

Attrition—Don't Just Watch Your "Product" Walk Out the Door

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When experts first tried applying marketing principles to law firms, they quickly made an important discovery: Unlike other business enterprises, law firms had few tangible products to sell. Legal documents—the estate plan, the closing papers, the brief—were certainly important. But in some cases, clients paid dearly for hours and hours of legal research and strategy that was reduced to a single page of verbiage. It became clear that what clients were really buying was the lawyer's advice and counsel. In other words, *people* are the "product."

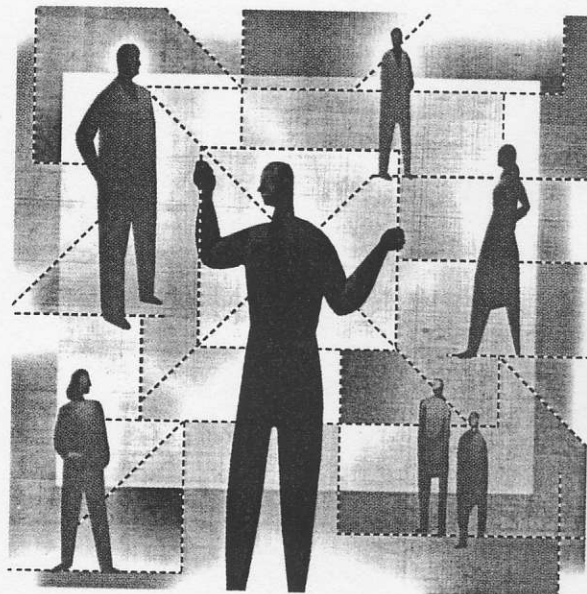
Yet inherent in that premise are many uncontrollable factors, such as quality, consistency and stability. In one of the most troubling issues, lawyer attrition has grown substantially in recent years. Firms have come to view turnover as another inevitable and uncontrollable factor in their businesses.

Lawyer Attrition and Marketing

Lawyer turnover has dramatic implications for a firm's marketing program. In some cases, partners are reluctant to introduce clients to colleagues for fear the other lawyers will leave the firm



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(and maybe take the clients). Firms are unwilling to invest in the professional development of associates, whom they suspect will leave.

Lawyer attrition has an important effect on client relations, as well. Clients express concern about continuity in representation, or the firm's need to orient its new people to the clients' ways of doing business. Some clients may prefer to have senior associates, familiar with their guidelines yet with a lower billing rate, handle their matters in lieu of a partner.

Attrition has an obvious financial impact on the firm. If a firm loses an associate after the first year, all the recruiting costs are lost (most experts say an associate begins to produce a profit in the third year). And high turnover levels affect the firm's future ability to recruit (students believe the "buzz" about a firm on campus more than any recruiting brochure).

High lawyer turnover rates affect your marketing program, client relations, your firm's bottom line and morale—and your ability to recruit replacements. A new study offers strategies for reducing turnover and "keeping the keepers."