

Prospecting for Clients

Attorneys will waste time and money if they try to market to everyone who needs legal help. They have to learn to select the proper targets for their marketing efforts. The following outline can assist in training attorneys to qualify their prospects.

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Many lawyers tend to think that everyone is a potential client. For example, the marketing committees of corporate law firms frequently will take the list of top companies from their local or regional business journal and proclaim it as their list of targets. Similarly, estate-planning lawyers see every wealthy person in their community as a prospect for their services.

Yet the truth is that there are many reasons an individual or company will never use the services of a particular firm. One critical skill attorneys need to hone regarding business development is "prospecting," i.e., determining whether someone is a viable prospect for the firm's services.

If lawyers qualify their prospects, they will not waste their valuable time, resources and energy on efforts that are bound to fail (and damage their egos). Through effective prospecting, lawyers will avoid appearing too blatant or aggressive in their approaches, because they will be addressing only those people who are potentially in need of, or interested in, their services.

The following outline can be applied when training attorneys to qualify their prospects.

I. UNDERSTANDING YOUR PROSPECT

Before soliciting business, you should research several factors about potential clients, including:

- their current situation;
- their awareness and knowledge of you and your firm; and
- their risks in employing your firm.

Proper research and analysis of these issues will lead to an informed decision as to whether to pursue a prospect. If you do decide to go ahead and court the business, you will have sound research upon which to base your approach.

A. PROSPECT'S KNOWLEDGE OF YOU

Clients go through several stages when deciding which attorney to use—or whether they should switch attorneys. There must be a level of comfort before people entrust you with their legal work; for this reason, cold calls are virtually always ineffective for lawyers.

First, the prospect must be aware that you and your firm exist. To raise the prospect's awareness, you can invite the prospect to firm seminars, send the prospect substantive articles or cases, or become visible in trade or industry groups.

Next, the prospect must believe you are qualified. In other words, do you have the expertise that his or her problems require?

Once the prospect is familiar with you and perceives that you are qualified, he or she will look at the interpersonal aspects of the relationship. Quite simply, this means determining whether you are someone with whom he or she wants to work. It is very important to understand that you may not click with everyone; certain prospects will be more comfortable with other lawyers. On the other hand, firms with many lawyers should use this factor to their benefit, matching client styles to lawyer styles.

B. PROSPECT'S CURRENT SITUATION

Before talking to a prospect about his or her legal needs, you should learn as much as you possibly can about that prospect's situation. Try to uncover the answers to the following questions:

- What firm does the prospect currently employ to complete the legal work that is being targeted?
- What relationships does the prospect have with other outside counsel?
- Does the prospect have an in-house legal staff?
- Who is involved in making decisions about legal work, and what are their positions?
- Has the firm had any previous association with the prospect?
- Do other lawyers in our firm have any other relationships with or knowledge of the prospect (e.g., as opposing counsel, neighbors, fellow members of organizations)?
- What do we know about the entity, its business and its legal needs?
- Do we understand the prospect's industry and competition?
- Will working for the prospect present a real or perceived conflict?
- Is the required legal work of the caliber sought by this firm?
- Are there things about the job that makes it less attractive (e.g., price concessions)?
- Does the prospect have any stated or unstated priorities for selecting legal counsel?
- Do you have the capabilities the prospect needs?
- How strong are your relationships with the prospective client's decision-makers?
- What other business or professional relationships does the prospect have (e.g., banking, accounting, vendor)?

Although most lawyers will agree it would be helpful to know the answers to these questions, many fail to find them before engaging in their efforts. Perhaps they don't know how or where to seek the answers. The following are some of the many sources at your disposal.

1. Secondary Research

Through electronic media (LEXIS/NEXIS or WESTLAW), the firm's library or a public library, governmental services or departments (e.g., the secretary of state) or organizations (e.g.,

chamber of commerce), you can avail yourself of an enormous amount of information about public entities, private companies and business executives. When doing your research, you should look for:

- Dun & Bradstreet profiles;
- recent newspaper or magazine articles;
- Securities and Exchange Commission filings;
- corporations' annual reports;
- company brochures;
- industry data; and
- information on the individuals or executives at the entity.

2. Firm Resources

There is potentially a great deal of information available within the firm about your targeted prospects. Your sources include:

a. Conflict records. By running a conflict check, you will avoid seeking business from someone for whom you will be precluded from working. You also may find out about prior or existing relationships with the firm or other lawyers.

b. Other lawyers. You should circulate an inter-office memorandum or e-mail message seeking information from your colleagues in the firm, i.e.: "I have targeted XYZ company for its tax-related work. Does anyone have any contacts or information that might be useful to me?" The larger the firm, the more likely it is that someone else has some material information or good relationships that will make the business-development effort more successful.

3. Other Professionals or Vendors

If you have contacts with the prospect's accountant, bank or other advisors, you may be able to seek assistance from them in your endeavor. Brokers often have useful information, too, such as that found in a prospectus.

4. The Prospect

Finally, if you have developed a relationship with the prospective client, you can set up a lunch or a visit to his or her place of business to seek the answers to some of your questions. By expressing an interest in the prospect and the situation, you can request a forum that will help you determine whether the contact is, indeed, a good prospect. The following are some suggestions regarding setting up and conducting an informational interview.

a. Setting up the meeting. If your target is an existing client and you want to learn about opportunities in other areas of law, you could say something like:

"I really enjoyed working with you to get the lease finalized on your new warehouse. Now I'd like to know more about your overall operations. Could we set up a time that I can come over and meet with you?"

If your target is a prospective client with whom you have initiated a relationship, you can say something like:

"I have been spending more and more of my time working with small technology companies like yours. I'd appreciate the opportunity to meet with you to discuss what you see as the key