

## How Clio Restructured Their Sales Team In 3 Months and Re-ignited Growth

The following is an excerpt from The Predictable Revenue Guide To Tripling Your Sales.



### ABOUT

Clio is a legal technology company headquartered in Burnaby, British Columbia. Clio offers law firms cloud-based software that handles various law practice management tasks including client intake, contact management, calendaring, document management, timekeeping, billing, and trust accounting.

Clio's a fast-growing SaaS company in Vancouver, whose CEO is Jack Newton (now that's a cool action hero name). Clio sells practice management software that helps lawyers better run firms. Clio hit some sales team growth problems in 2012, after growing from three to 18 "generalized reps" in less than two years. Those "generalized" reps did it all – prospecting, following up on inbound leads, closing new deals, & managing those customers. Transforming this team of 18 generalized reps into three specialized teams of six reps each, restarted Clio's sales growth.

The original 3 reps had it easy – "the world was their oyster": they had a lot of inbound interest, they didn't need structure, they could cherry pick leads and deals to close a lot of business. They didn't need territories. By the time Clio had 10 salespeople they'd started feeling growing pains. \* The team was frequently stepping on each others' toes, such as inadvertently starting to work the same deals. \* There was a lot of unhealthy competition on the team, and they wouldn't help each other. \* Each rep's success depended wholly on themselves to sink or swim, as there was no sales 'system' or support.

### Clio went with three, not four, key sales roles

Clio's executive team felt the sales team could do much much better if they got out of each others' way and worked together to systematically break down & tackle the market. By the time the sales team grew to 18 generalized salespeople in mid-2012, Jack read the Why Salespeople Shouldn't Prospect article, and knew they had to finally specialize the team. Jack saw it reducing sales team conflict, improving how they handle small deals, and enabling more outbound prospecting – especially with larger law firms.

Clio took Predictable Revenue's specialization ideas and customized it to their unique situation, creating three new roles:

- a) Six Prospectors: tasked with getting into larger law firms.
- b) Six Closers (Account Executives) tasked with closing larger law firms.
- c) An "Engagement Team" of six reps mixing both inbound lead response and closing of small law firms/deals (firms of less than \$100 in monthly revenue).

To make this transition, Clio had to rework a lot of important sales systems: designing new roles, new quotas, new comp plans, creating a territory system (which they'd never had), figuring out which rep should go into which team, changing salesforce.com, and a lot more. So they dived in with both feet.

*Be generous, not stingy, with comp through a transition makes it easier for everyone to keep working as a team.*

## Lessons Learned



**#1) Simplify Comp:** Past comp plans had a ton of rules and regulations around the kinds of deals that would be eligible for quota. Clio was trying to drive the right behaviors with those rules, but they created too much confusion and obstacles. For example: Clio used to have a lot of rules and conditions with channel partner deals, and often salespeople didn't benefit at all if a partner closed a deal. Now, \$1 of revenue is \$1 of revenue wherever it comes from. By removing confusing comp conditions, salespeople and partners collaborate and close much more because everyone's interests are aligned.

**#2) Overpay Salespeople During The Transition:** During the restructuring, Clio paid the team a flat fee / fixed bonus for three months while gathering data and figuring out new quotas & goals. Clio wanted the team to feel comfortable helping switch to the new model, without distracting them.

**#3) Create A Collaborative, Not Competitive, Sales Environment:** Fun or friendly competition is helpful & energizing. Hurtful or 'real' competition kills your team. By shifting to territories + specialization, the sales team didn't feel anymore that it was a zero sum game. Jack says they now have an "unbelievably collaborative sales team" that helps each other close deals, roots each other on, trades tips and best practices & sale techniques. Beforehand, this never happened.

For more, click here to download the full eBook.

