts and insights, lawyers are more likely to reach out to unfamiliar colleagues and engage in conversation. “We also discovered that when approached with ‘I noticed that you worked on this, and authored that,’ the remote expert is more likely to prioritize your request, knowing that you’ve done your homework,” says Benamram.

Some firms are cataloging the data in internal IT systems (e.g., CRM, time notes, experience, billing, research ticketing) and external subscription data resources. They are using data lakes (storage repositories) and more powerful approaches such as the semantic knowledge graphs used by leading technology and financial services companies to integrate enterprise data. Instead of trying to integrate everything, smart firms are working backwards from use cases and the analytic queries they want to, but cannot yet answer, such as: “Which lawyers speak Spanish, are veterans, and have worked on Pharma deals over $1 billion?”

Research to Enhance Cross-Selling

To manage experience-related knowledge and automate workflows, some firms are using natural language processing and machine learning to add metadata to matter documents and phase/task codes to time notes. They hope that insights form patterns in data that will help them discern when lawyers are becoming “marketable” for a new type of service.

Library departments systematically connect the dots when different people ask questions about the same company. “Law librarians, along with their colleagues, are now grappling with such weighty issues as knowledge management, information resources, and business process improvement as they look for ways to engage technology to help them face these challenges and further the firms’ business goals,” says Saskia Mehlhorn, director of knowledge management and library services in the U.S. for Norton Rose Fulbright.

Some firms are leveraging next-generation software to produce newsletters and alerts that are more valuable and fully leverage their expertise. “When writing our alerts and newsletters, it is essential that our KM (knowledge management) analysts quickly identify the right attorneys so they can leverage in-country expertise, which fosters cross-selling,” says Scott Leeb, director of knowledge management at Fragomen.

Potential needs for legal services are usually more difficult to discern because private deals and consultations with law firms are not publicly reported. “When identifying the legal needs of a client or potential client, it is important to consider the broader picture,” says Ben Brighoff, competitive intelligence manager at Jenner & Block LLP. “Industry trends, acquisitions, or changes in business plans may bring new legal risks and opportunities. If you can identify those before your competitors do, you can be the first to advise the client in those areas.”

Some firms are working to integrate their business development and research processes, increase the utilization of all their information resources to better seize opportunities, and manage risk. Their libraries are getting external data providers to supply data programmatically via Application Programming Interfaces (APIs), in addition to doing so via manually using search interfaces. “Good research and KM insulates the firm from risk and helps the firm engage with the right clients and avoid conflict,” says Scott Bailey, director of research services at Eversheds Sutherland. “Strategic research support helps a firm focus its limited BD [business development] resources on growing verticals they can actually support,” adds Bailey.

How are your firm’s library and research, marketing, IT, and knowledge management departments collaborating and leveraging technology to support business development and cross-selling? Is information about the firm’s expertise, clients’ needs, and competing firms flowing to the right people, at the right time, so they can develop stronger client-relationships?