

Managing Your Small Business

Deciding it's time to regroup the firm; turning around a downturn; working the Web.

By Roberta Maynard

PRODUCTIVITY

A Client-Centered Firm's Lessons In Teamwork

Professional firms that organize their employees into cross-functional teams can find that the strategy leads to better management of clients' work and better client service overall. Those were the results for a market-research firm in Minneapolis that adopted this type of team approach in the early 1990s after changes in the economy prompted reassessment of the firm's approach to doing business.

"Our clients were downsizing and asking more of us," recalls Judith Corson of Custom Research Inc. "We were also experiencing a flattening of growth, and we wanted to have a more consistent selling effort." So Corson and Jeffrey Pope, the firm's two partners, abandoned the traditional structure of departments organized by function and grouped their 100 or so employees into account teams, each headed by an account manager and a research manager with equal authority.

By having every aspect of a client's work handled within the team rather than by separate departments, communication and the tracking of work improved, says Corson.

After the system had been in place for a couple of years, however, the partners saw that it presented a major drawback. Team members were becoming limited, learning only about the clients or the business categories handled by their group—product testing, for example, or consumer research. To solve that problem, Corson and Pope decided that once or twice a year staff members would be reorganized into new teams, their size determined by the volume of work at hand.

As a consequence of changing to a team approach, revenue per full-time employee at Custom Research has risen 70 percent, the partners say. The firm's billings last year totaled \$22 million, up from \$10 million in 1985.

Moreover, feedback from clients shows steady improvement in project performance: The firm meets or exceeds clients' expectations on 97 percent of its projects. It is rated by 92 percent of its clients as better



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Exceeding expectations: Partners Jeffrey Pope and Judith Corson created cross-functional teams among their research firm's employees, and clients applaud the results.

than the competition on level of service.

Such results can't be achieved through a short-term effort, though. Firms planning a switch to cross-functional teams should be prepared to devote resources to continuing staff training, the firm's partners say. Training at Custom Research averages

more than 120 hours per employee per year.

In 1996, Custom Research became the smallest firm and the first professional-services firm to receive the annual Malcolm Baldrige National Quality Award, which recognizes companies with outstanding quality-management systems. ■

PERFORMANCE

Traits That Lead To The Top In Sales

What makes some salespeople more successful than others? To identify those success factors as an aid in developing training programs, the Ron Volper Group Inc., a consulting firm in White Plains, N.Y., that specializes in sales management, studied 100 salespeople from diverse industries in small and large companies nationwide.

The study showed that high-performing salespeople plan their primary and secondary sales calls, carefully developing a questioning strategy for drawing out custom-

ers' needs and preparing responses to potential objections.

In fact, top performers consistently developed written plans not only for sales calls but also for handling key accounts and managing their territories.

Top performers tend to ask many questions of prospects, according to the study, and they are good listeners, allowing customers to talk 60 to 70 percent of the time. They also are more likely to take care of their own professional development by attending sales-training seminars and listening to or reading motivational tapes and books. ■