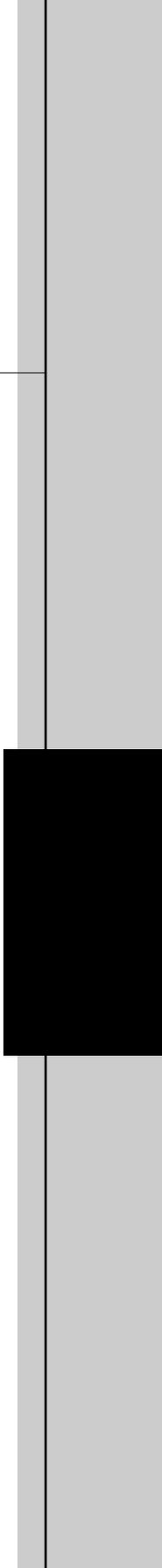

The Integration Imperative

Erasing Marketing and Business
Development Silos — *Once and for All*—
in Professional Service Firms

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Professional Services Books

Concord, Massachusetts



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Glossary

Erasing Silos Begins with Shared Understanding

In preparing to write this book, I interviewed numerous senior-level professional service management executives, marketers, and business developers. At almost every interview, we found ourselves having to clarify terms in order to have a meaningful conversation. Clearly, this lack of a shared comprehension of terms illustrates one of the fundamental “disconnects” in professional service marketing and business development. I began asking these advisors if it might be appropriate to include a glossary in my book. The resounding answer was “Yes!”



administration/administrative Functions that support a business enterprise in delivering its value proposition to the marketplace. Examples of well-recognized administrative functions are human resources, information technology, legal, facilities, and finance. Many administrative functions house other functions. For example, finance includes accounts payable and accounts receivable.

alignment Juxtaposing activities between functions within a business enterprise so that interface between functions is smooth and effortless. Not to be confused with *integration*.

business development One-to-one activities of finding or responding to targeted prospects, initiating and pursuing a conversation that leads to crafting and proposing customized solutions they will buy, and agreeing on price and assignment scope. *Business development* is the preferred term for selling in many professional service sectors, and it should not be confused with sales support or *marketing*.

campaign Programmatic initiative around which to implement integrated marketing and business development processes. Often based on time- or event-driven issues, a campaign is also easily trackable because of defined targets, goals, and timetables. In the IT arena, a good example was Y2K.

centralized marketing Marketing and business development functions that are best managed or coordinated “centrally,” that is, by an individual or focused team, on behalf of the broader enterprise. Functions that are optimally centralized include firm-wide targeting and segmentation, public and media

relations, Web site management, brand management, account and relationship management, and the client relationship database.

client service The means by which a service offering is “delivered” by PSF or B2B practitioners to their clients. Aspects of service delivery include the quality and quantity of in-person or electronic interactions, behavioral or relationship style, speed, accuracy, convenience, and other client-determined measures of performance quality.

cross-selling Selling a firm’s additional services to its existing clients, i.e., clients moving from buying from a single service to buying two or more services from that firm’s portfolio of service offerings.

data mining Capturing, organizing, and analyzing valuable client data to the point that one can discern past and potential client and marketplace patterns. Data mining can be implemented using a contact or client relationship management database that houses a broad scope of client data related to a PSF’s or B2B’s interactions with or research about a prospect or client.

demand creation/demand generation Product or service-oriented marketing activities designed to increase the number of qualified prospects for a firm’s service offerings. Increasingly, this term is used by PSF and B2B marketers and business developers because it conveys an actionable, documentable, and measurable process. Demand creation seeks to elicit a client’s unambiguous response to a PSF or B2B outreach—the “demand.” The client then becomes known as a “lead.”

disconnect(s) See **silos**.

executive managers PSF and B2B leaders who serve on executive committees or internal boards; managing partners or chief executives and their C-suite colleagues; practice or sector leaders; and geography or line-of-business heads. Managers include anyone who has decision-making responsibilities—or who shares in making growth decisions, even in a partial way—for the management and marketplace future of a PSF or B2B service organization.

expertise-oriented marketing and business development Activities based on the individual’s (or smaller group’s) *intellectual capital* and direct client contact. Examples are thought leadership publishing, speaking engagements, firm-sponsored seminars and events, sponsorships, relationship building, proposals, and, of course, project delivery.

fee-earning practitioners See also **revenue-generating practitioners**. The people whose expertise and experience, intellectual capital, and credentials

are the basis of a professional firm's offerings to the marketplace. Fee-earning practitioners are a PSF's or B2B's "products" from whom clients seek value-added solutions.

formal initiatives See **infrastructure**.

function/functions/functional *Organizational* processes or tasks that result in desired outcomes. Often, functions have recognizably distinct operational boundaries, such as human resources, information technology, or marketing. Typically housed within functions, roles are a set of *individual* tasks that contribute to a desired outcome. Roles may be identified by a position title such as chief marketing officer. A role could be a subset of a function, say, a marketing coordinator whose job is to implement a variety of steps in a process, or a CMO whose role is advisor, not implementer.

informal initiatives See **infrastructure**.

infrastructure An enterprise's set of usually formal, recognized, and management-sanctioned business frameworks, tools, processes, protocols, or policies. Formal processes or tools (structures) may be organizationally acknowledged in position descriptions and reporting relationships; internal presentations; initiatives, plans, or programs; defined teams; and timetables and checkpoints. Formal initiatives are often supported by a firm's administrative or operational procedures such as compensation and rewards, technological systems, and the like. Infrastructure also comprises informal initiatives that may be culturally supported or understood as "the way we do things here." "Informal" should not be considered a negative or less-than-optimal approach. Informal also implies initiatives that are not documented in a firm's policies or procedures, or those that could be found by an outsider looking for evidence.

integration Structural frameworks and cultural models that result in interdependent collaboration and sharing of accountabilities between discrete functions within a professional or business-to-business service firm. Through goal-setting and measurement tools, integrated functions formally acknowledge each other's interdependence and potential for co-contributions to a firm's success. Integration does not mean *alignment*; alignment implies that functions juxtapose each other, but are not formally required to work together interdependently.

intellectual capital Sum of an expert's education and training, professional acumen, and experience. Intellectual capital serves as the basis of a PSF's or B2B's service offerings. Not to be confused with (but related to) *thought leadership*.

lead generation See **demand creation/demand generation**.

longitudinal research Research whose analysis typically compares the same information from time period to time period. Not to be confused with cross-sectional or latitudinal research (whose analysis and expected findings are not dependent on comparisons of data over periods of time).

management executives See **executive managers**.

marketing Activities to define the market, build market share, and generate demand.

Market definition activities include client and market research, market share and trends analysis and forecasting, consumer buying or risk behavior analysis, targeting and segmentation, pricing strategy, and competitive intelligence.

Market share building and demand generation activities include differentiation, positioning, and branding; internal marketing (including shaping and harnessing a firm's cultural norms for the purpose of enhancing its uniqueness and brand equity); analytics activities, including data mining, ROI measurement, and client satisfaction and loyalty assessments; promotions and marketing communications (including events, speaking engagements, seminars, trade shows, advertising, public and media relations, articles and white papers, brochures or other collateral, and any kind of Internet-related, social, or digital media channel management); and service portfolio development and management (also known as innovation).

marketing communications (also known as marcom) A communications activity in which a strategic message is delivered through a variety of print, in-person, or digital channels with the intent to shape the perceptions of a potential PSF or B2B client and generate demand. Marcom activities include advertising, branding, direct marketing, graphic design, marketing, packaging, promotion, publicity, sponsorship, public relations, sales, sales promotion, and online marketing.

market/marketplace Universe of current and potential PSF or B2B service buyers or purchase decision makers and influencers.

matrixed organizational structures Multiple interdependent business units organized by geography, service line, industry focus, or other units deemed appropriate for a professional firm by its executive managers. May or may not have separate profit and loss structures.

nonrevenue-generating professionals Staff members in nonrevenue-generating and/or administrative functions, most often found in larger PSFs or B2Bs, who help support their firm in delivering its value proposition to its

marketplace. These in-house functions typically include marketing and business development, and other administrative areas such as finance, human resources, professional development, legal, and the like.

offshoring Practice of transferring the implementation of in-house but core business functions to a nondomestic geographic location, often for cost-saving or optimized resource allocation reasons.

onboarding Practice of acclimating a new employee or team member into an enterprise. Encompasses the traditional notion of “employee orientation,” but is understood to be a broader, more systematic, and more accelerated process of assimilating people into a business group.

outsourcing Practice of transferring the implementation of noncore business functions to an outside provider, often for cost-saving or optimized resource allocation reasons.

pipeline Stepwise process through which PSFs and B2Bs identify, pursue, and win engagements with potential clients. Often depicted as a flowchart, pipelines portray the movement of an inquiry to a qualified lead to a request for proposal to a proposal presentation to a sale, retained client, or cross-selling initiative.

pricing Activity related to determining how much of a professional fee to charge for a service or productized service. Price is related to how much the client values the service.

professional and business-to-business service firms Private or public business enterprises whose main source of revenues derive from the intellectual capital, credentials, licensure, experience, and expertise of their people (their “products”). Recognized professional service sectors include accounting, advertising, architecture, construction and construction management, a range of engineering specialties, executive search, a legion of consultancies (including economics, marketing and public relations, management, IT, human resources, research, and strategy and operations), law, and others.

rainmaker/rainmaking A professional who sells his or her services, and the practice of selling professional services.

revenue-generating practitioners See **fee-earning practitioners**.

role See **function**.

segment/segmentation/segmenting Subgroup of people or organizations that share one or more characteristics that might cause them to have similar

product or service needs. A segment is distinct from other segments, and its members exhibit common attributes or behaviors. Segments also meet general criteria such as by industry or public versus private sector. Segmentation is the process of identifying and selecting segments that best match a PSF's or B2B's service offerings. It employs a variety of factual information, including demographic, geographic, attitudinal, or behavioral data.

selling See **business development**.

service delivery See **client service**.

service offering Packaged set of intellectual capital. Examples are architectural design, an accounting audit, legal counsel, and market research.

silos Lack of or barrier to organizational cooperation, communication, and shared accountability between business units, functions, and colleagues. The term is based on the farming structure that is typically built tall and narrow to house and protect grain. Silos can occur within any organizational construct. In matrixed professional service enterprises (where functions are managed or revenues are tracked by practice groups or lines of business, geographies, industries, or the functional purview of clients), silos may result in lower go-to-market effectiveness, productivity, and results.

structure See **infrastructure**.

targeting Process of selecting the clients a firm wishes to service. The decisions involved in targeting strategy include which segments to focus on and how many services—and which—to offer to each segment.

thought leadership Output and manifestation of a person's intellectual capital. In a PSF or B2B environment, thought leadership is typically packaged for marketing purposes into research analysis and reports, articles, books, white papers, speeches, and seminars. Thought leadership is not intellectual capital; it connotes forward-thinking, cutting-edge, and innovative intellectual capital.

value proposition Benefits (tangible and intangible) a client receives for its engagement of a PSF or B2B, especially in relation to what the client could have received from a different service provider.