

## What makes advisers commercial?

### The seven habits of a commercial adviser

**1. Understand the client's desired outcomes:** The adviser needs to alter their mindset on what counts as success – to helping the client achieve their goals – as opposed to good work or a 'deliverable'. For example, the adviser might prepare a report on a transaction contemplated by the client – but the report is not the client's goal – that is a successful transaction (acquisition or sale).

Tip: Focus on helping clients implement the advice.

**2. Understand the business context:** An in-depth understanding of the business context in which the client operates is a pre-requisite for really commercial advice. Clients use this as a criteria for selecting advisers.

**3. Understand the economics:** Numbers are the language of business. The value of an issue, and thus the advice in relation thereto, reflects how likely something is and the financial implications of it.

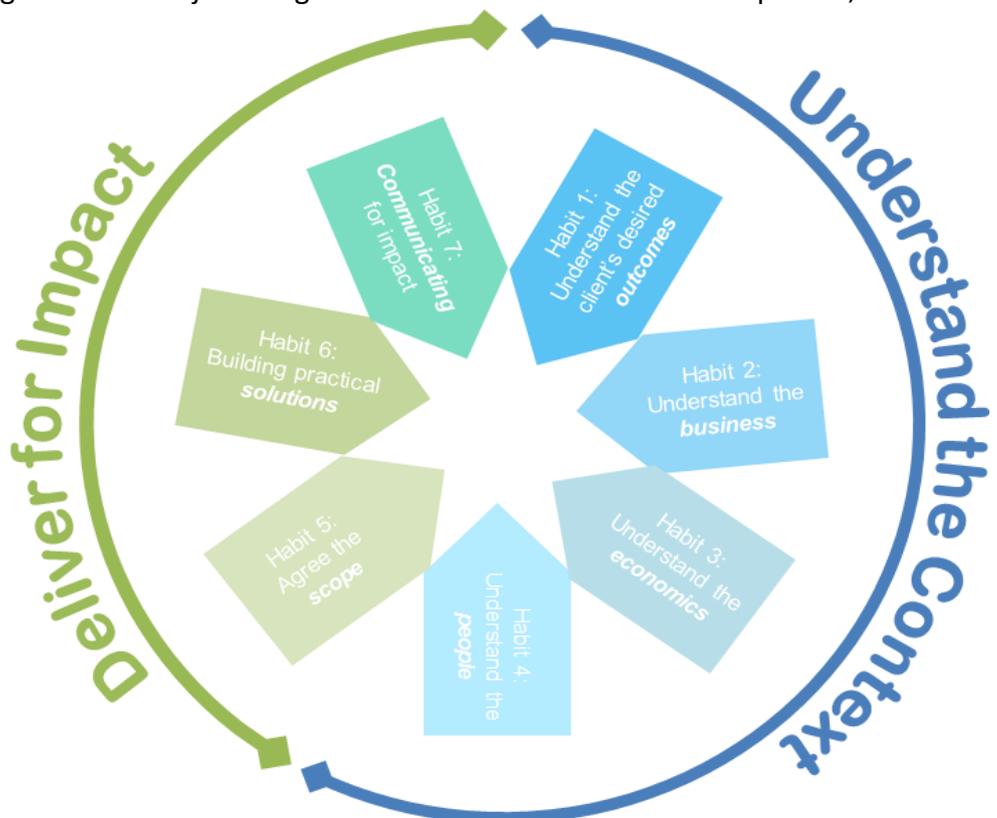
Tip: Avoid delineating between commercial and legal points.

**4. Understand the people and their interests:** Their style of doing things and what drives them as individuals. Giving advice is not just a logical exercise based on technical expertise, it must respond to the client's emotions.

Tip: Keep your own ego out of the deal and remember that your principal loyalty is to the client – not your firm – even if that involves collaborating with a competitor (other advisor).

**5. Agree the scope:**

Clients often recognise the importance of scoping a project but may lack the technical expertise to provide this themselves. Client frustration occurs when things overrun or advisers retrospectively ask for additional fees. The scope of the project can be linked to pricing options that give the client some choice and control.



<http://www.commerciality-hub.com>

Tip: Spend time on scoping - it avoids misaligned expectations, eliminates 'nice to have' (but not really valuable) aspects, and avoids scope creep (thereby maintaining profitability).

**6. Build practical solutions:** Do you solve the problem so that they achieve their goal, or add complexity as is often alleged? This habit includes some creativity. Habits 1-5 are no use without a neat solution – but a neat solution is most unlikely without habits 1-5.

**7. Communicate for impact:** Visual, succinct and with formality to match that of the client.

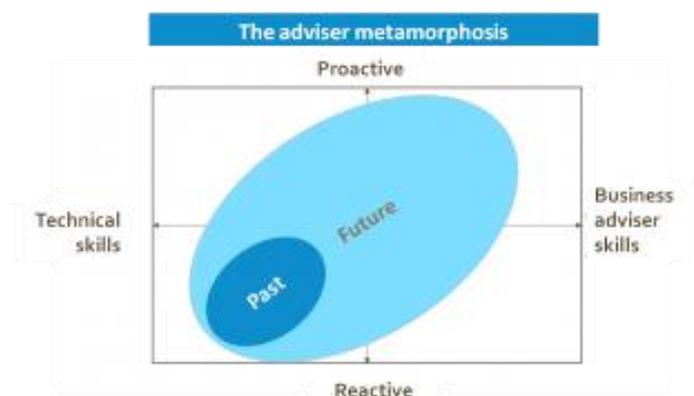
## Building commerciality skills

Meridian West's research identified five steps to building commerciality skills:

**Demonstrate leadership:** You are going to struggle if your leadership team doesn't have it, thinks they have but don't or doesn't think it's important.

**Develop deep insight:** into the client, their sector and the wider business world. Key account planning, client feedback, sector groups, knowledge management and face-to-face time with clients are important.

**Redesign the client experience to provide more added value:** Hosting client round tables, hiring senior level client facing account managers, procedures to clarify new clients goals and objectives, good project management, joined up advice, client friendly communications and project outcome evaluation, for example.



**Tools and training:** Beyond technical skills and the occasional sales and client service course. Not just informal but also formal commerciality training linked to progression is one idea.

**Reward success:** The common focus on the billable hour is perhaps the biggest barrier to commerciality. Commerciality evaluation, mentoring and knowledge-sharing are alternatives.

Special thanks to Ben Kent of Meridian West for sharing their research, conclusions and images.

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