

# The magic number



## Mike Jones explains how the 3 Levers model can boost your sales performance

There are only three things you need to do to improve sales performance. That's the good news. The bad news is that most law firms today are focusing their time and money on just one.

The '3 Levers' model dictates that to improve new business sales results you have to pull off the following:

1. Increase activity – pitches, sales meetings etc.
2. Improve win-rate – enhance the ability of the 'sales team'.
3. Raise the average value of your wins – focus on higher-value pitches.

So, firm 'x' conducts some research into their performance on formal pitches to non-clients over a year. They establish the following 3 Levers data :

Activity	Ability	Focus	Result
24 pitches	1 in 8 win rate	£45,000 in year one	£135,000

This picture probably looks gloomy enough but, to compound matters, they also established that on average it was costing them around £10,000 per pitch, therefore leaving them with a national loss on the whole 'cold pitching' process of around £105,000 over the year. Disastrous.

Even more disastrous is that most law firms cannot even describe what their data looks like on these three simple measures – not even for formal pitches, let alone the whole sales process. What hope do firms have of improving performance when they don't know where they're starting from?

### Clear agenda

With this data you can make informed decisions. But so many law firms are not making informed decisions because they do not have the data or simply do not know how to use the information to best effect.

You may conclude that, in the above example, ability is the key component in this loss-making exercise and therefore decide to run sales or pitch training for the firm. Or, you might decide to address the focus and insist that the firm should only ever pitch for work worth £80,000 or more as this is the break-even figure on current statistics. It is unlikely at this stage that future strategy would include plans to increase activity as this currently appears to be the road to ruin.

The vast majority of work being done in law firms to improve sales performance is centred on just one of these levers – ability. There is a huge advantage to any firm that gets this right; it is always well received. However, they are still only addressing one of the three components of sales success. What greater results would be achieved if we tackled all three?

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