

Closing Business: Understanding the Four Stages of a Business Relationship

By [Jim Cranston](#) on October 16, 2024

In today's competitive legal market, simply knowing people isn't enough. I often hear from clients, "She'll definitely call me if she ever has a legal need" or "I play golf with him every week; he'll certainly call me if he needs help." While these sentiments may have held true many years ago, they're no longer reliable indicators of future business. Assuming that a client or colleague will **remember to contact** you when a need arises is, at best, wishful thinking.

So, what can you do to foster meaningful relationships that lead to business? Start by understanding the four stages of a business relationship:

1. **Awareness:** This is the initial stage where you meet potential clients or referral sources and pique their interest in getting to know you and your services. Establishing common interests is key here.
2. **Exploration:** At this stage, you shift from being an acquaintance to a potential resource. Here, you stimulate interest through compelling value propositions.
3. **Expansion:** This involves employing various techniques to maintain contact and keep your name on the potential client's radar. Use value propositions to provide a forum for needs assessment.
4. **Commitment:** This is where the prospective client recognizes their need for your services, and you assess whether it makes sense to work together. It's crucial to introduce your unique differentiators and propose.

Navigating the Stages

In the **Awareness** stage, the likelihood of securing business is pretty low. Finding ways to continue to reach out to build on the initial relationship is critical. Consider sending articles of interest or commenting on developments within their industry or business to help transition to the exploration stage. When moving the relationship into the **Exploration** stage, a common avenue for getting there is to reach out with a value proposition. Perhaps a firm seminar, client alert, CLE program, or simply an article on a business issue or topic that has a legal or interesting business update to move firmly into the exploration stage. Next, getting to the **Expansion** stage usually involves a face to face or virtual meeting on a legal need or area of interest to your contact. In this meeting, ask good needs assessment questions to diagnose the issue or matter to ensure that you're in the expansion stage. Finally, in the **Commitment** stage, the prospective client is aware of their need, and it's time to explore how you and your firm may help. At this point, begin asking closing questions, such as "what else should we be doing to have the opportunity to assist you with these issues?" or "is this an area where you might need help?" or "would you be interested in a few ideas/strategies regarding this issue?"

Understanding and navigating these four stages is essential for building meaningful business relationships. By actively engaging with your network and providing meaningful value, you can turn casual acquaintances into paying clients. Remember, it's not just about knowing people; it's about nurturing relationships that translate into business.

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