

TRANSCRIPT It's Not All Billable – Episode 4

Jonathan Bench: Welcome to another episode of *It's Not All Billable*. Today, Kato and I are discussing business development. Kato, I think this is one of our favorite topics. If I'm being honest, there are two things I love about our profession. One is taking good care of clients and building those relationships, helping them through often very difficult times, whether it can be good difficult or bad difficult. But the other part I love is meeting new clients and bringing them on. I don't know if you feel the same way, but let me know what you think about business development.

Kato Aerts: I really do feel the same way. I think it's one of the greatest things you can explore within our profession. You go to law school, you learn a lot, then you start the job, you learn a lot, and then once you've mastered the skill, because let's face it, being a good lawyer is not rocket science, we're not saving any lives here, then you can actually start focusing on, okay, what is my unique selling proposition? How can I attract this new client? And how can I take better care of an existing client, which is also business development? The psychology behind it is what I absolutely love.

Jonathan: Funny, I grew up thinking that sales was a dirty word and that anyone who was selling something had ulterior motives. It took me a long time to get comfortable, partly because I'm a salesperson. That's kind of where I gravitate. I've done a lot of personality tests, and I think I told you before that when I went to law school, I felt very much out of place. It wasn't that I wasn't smart enough to be in a room with all of these other smart people, but I could tell very quickly that my brain did not think about things the same way they did. I immediately had this thought that I probably don't belong here. If I'm not like all of these other people, what am I doing here? I don't know if you had that experience or if you just kind of eased your way into the law program and found your people immediately.

Kato: Yeah, I kind of like lawyers. Unpopular opinion, but I think they're funny, they're witty, and they're smart with words, and I like that. I usually think when I meet people and they can charm with their language skills and how they look at the world and then are able to express those views in witty language, I usually really like that. So I didn't feel out of place in law school, but I do get a little bit what you're saying. To me, maybe I use different words, and I don't know if it resonates with you, but it's almost like this intellectual snobbism of, oh, you need to be super smart and with your nose in the books all the time. That for sure is not the kind of lawyer I am. I really like to engage with people. So yes, I do think that my natural skill set came out more effectively on the job than in law school.

Jonathan: So how do you define business development? I think of business development and marketing in one bucket in my head, but I've heard other people think about them in

different ways. So for you, what does business development really mean? And where do you draw the line, if you even draw lines, between doing business development and doing your job?

Kato: I think, and I'm not an expert on this for sure, but I think there is a difference between marketing and business development. For me, business development is really connecting the dots, seeing needs for clients and then maybe pairing them with another lawyer you know, reaching out in your network, tapping into potential, seeing an opportunity, and actually approaching someone about this.

Marketing really is, what is your brand? I think it can serve business development. I don't mean classical branding like you would see in a Coca-Cola commercial or whatever. I always think it's so funny that law firms hand out these gadgets, as if anyone is going to choose a lawyer because you've received a pen or an umbrella with the name of the law firm on it. I always find that very funny. But I think marketing, in terms of who you are as a lawyer, what your area of specialty is, what you're known for, is super important. That is something that you do in a very different way. You give seminars, you write an article, you publish a book, you post something online, you really work on the content, and that in itself generates business. But then the actual business development work, for me, is really, as I said, connecting the dots, going up to people, and making sure that once you've established your brand, people can find it and get to know you.

Jonathan: I like the idea of thinking about all of this as Venn diagrams, or one large Venn diagram with a lot of overlapping circles and different gradations of what you see. Of course, if we talk to salespeople or other professional service firms, they may look at it differently than we do. I think lawyers are in such an interesting position of trust. I was actually quite shocked when I was a new lawyer at the kinds of things my clients were dumping on me very early in my career. I was thinking, I'm not old enough to hear this stuff. I don't know if you experienced that as well, especially with where you are. I'm just on the business side, but I heard about betrayals and spouse issues and a lot of personal issues along with it too. It made me think very early on in my career that this is a position of extreme trust.

On the business side, I hear things that spouses are sick of hearing, things they are saying about business partners, things they are saying about very personal aspects of their lives, and I thought, law school didn't train me for this kind of counselor role. Lawyers have a lot of synonyms for counselor and advocate, but I think counselor most closely approximates the seat I'm in when I'm speaking to a client on a project. Getting from zero to trust is quite a journey sometimes. Like you said, we're putting together the dots in so many different ways.

Kato: True. It's like the lawyer's bedside manner, as they teach doctors. I think many medical professionals often say that they don't get to learn that until they're on the job, and I think it's pretty much the same for lawyers. It's also difficult in theory, right? How can you teach a student, except for maybe some role plays, which in mediation classes I took I had to do? But other than that, you really learn on the job.

I did have the same feeling when I started practicing law and was reading all these cases. One of my very first cases was about a trade union guy, or I think an employee representative in the works council, and the company had basically told him that he was no longer allowed on the premises because there was a transfer of undertaking and he had to go to another company, which is a huge risk if you say that to a protected employee in Belgium, because ultimately he claimed that the company had terminated his employment without following the process of dismissing a protected employee. I think the claim was around 800,000 euros. I read that and seriously started stressing out on behalf of the company, like how did they do this, and oh no, that is a huge liability. Somehow, 15 or 16 years down the line, these claims are like, yeah, that's our daily practice. That's what it looks like. So you do get a little bit more at ease with those things, just like I'm assuming a doctor does when they have to give a diagnosis to a patient. It's not like it never affects you anymore, but you build some kind of muscle around it.

Jonathan: Are you the kind of person that others look to and say, Kato understands business development in the legal space?

Kato: Wow, that is a very dangerous question because if I say no, it's like, oh, did you even deserve my referrals? And if I say yes, it's like, oh, cocky. I want to say that I'm, well, first of all, surrounded by people who understand business development very well. So I think it's really important when you join a law firm that you look around, look at the rainmakers in your firm, watch them closely, and see what they do.

Secondly, you take care of your existing clients because the best business development is taking care of your existing clients. I'm actually right now going through a promotion process in my firm, and the partners wanted the people who are in this track to read a book. It's been really eye-opening, the ideas in that book. One of the things they said about business development is it's like when your car is broken, you go to a garage and say, fix my car. Then when you get your car back and it's fixed and people ask you, did you get excellent service, you might say, well, my car was fixed. That's normal. That's standard. That's what you're expecting. And that's the same with legal advice. If you give legal advice to a client, she's going to say, well, that's what I asked for. But the excellent service part really comes from the time it took you to reply, the transparency about your fees, and the overall client experience.

So definitely the second part is serving your current clients, or the clients of the firm you're working for, well. And then the third stage, I want to say, is develop your own style. That's a never-ending process because you grow as a person, you learn so much, and you see other people do it. Right now, I do think that definitely not like I know everything about business development, but I have developed my personal style. Does that answer your question, Jonathan? How about you? How much of an expert are you?

Jonathan: I just wanted to ask you if you thought you were good at what you do. That's the American in me. I like putting you on the spot, and sometimes just for the spectacle of it, to see how you squirm. So thanks for letting me do that. You better get used to it.

I think I am. I think at my firm, I'm known as a person who likes business development and is quite good at it. I think that sometimes I'm a much better business developer than I am lawyer because I really get excited by the time I spend thinking about how clients find us, how they might trust us, and how we build that. So I think very, very much on the acquisition side of business development.

I probably am not as good at the doing-continuous-great-work part so my clients send me work. My clients are fantastic, all over the world, and they do come back. I think I'm just kind of confessing that I wish I was more perfect in every aspect of this practice, but the reality is that we're very good at some things and other things we're less good at. I think this gets into another question that we wanted to talk about, which was why so many lawyers feel uncomfortable with this concept of business development.

It may come down to sales, this idea that we didn't go to law school to become salespeople. It's not something we train to do, and it's not something that a lot of us gravitate toward. But I think this concept of a personal brand is very important, and recognizing that your personal brand doesn't have to be like anyone else's personal brand. You don't have to promote it the same way. Even this concept that I have to think about my own personal brand makes some people extremely uncomfortable.

So when I'm talking with and training other lawyers at my firm about business development, I try to get them very comfortable with who they are, where they are right now, and recognizing the circle of people they're already connected with. If you're the kind of person who does a lot of sporting events with your kids, you have these natural networks of people around you. People know you as a lawyer. If you're doing your job, dropping hints once in a while, and asking other people about their careers, then they ask you back about yours. This idea of building good relationships along the way and building on the foundation you already have is really important. I think a lot of lawyers think they have to do something extraordinary and go from zero to 100 right away.

I remember as a young lawyer trying to figure out, well, if I'm going to make partner in a firm, I have to be a rainmaker. How do I be a rainmaker? How do I get clients? A lot of people think we have to jump from new to experienced along the way, and we don't really have the time or the infrastructure to pause and think, how do I build my career in the way that I want to build it? That's my general sense of what I've observed. People see me as a natural networker. That is true. I've tried to lean into that and use it to benefit other lawyers at my firm as well, so they can trust me when I bring a project to them. But I'm also a big fan of encouraging people to do something they're not comfortable doing.

I don't know if you've ever done a personality test, Kato. At my first law firm, we had a consultant come in and we all took this personality test. My very strong-thinking colleagues thought it was a waste of time. The ones who really gravitate toward being exceptional thinkers thought, this is dumb, why are we doing it? But they did it anyway. When we got the results back, there were some interesting clusters. In all these personality tests, they put you on a circle somewhere, on the wheel.

It was so interesting to me because I was a couple years into my first law job and I felt a little out of place. I was trying to figure out if it was me or them or a combination of both. When we got the results back for everyone at my firm, about 30 lawyers and our support staff, maybe 50 people total, we were all mapped on this circle in four quadrants. There was the quadrant of the kind of hard-hitting, type A lawyers, the really hard-charging litigation types who want to go in and grind someone to powder. That was the expected group, and a lot of our firm leadership were in that quadrant. Then in the next quadrant, we had the people I consider very exceptional thinkers, the ones who can just sit and chew on something over and over and plumb the depths and really understand it. Then there was another group that was very supportive and collaborative. They love people, but they don't want to be in the limelight. And then in the last quadrant were the extremely outgoing people. There was Jonathan, off on the far side with the marketing team.

Just seeing that and understanding it, and being trained a little on personalities, helped me understand why I didn't fit where I was or why I didn't feel comfortable at the firm. It also helped me understand why I gravitated toward the marketing team and why I felt at home with them, and also why I've been able to gravitate toward business development. That was a revelatory time for me as a young lawyer. I went from thinking I was out of place, starting in law school, to doing an MBA in the middle of law school and feeling at home with those people. These data points all started to trickle down to this realization earlier in my legal career that I wasn't necessarily broken. I wasn't unsuitable to be a lawyer, but I did have a very different outlook and skill set than a lot of the typical lawyers in my life.

Kato: Well, actually, Jonathan, that makes you stand out in a crowd. That's perfect.

Jonathan: Which most of my colleagues think is ridiculous because you're a lawyer. You're not supposed to stand out in the crowd, Kato. You're supposed to be a good, supportive lawyer.

Kato: Oh no, I don't agree.

Jonathan: I'm very comfortable now, but it took me a long time to get to where I am now.

Kato: You attract clients who appreciate you for it. That's how it works. That's what I meant too with finding your own style. But I do agree with you that many lawyers think business development is a hard thing to do. I think it has to do with a couple of elements. One is probably the fact that we're in a knowledge profession. We are deemed to be these smart thinkers coming up with strategy, and it's not like we're selling products or anything. So I think for some it feels a little bit beneath them. They're not saying that from a place of arrogance, don't get me wrong. They're saying that from a place of, well, I'm supposed to dispense wisdom and tell clients what to do, so I won't be the one chasing them for work. I think there's inherently some kind of contradiction that people feel doesn't really suit the profile, if you will.

And then the second one is probably also how law firms raise lawyers. You get in and you do as many billable hours as you can. If you do that well, you get promoted and get more work, and then get promoted and get more work. You don't have time to go out and build relationships unless it's really on your radar and from an early age you say, if I want to become a law firm partner, I have to make sure that I build my own book of business. That is a game changer.

I remember that happened for me before I even became a lawyer. I don't know if I ever told you that, but I went to a wedding with my then-boyfriend, now husband, and we were seated at a table with all lawyers because I was in law school. It was, I think, my husband's cousin who was getting married, and she thought, okay, they don't necessarily know everyone here, so we'll put them at the lawyers' table because she's in law school. These lawyers asked me, what do you want to do later when you graduate and have your law degree? I said, I want to be a lawyer. They said, okay, and do you want to become a law firm partner? I was like, why are you asking me that? I haven't even graduated yet. That's when they said, no, no, no. If you want to become a partner, you have to start thinking like one, and you have to think about how you can serve and find clients.

I'm not saying I was a rainmaker from day one, and I'm not saying I'm a rainmaker now, but I really always have this focus of how can you bring in more clients? How can you convince someone that you're capable of the work, that they can trust you, and that you earn their trust? How do you translate that into a business? I think it's really important to tell young

lawyers on a daily basis, and very early on in their careers, that if becoming a partner is what they want to do, then this should be one of their focus areas.

Jonathan: I recall probably in every business school class I had, when we talked about the theory of employees moving from employee to management, you always hear the concept of ownership. People say when you get a task, you should own it. If you really want to be an owner in this business in the future, you need to start acting like an owner now. I always assumed that meant I needed to work 80 hours a week, and I don't think I ever thought beyond that. I assumed it was just a factor of hard work. In law firms, we often just give our associates a bucket load of work and say, go to work.

Reflecting on that now, and now that I'm more in management and I've been in some entrepreneurial ventures, it's a different kind of mindset. It's not just working more, it's working in the right ways where the business needs your specific skill set. If I take my current law firm as an example, we are extremely successful. We have a lot of lawyers. We continue to hire. I'm very bullish on our prospects. But I think there are ways we can improve. Since I'm a shareholder, my job is to look around and see what other shareholders are doing, find out if there's something I want to put my weight against or in favor of, or if there's something entirely new we should be doing, and then I have to figure out how to champion that.

So I think when we're talking about young associates, the first part is definitely identify your own brand, figure out what kind of work you want to do, find your people, and start connecting with them externally. If we're looking internally, that's also a function of business development. Carving out your spot in your firm as the kind of lawyer who gravitates toward others and puts your weight behind certain things matters too. Maybe it's technology adoption. If I were a young lawyer now, I know a lot of law students and young lawyers are very concerned about having a place because technology is becoming so pervasive, especially with AI. They're wondering, do I have a place? Am I going to be replaced by AI? What's my value going to be?

Those of us who are in the training phase of our lives think a lot about how to find a space for these lawyers so they thrive and continue to do what they want to do. We also want to become a place that is welcoming to the values of upcoming generations and that ensures we're still doing good work. I think there's a lot of opportunity for lawyers. Young lawyers maybe want a simple formula. Maybe we just want to know the ABC so we can follow it. But I like the choose-your-own-adventure version much better, understanding that if you want to be a partner, you start thinking like an owner now. That doesn't necessarily mean just working more or harder. It means you are starting to identify the things in the business that

you think could be improved, and you start networking within your firm with the people who share the same values and mission that you do.

Kato: Yeah, I absolutely agree. What do you think clients, when they select a lawyer, value most, and what might not necessarily be the one thing that lawyers think of when they are trying to sell their business and do business development?

Jonathan: I've found that people really appreciate a lawyer who is accessible. That means different things at different stages of the client development cycle, I think. For instance, when I started leaning into AI very heavily a couple of years ago, I went to what might have been Utah's first AI conference put on by the state. I looked around and I was pretty sure I was the only lawyer in the room. I learned, partly through being in the blockchain space, that for a lot of people, having access to a lawyer is an unusual thing. A lot of people don't have a lawyer on speed dial.

So making yourself accessible to the kind of people you want to do business with matters. I call this the currency of favors. How many favors do you have to do as a lawyer? I think of that as, I've got a quick question, can I pick your brain on this? Or even a referral. I don't practice family law, but I have people reach out to me and say, I've got a family member with an issue. Can you help me with this or can you find me the right person? I like to do favors for people in the way that I can. I like to be of service to them ahead of time and trust that I'm planting seeds along the way, so that even if they're not the type of people or they don't have the type of business that would necessarily hire me, I become a trusted person in their network that they come back to later.

This actually makes me think a lot about my first referral partner, who was a CPA in Bangor, Maine, at my first law firm. Her name is Leslie Polk. She probably won't listen to this episode, but since I mentioned her name, I'll tell her she has to. Leslie was probably mid-career, and we were in a relatively small market, maybe 50,000 people in the metropolitan area. There aren't that many business lawyers there. I learned from her that for my type of business, accountants and business lawyers have a symbiotic relationship. We tend to get pulled into the same conversations with our clients at the same stages of the client life cycle.

This came about because she reached out to me one day by email, I think, and said, hey, I'd like to go out to lunch with you and talk about business. I was a young lawyer, probably in my second or third year, and I had no idea what we were going to do other than I get to know other people in the community, which sounded great. The thing that surprised me the most was when we sat down and she said, I'm here at lunch with you because I want to send you my clients. I want you to take care of my clients. I need someone to develop a relationship

with. I looked at her and said, you want to send me business? I don't understand. She said, there are only a certain number of business lawyers in this town, and the ones I've reached out to don't have time to take care of my clients. So I needed to find a new resource. I need someone who can take care of my clients.

I thought, this is so unexpected, and it felt maybe a little too easy as a first introduction to what business development can mean. But it really taught me about the power of the network effect, of meeting people who may not necessarily refer you directly or hire you directly, but who are the kinds of people you want to be connected with because the people they know will want to hire you. I don't know if you had similar experiences, Kato, or someone who taught you very early on what successful business development or networking looks like.

Kato: Yeah, probably similar stories, although I don't have one jumping to mind right now. But what I love about your example is it can be very easy, and there's no shame in that. That's also actually very empowering and comforting because I often, when I speak to other young lawyers about business development, especially those who want to progress in their career but feel like their law firm is not really empowering them to do that because they have so much work and then they don't have time for business development, hear all this rhetoric about how difficult it is to find new clients because all of the clients they know are already clients of the firm. It becomes this mindset of seeing obstacles rather than opportunities.

I think it is exactly as you say. It's not rocket science. Just go out there and meet people, and chances are that you will come across someone who might not even necessarily be able to help you directly, but who can introduce you to the right people. That actually makes me think of an example.

When I was a member of AIJA and had done a few panels, I think it was after the Rome Congress where I was on a panel on sustainability in the fashion industry, they asked me if I wanted to do that panel again at another conference in Luxembourg, because it was so close for me that I could just drive over. AIJA had a slot, so I drove to that conference. I met a lawyer there at breakfast, just by coincidence. I walked past her, clearly trying to find a seat and have my breakfast, and she saw that I was by myself and said, have a seat at my table. We can connect. I'm also attending this conference. Who are you?

She happened to be a lawyer from the U.S. I don't remember exactly where she was based, and she specialized in animal law. Now, I don't need to tell you that for an employment lawyer in Belgium, there is no link whatsoever with animal law practice in the U.S. So obviously, I knew that she probably would not have any business to refer to me on the spot.

But she said, next weekend I'm taking a train to Belgium because I want to see Brussels. That's where my nature kicks in, and I said, if you're coming to Belgium, you need to see Antwerp. So I invited her to visit Antwerp, and I took her out for the day.

I remember while I was doing that, I was thinking, gosh, I have so much work here, and I'm spending the day with a lawyer specializing in animal law. Is this sound business judgment? Not that I didn't want to spend time with her, but there were so many other things to do, and I was second-guessing myself a little bit. Well, she then happened to appoint me to an editorial board where I met lots of people who then knew lots of employment lawyers in France and Luxembourg who referred work to me.

So obviously I'm not saying go out there and just shoot at everything that flies by, but just openly engage with people and they will think of you. It doesn't necessarily need to be someone practicing your area of law. Quite the opposite. I've often found that people in other areas of law, if they know one employment lawyer, it's easier. If you are always in the same circles among employment lawyers, that's great, but then you may not stand out or you may not be the only employment lawyer they know. So go out there, go meet people, and eventually I think whatever you send out in the world will somehow come back. Of course, do it in a wise way. Don't waste your time. But if it's based on genuine connection and interest, that will help for sure.

Jonathan: So as we wrap up, you and I had talked about this final question of what we would advise our younger lawyers, maybe our younger selves, on business development. I think I would say you're never wasting your time, but you do need to be conscious about how you spend it. For instance, when I go to an event, I try to identify one or two people I might want to say hello to. Sometimes these are existing contacts I've met before. Maybe they're people I've seen only online and have never met in person. But I try not to do the shotgun approach. I try to tell myself this will be a successful event if I can meet one or two people and have a good connection with them.

It doesn't have to be long. You don't need to stay from the beginning to the bitter end of every event, but you should go with some intentionality. If you have a list of people you're trying to meet and you know they're going to be there, keep an eye out for them, introduce yourself, and you don't have to become best friends right away. But you should know that every event you go to, you're planting seeds that will eventually bear fruit. I've found that happen years down the road, Kato, so I'm confident when I say that I've never been to an event that I felt was completely wasted. I've been to some that felt more worthwhile than others, but I certainly have benefited from this concept of planting seeds all over. We're trying to nurture the seeds, and we never know where they will bear fruit, but we can trust that they will.

Kato: Very true. My advice to my younger self would be let go of perfection. I think that's also where many lawyers are afraid to go out and be rejected. At the beginning, it's very humbling because nobody trusts you yet. You're junior, you're young, you don't know much, or at least you don't look like you know much. Just ask yourself, what's the worst that can happen? You introduce yourself, you talk to someone, and it's exactly as you say, you plant seeds and they will bear fruit. It's really hard to tell beforehand which one will and which one won't, so why don't you just plant as many as you can wherever you go and don't be afraid that some won't bear fruit? That's part of life, and that's okay.

If you're a lawyer, you probably went to law school because you had good grades and you're smart and really focused. Getting good grades means nine out of ten, eight out of ten, which means you make zero or very few mistakes. Life isn't like that. That's maybe the comfort zone we have to leave, and we have to be prepared to get a no. My husband often tells me, if you have 10 contacts and you try to sell your services to them and only one says yes, but you do that every month, imagine how big your business will be by the end of the year. You will have attracted 12 new clients. So yeah, that would be my advice to my younger self.

Jonathan: Well, we know we'll be talking about this topic a lot more, Kato. I'm excited because there are many aspects of it: the trust cycle, how you look yourself in the mirror every day, how you deal with rejection. These are all really important parts of our lives as lawyers. It's been fun talking to you. I can't wait until our next conversation. And thank you, everyone, for joining us today.