20 Opportunities to Grow a Client Relationship (Part 1)

By Andrew Sobel

Are your client relationships growing, staying the same, or shrinking? How much influence do you really have over the direction they take? The answer, I believe, is a whole lot. While many factors influence whether or not a relationship grows, you and your team can have an enormous impact on the trajectory that it takes.To help you think about this, I've made a list of 20 different events and opportunities that can all serve to fuel relationship growth—if and only if you recognize them and capitalize on them effectively. In this month's newsletter, I'm going to share the first 10 with you. Next month, I'll conclude with the final 10.

Opportunities that can stimulate relationship growth

1. A Company Crisis. A friend in need is a friend indeed, as the saying goes, and whenever there is an institutional crisis there is an opportunity to take the relationship to a new level. An earnings shortfall can lead to the wholesale sacking of professional advisors or it can be a chance for you to show the client how you can help them dig out of a hole.

2. A Personal Crisis. This could include such things as a crisis in a client's personal life (e.g., family difficulties) but also on a professional level (e.g., uncertainty about one's career or getting laid off). You don't want to be intrusive in these situations, but they are an opportunity to show empathy, act as a sounding board, and to let your client know you're there for them.

3. A Relationship Crisis or Client Dissatisfaction. The research shows that dissatisfied clients usually just vote with their feet and walk away without saying anything. If a client expresses dissapointment or displeasure, it's a wonderful opportunity to potentially take the relationship to the next level by rising appropriately to the ocassion. When this happens, there are specific steps you need to take—for example: Listening deeply without being defensive; showing you have fully understood the client's perspective; jointly agreeing the solution; and rebulding trust in small, daily increments.

4. A difference of opinion. How effectively and empathetically you deal with a significant difference of opinion can have a huge impact on your relationship. A difference of opinion can be a great moment to showcase your intellectual and emotional breadth. Are you able to ask thoughtful questions and listen deeply to your client's views? Can you utilize a multiplicity of techniques to support your view and also influence your client's position (e.g., factual argumentation versus storytelling, etc.)? Giving in too quickly and easily can give the impression you want to please your client and won't take a stand on issues of importance. Being overly rigid and stubborn about your positions can be equally bad—after all, who wants to work with someone who is inflexible?

5. A new executive. It is typically at the beginning of an executive's tenure in a new role that he or she is most open to both reaching for outside help and for accepting and acting on the advice they receive. If you are already working in the organization, this is a chance to be available as a resource about the culture, organization, corporate history, and so on. If not, your positioning might be one of providing fresh ideas, bringing objectivity to the situation, and not having ties to the status quo.

6. A step-change environmental event. Deregulation, new technology, an unexpected new competitor, or dramatic price fluctuations (e.g., for oil) can all trigger a stepped-up use of external advisors. The Sarbanes-Oxley act of 2002, for example, created a new set of standards for financial reporting and the involvment of boards in the audit process. This created a huge opportunity for the large accounting firms to take on new work and a new role with their clients. Similarly, the decision by many European governments to privatize their state-owned enterprises in the 1990s created enormous opportunities for investment banks and management consulting firms.

7. A reorganization or restructuring. These types of events always create opportunities—and risks—for your client relationship. This is why “agenda setting” is so important. If you are at the front end of these conversations, and are seen as an insider who has provided input into the restructuring, the chances of you being part of the solution are much higher. If you’re among the five or ten firms which are fighting over the RFPs that emerge, you’re in a tough position. The details of the implementation of these reorganizations, in particular, are often overlooked when the overall strategy is set by the client, and this is a strong area of opportunity if you weren’t in on the ground floor of the planning.

8. By speaking truth to power . A professional who is willing to speak the truth at a key juncture—even at the risk of antagonizing someone—may just get pulled into their client’s inner circle and find the relationship elevated to a new level (or find themselves on the winning end of a large proposal pitch). One CFO I interviewed, for example, talked passionately about a particular banker who had been asked to lead many large deals for the CFO’s corporation. “He once said ‘No’ to a very large acquisition we were looking at, and had the guts to say that to the board. His firm would have reaped huge fees, but he felt it was the wrong thing to do, even though our CEO was initially very much behind the deal. That earned him a special seat at the table here.” I will often warn a prospective client about the risks of a particular program—even though it might cause them to reconsider it and not hire me—and twice I’ve had a CEO comment that “No one else has talked to us about that!”

9. When other incumbents make mistakes. Whenever there is dissatisfaction with an incumbent, it creates an opportunity. Often, it represents a chance to get your foot in the door on a small project. That’s why, even if a particular competitor of yours is well-ensconced with a potential client, it can make sense to call on them regularly and build a low-key relationship. You never know when someone will slip up or when a senior executive will decide to try someone new.

10. When there is an incumbent transition. If the relationship partner or some key team members at a competitor leave, this can also create an opening. This happens often in investment banking, and it’s not uncommon in consulting or the legal field. Again, the way you stay informed of developments like these is to have regular conversations with the client.

Next month we'll look at 10 more growth opportunities, including making targeted investments, finding a new buyer, and bringing in new faces from your organization.

Andrew Sobel is the leading authority on client relationships and the skills and strategies required to earn enduring client loyalty. The most widely published author in the world on business relationships, he is a consultant, educator, and coach to major services firms worldwide. Andrew is the author of the recently released *All for One: 10 Strategies for Building Trusted Client Partnerships*—which was voted one of the top 10 professional services sales and marketing books of the decade—as well as the business bestsellers *Clients for Life* and *Making Rain* . He has contributed chapters to four books on leadership, marketing, and human resources management; and his articles and work have appeared in publications such as the *New York Times*, *US Today*, *Strategy+Business*, and the *Harvard Business Review*. He was a Senior Vice President and Country Managing Director for Gemini Consulting, where he served on the European Executive Committee, and for the last 15 years he has led his own consulting firm, Andrew Sobel Advisors, Inc. He can be reached at www.andrewsobel.com (Tel: 505.982.0211).