

Business Development Strategy: When Your Client Loves Another Firm Better

By [Silvia L. Coulter](#) on October 3, 2023

Elise, a partner in a Midwest-based global litigation firm, seemed somewhat desperate when I spoke with her. In the past five months she lost two significant clients. Billings for these clients averaged \$2 million to \$2.5 million annually.

What happened?

One client, a large utility company, went bankrupt and was acquired by another utility entity that had its own counsel. The second client, a technology company, issued an RFP and chose a competitor that was not likely favored to win the company's business. "The GC's friend was at this firm," explained Elise. I told her I would call the client and do a quick loss/follow-up assessment and find out, from the client's view, what happened.

When I reached out to the GC and associate litigation counsel, they readily confirmed the opportunity to speak with me. I spoke first with the GC. She was very specific about her feedback. The firm and the partner were long-time contacts of the company and well respected. The legal work was very good and on time. "This was theirs to lose" was the GC's overall comment. What happened and why the change to a firm the client had never worked with? Here are the reasons she explained to me:

- The RFP response was very last minute and appeared to be hastily assembled. The questions were answered but that was it. They know us well as a client and could have added some additional thinking about how they could better serve our needs. No proactive thinking.
- The relationship partner had two other people working with our team. At various times, we had discussed specific issues and opportunities with members of her team. A couple of times, we had to re-emphasize our needs. Clearly the team on the firm side was not meeting regularly to compare notes and feedback from our team.
- In the 10+ years this firm was a client, they never once came to visit our headquarters, walk the halls, or take the time to understand the pressures we were under or the goals of the law department to support the goal of the business.
- The firm we selected was a surprise to us as well. And while I know one of the lawyers there, she is new to the firm, a senior associate, and not at all someone we would have considered hiring when we issued the RFP. That said, she put a team together and they did an excellent job of responding to the RFP, and added another few pages of things we might want to think about based on the industry and their research about our company. It was impressive. So, in the end, we selected them.
- I felt as though our incumbent firm took us for granted.

A San Francisco-based firm also lost two of its most significant clients in one year. These clients were two of the most significant companies in the technology world today and had been with the firm since their startup years. The managing partner immediately went to visit these clients to discuss the situation. We were called in to train other key leaders on how to conduct client feedback so they could immediately integrate client visits into their firm strategy. Too late for these two clients, but perhaps not for other important clients. What the managing partner heard from the clients was similar to

Elise's situation.

- The relationship partner (same for both clients) had repeatedly been told there was more business for the firm, and that the client wanted to meet other members of the team. They wanted a succession plan in place 10 years out.
- One of the clients requested the firm send its CFO to discuss alternative fee arrangements for some day-to-day legal needs. This never happened.

In each example, the firms are well-known, well-respected. And every week we hear similar stories from similar firms that feel they have everything "buttoned up." Now, more than ever, it is imperative firms require partners to visit top clients. It is also important that the firm work toward servicing clients in three or more areas. Research from Thomson Reuters shows that in such cases, clients are far less likely to switch outside legal counsel.

Bottom line, no matter who the responsible lawyer is, get out and go meet with clients. Get to know the C-suite (not an impossible task). Get to know the client's strategic business goals. Otherwise, the firm becomes dispensable. Show 'the love' and continue to work on the relationship by deepening and expanding connections within the client organization, not just responding (reacting) to legal needs. Be proactive and avoid the situation these two example firms (and many others) experienced. Many firms are beginning to build sales teams. These professionals know how to secure 'share of wallet.' Teamed up with lawyers who are eager to acquire additional work in a world where demand remains flat, the salesperson/lawyer combination can be the most significant tactic available today to ward off competitor firms.

Stay connected and build strong relationships. If you are a firm leader, lead with conviction and build client visits into your strategy as well as your role at the firm or have key relationship partners meet with the Executive Committee to discuss their client retention goals. Embrace the opportunities to retain the firm's clients – every day.