



WHEN CLIENTS PUT YOUR INTEGRITY TO THE TEST

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My last article in the PA Bar News, “Integrity – Yours to Keep” got a lot of positive feedback. I greatly appreciate those of you who took time to call and write to let me know that you enjoyed reading it and found much food for thought. One member suggested that I do a related article on the challenges lawyers face in maintaining their integrity when client demands dictate they do otherwise.

I didn’t hesitate to take on this assignment. After all, what good are my musings if they are not applicable to your everyday life? In order to obtain your perspective, I sought input from PBA members who are participants on the Solo & Small Firm Section listserv. I believe that in general clients have the most leverage in swaying behavior when interacting with attorneys at small firms. I was not disappointed with the response.

Let’s start with the assumption I have already introduced. The larger percentage of revenue a client generates, the more leverage it has in influencing your behavior. That holds true for any size firm. I have occasionally worked with firms which have an overwhelming percentage of revenues generated by a limited number of clients. The extreme was a small firm which derived 90% of its revenue from one client. That gives new meaning to the expression “having all your eggs in one basket.”

The obvious vulnerability of having the firm’s existence snuffed out overnight in the event the client is lost greatly overshadows the pressure such an arrangement can have upon the firm’s ability to maintain integrity when you disagree with a client request or action. The threat is no less when the client accounts for a large portion of an individual attorney’s workload or fee originations. So your first word of caution is to avoid enabling any client to dominate your earnings.

Another way to shield yourself from being forced to sacrifice your integrity is to live considerably below your means. It maintains your independence should you be called upon to take a stand.

We all know one or more attorneys who landed jobs with unbelievable starting salaries at a name-brand firm. My cousin's daughter secured a starting salary of \$180k plus benefits and bonuses, and that was during the recent depression. Not many people would turn that down. If one lives modestly, there is sufficient independence to decide when it is time to say no or move on to something else, like a solo practice in-house opportunity or public law.

But the siren's call of the lifestyle afforded by the guaranteed salary causes many to live to the limit of their earnings, or beyond. At that point the standard of living transforms the compensation package into "golden handcuffs." One's integrity can quickly take a back seat when compared to keeping the house, car, and family lifestyle. Maintaining your autonomy must be a conscious decision before you start to live the high life.

Pittsburgh attorney Barbara Shah summed it up clearly: "One of the reasons I live in a modest two-story house in the Pittsburgh suburbs and have no vacation homes is that I own my practice and simply will not countenance doing something that would blemish my reputation with the judges. I am a pretty good persuader, but I do have to 'fire' clients from time to time. I would never want it to be any other way."

So how do you handle it when your client relationship goes south? Horsham attorney Marshal Granor, Vice-Chair of the PBA Real Property, Probate and Trust Law Section, shared his war story:

It had to do with a client who began to barrage me with work. His company went from a non-entity to my #1 client in a matter of days.

Our disagreement began when the client ordered me not to do something which needed to be done. I sent a letter – written on letterhead and sent certified mail – explaining the problem and asking for a sign-off that I would not be responsible for the repercussions of the client's decision. It wasn't something illegal, but I knew the result would be a long line of litigants at their door.

When I refused, our relationship quickly soured, my fees were withheld so I stopped delivering work, and the client told me to go to hell.



I had many long discussions with my wife and my kids about whether the fee was worth selling my soul. I believe I have a very high moral standard which I live by. This client made me stutter for a minute because of just how much business they brought me. Fortunately, I can live with or without their fees. And my reputation is something I've worked my whole life to obtain.

So, does it matter if it is your most lucrative client? It shouldn't, but law is a business...the most lucrative client will make you pause. The question is whether, after looking at the facts, one has the intestinal strength to kiss the dollar bills goodbye and to feel good about it.

Another way to protect yourself and maintain control is with language in your engagement agreement. Pittsburgh attorney Ryan Daniel Very wrote, "If a client asks me to do something unethical, I write a letter to them explaining why I cannot do it by applying the rules of ethics. If a client asks me to do something unprofessional (e.g. frivolous), I refer them to my engagement letter, which provides that I retain control over decisions that affect my reputation for professionalism."

As stated in my previous article, maintaining one's integrity isn't always an easy decision. But it is your decision to make. Live within your means. Balance your client roster. Establish clear expectations in your engagement agreement. Get support of family and colleagues when necessary. Be prepared to accept the consequences, knowing that at least one will be a renewed self-respect.

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