

## Reflections - why lawyers fail in business development

By Sally J Schmidt

Reading the National Law Journal recently, I was struck by a sidebar reporting on a 1999 survey of partners conducted by The American Lawyer.

According to this research, when asked what they like least about the practice of law, the number one response, noted by 36% of these participating partners, was "competing for new clients".

Why do lawyers hate client development so much? Many lawyers find these activities unsavoury or feel that efforts to solicit business are unprofessional. Others, clearly uncomfortable with business development activities, are in the "I didn't go to law school to be a salesman" camp. In many cases, these lawyers don't know how to go about developing relationships that lead to business. Still other reasons might include a fear of failure, a lack of interest or a lack of motivation. Depending on the firm or the individual, there can be many obstacles to getting lawyers to engage in business development activities.

Yet the importance of generating business is growing. Law firms are creating non-equity partner tracks, often to confer partnership status on associates who have put in their time but have failed to develop a substantial book of business. Compensation systems are being revamped to make client origination more highly recognised and rewarded. And some firms are going so far as to re-examine their recruiting criteria to acknowledge outside activities or previous positions that might indicate a lawyer's propensity for business development.

What should you expect of your lawyers in terms of business development? There are any number of clichés that summarise the caveats (see "zebra's stripes" and "sow's ears" for two that are particularly appropriate). But after working with hundreds of lawyers to improve their business development skills, I believe that most lawyers are capable of developing business if they are made comfortable with the process. I also believe that business development skills need to be built one step at a time. If an associate is operating primarily as a researcher or technician, that person can learn how to build relationships with existing clients. Those who provide good client service should learn how to expand relationships with clients (ie cross sell). Those who are already good at client expansion should begin developing business from new contacts. And those who are successful in attracting new business hold be given support to encourage even greater results.

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In my experience, most lawyer failures in business development result from the following:

- **Unrealistic expectations:** For every 10 good prospects, a lawyer is lucky if two or three turn into clients. Why? For one thing, if they are not working with your firm, they are working with another firm (and thus have an existing relationship). If they are not working with a law firm, they don't have - or they perceive they don't have - a need for your services. You must sow a lot of seeds to produce business development results.
- **Lack of commitment:** Most lawyer business development efforts seem to come in fits and starts - one call to a prospect, one get-together with an accounting firm, one lunch with a client. Business development success requires both time and timing. You must invest in relationships and continually reinforce your presence and capabilities so you are "top of mind" when people need help.
- **Not understanding how clients make decisions:** Generally, prospects are "buying" what the firm has done for other clients. However, even if they are convinced of the firm's expertise, most legal business is still exchanged on the basis of relationships - if not with you, then with someone who knows or recommends you.
- **Lack of enthusiasm:** People want to work with a lawyer who shows a genuine interest in them and excitement about his or her field. Successful rainmakers are able to convey to clients that they really want to help, and they are enthusiastic about pursuing the business.
- **One size fits all approach:** Business development efforts need to be customized to the prospect. That requires that you know a lot about the person or entity you are targeting, and put together an approach that speaks to the client's needs.

Developing business is important for lawyers. Practice development success will allow a lawyer to control his or her destiny and, in most cases, to increase compensation levels. Partners, in particular, have an obligation to see that their firm enjoys a steady stream of new business. But perhaps most important, business development activities can make the practice of law more rewarding and fun, by giving you the chance to work with people with whom you have developed close relationships.

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