

## Sweet Charity

Getting the most out of your involvement in the nonprofit community requires thoughtfulness, ingenuity, focus and careful planning. **By Karen Kaplowitz**

Give up random acts of charity. Stop buying tables at charity events that are half-filled by associates rounded up at the last minute, with no connection to the charity, who just talk to one another and leave early. Don't stop being heavily involved in the nonprofit community, but start doing it in a thoughtful, business-oriented way.

Many law firms have adopted new policies on charitable contributions. Some firms limit contributions to groups in which either a firm lawyer is personally involved or for which a client solicits the contribution. The fundamental goals of such policies make sense: Law firms should have a business purpose for making contributions.

The business benefits of community service are, of course, very broad. They include enhanced visibility and public relations, deeper relationships with clients and broader business networks. Community work also can improve employee morale, strengthen recruiting and bolster respect for the profession.

Haphazard charitable giving does not help firms achieve these objectives. The keys to making charitable contributions work for the firm are having a rational policy and procedure and, in each case, having someone who takes responsibility for the firm's investment.

The best approach is to incorporate community and charitable activities into an overall firm strategic plan. Thoughtful consideration of how to integrate charitable and community activities into the firm's planning will leverage the value of the firm's investment. A firm may derive far greater value from one \$50,000 contribution that is part of a well-conceived public relations effort by the firm than by dribbling out \$5,000 for tables at 10 different events that are poorly attended.

### Selection of Nonprofits

To select nonprofit organizations to support, here are some guidelines:

- Identify groups in which lawyers in the firm are active and major clients are involved.
- Require lawyers to identify groups they expect to support in their annual marketing plans and budgets.
- Look for organizations that are widely supported in industries in which the firm is or wants to be strong.
- Find groups that can benefit from the firm's special expertise or provide training for new lawyers.
- If good press is a goal, identify groups that are newsworthy or effective in their own public relations.

The value of being involved in a charity alongside a client is obvious. When a client invites a lawyer to join a board, for example, the lawyer will see the client regularly.

Staying in front of clients is a constant job for lawyers. You can only invite your clients to breakfast, lunch or dinner or CLE programs so many times. Conversely, if a lawyer is involved in a charity he or she thinks might interest a client, by all means offer to involve the client in the organization.

Teaming with clients on community service creates win-win opportunities. If a lawyer knows that a particular corporate client routinely does a day of service for a homeless shelter, the client-responsible lawyer might offer to organize a group of law firm personnel to join the effort.

The broader the relationship between lawyers and clients, the more likely it is to be a lasting one. Working on a soup line might have the same business development value as a day

playing golf: bonding and exchanging information on new business ventures that will require legal help.

Combining community service with client contact also increases the likelihood of strong firm participation. When clients will be present, lawyers will be less likely to bail out of a community service project than if they are just faced with the inevitable pressures of deadlines and billable hours.

Industry-based charities are very common. For example, pharmaceutical companies often are involved with charitable groups that serve their customer populations. Many charities organize committees based in industry groupings, like the United Jewish Appeal. Home-builders are often linked to low-income housing and homelessness projects.

Also, industry leaders often bring in other companies in their industries to organizations in which they are active, even without an underlying industry-charity link. Every year, when practice groups are doing their strategic planning, one question that should be considered is what community organizations provide the broadest access to pertinent clients and prospects.

Charities that need a firm's expertise also are a natural for law firms, creating multiple levels of value. They lawyers have the opportunity to showcase their talents. If a tax lawyer on a board helps solve a major tax problem for the charity, another board member who is impressed may invite the lawyer to meet her company's general counsel or at least be open to a solicitation by the lawyer to meet the general counsel.

Finding charities that are not saturated with lawyers is important. Being on charity board without many lawyers is better; the lawyers stand out and often gain a new appreciation of their own capabilities. As lawyers, we have remarkable

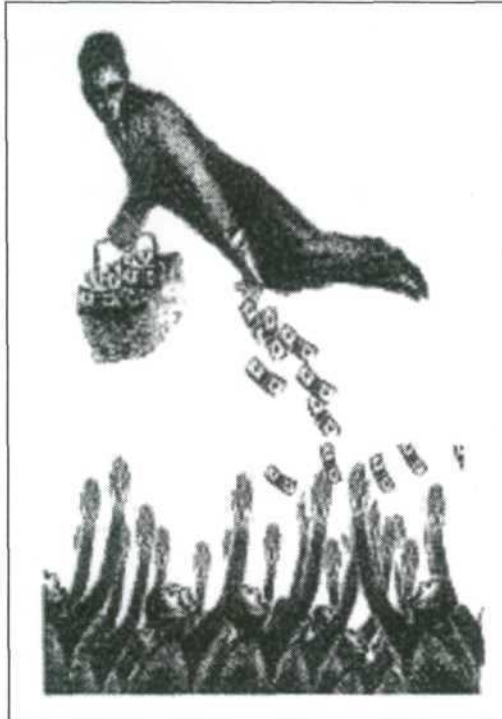
know-how for which we don't always give ourselves credit. For newer lawyers, having such empowering experiences is especially valuable.

Of course, many public-interest charities, such as Public Counsel or Bet Tzedek, also are very valuable, especially for building networks with in the legal community.

If the charity also allows newer lawyers to get direct experience, such as representing asylum seekers or indigent clients, that is also a win-win for the law firm. Law firms often assign new lawyers to client projects that are important but narrow. Pro bono activities with hands-on components can broaden their experience and help avoid burnout.

#### **Charity Events**

Some firms just send money when asked by a client for a contribution



to a charitable event and don't even try to fill a table or send representatives. That is a reasonable option if the firm knows that no one will take responsibility for insuring that the event is well attended.

The better approach is to require as a condition of the firm's participation that the advocate for the contribution take responsibility that the firm's investment is handled well. For starters, have the lawyer requesting the contribution; whether it is in an annual budget or marketing plan or on an ad hoc basis during the year, state the business purposes to be served.

Is it a charity in which the lawyer is active? How is the activity likely to help the lawyer grow his or her practice? Is a client involved? Is that client a major client or in a position to become a major client?

What is the client's involvement with the particular charity? Who from the client's company will be in attendance at the event? How much visibility will the firm have if it is involved? Can the firm create better visibility?

How is the money going to be spent: on tickets to an event, in a tribute book or other wise? What are the firm's competitors for the particular client's work doing? Is it an opportunity to introduce some new lawyers to key personnel at the client company? Who will attend the event?

Just the process of reviewing the business purpose of the contribution or event will help lawyers formulate a plan for making the event valuable. Planning who attends should not be a last-minute decision.

Firms can create charitable request forms that incorporate these questions, as well. The forms also might ask lawyers to list other charitable contributions they have requested earlier in the year so the decision makers have a reference point, too.

In inviting guests to events, take advantage of the opportunity to do outreach outside the firm. Having a group of lawyers from one firm sit together is a waste. I attended a dinner recently at which I was a guest of the charity, and I was seated with a particular law firm. Many of the lawyers did not even have business cards with them and had no expectation of using the occasion to meet new people. Use charitable occasions to connect with clients and prospects. Try to identify clients or prospects that would have an interest in the work of the group.

If the group is a disability rights group, and you have a client with a child with a disability, consider inviting that client. If the organization is a women's rights group, consider inviting women clients or clients whose spouses are interested in women's rights. If the event is going to feature musical entertainment and you have a client who likes music, that could be a basis for the invitation. (If you don't know what your clients' interests are or anything about their spouses, you need more marketing training.)

If you have a particular client or prospect you would like to see, but there is no obvious

nexus between the charitable event and the client or prospect, then create the nexus. You might consider inviting another guest you think your client would like to know.

For example, you can approach two general counsels by saying that you thought they would enjoy knowing each other. Chances are good that, if they are in the same industry or similar kinds or companies or have hired you to handle similar kinds of problems, they would enjoy knowing each other.

Or you might have one very successful client who will be your guest and another client whose company services high-net worth individuals. You could easily approach the second client and tell him that the dinner will be an opportunity for him to meet in a casual setting with a great prospect for his business unit.

Charitable events also are opportunities for cross-selling initiatives. You have a client whom you know is about to make a major investment in China. You use the occasion to bring one of your partners who just completed a cross-border deal in China.

You might say to the client in advance that because she is coming, you also are going to invite your partner who just did the China deal. If you are not comfortable setting it up in advance, you can use your introductions at the reception or at dinner to make the point. In this circumstance, you probably want to take charge of how people are seated at the dinner so you orchestrate proximity between the client and the China lawyer.

If you have been trying to get together with a client or prospect and having a hard time, at a minimum, offering an invitation to an event that might be fun or interesting or inspiring is another shot at getting together. If the client cannot attend the dinner with you, the client may well suggest an alternative time to get together.

Tables at events that are half-filled or filled with people who were obviously just roped in to fill the space demonstrate a lack of imagination and planning. Thinking through who would benefit from attending, whom you would like to see, and whom you could bring together should in most cases do the trick for filling the table.

Here are some simple rules for getting the most out of the event itself:

- Make sure everyone attending from the firm knows they are there to meet people and show off the firm in the best light. If possible, get the group together in advance so everyone knows what is expected of them and whom they should meet at the event.
- Always arrive early, especially if you don't know many people. The best time to meet new people is before their friends arrive and divert them.
- Always carry business cards and exchange them. Make notes on the spot on cards you receive about new people or actions you intend to take so you don't forget the details.
- Try to arrange to meet someone at the reception who knows more people than you do so they can do the introductions.
- Plan what introductions you would like to make, and let the people know in advance that you plan to do so. If you intend to introduce a new lawyer to a client, have a discussion in advance about the objectives with your colleague.
- Don't drink a lot. You are at the event for a business purpose and need to stay on task with clarity.

Is it politically correct to acknowledge the inherent business purposes of law firm charity? Some very charitable firms prefer to keep business and charity separate.

Paul Friedman, a Morrison & Foerster partner who manages the firm's charitable foundation, says that it keeps its focus on getting the most good from its charitable contributions by staying away from any business development considerations. The firm's partners fund the foundation with a generous 1 percent of their net income each year, and they just announced \$1 million in grants to five charities serving children. Firm lawyers do, however, also have access to other funds for charitable events that have a marketing purpose.

Keeping the business purposes front and center does not diminish the importance of community service and charitable activity. Your clients look at their own community involvement in the same way. Many lawyers appreciate the nuances.

Lisa Specht, a very engaged Manatt, Phelps & Phillips partner, summed it up well: "Our clients want lawyers who are talented, effective and get the big picture."

Specht says lawyers gain an added dimension and perspective in solving their clients' problems when they are involved in community activities.

"While we want our clients to know that we care about the communities we serve...it's not about getting business. It's about fulfilling an obligation to contribute and to heal the world," Specht says.

Learning to leverage charitable contributions and community service into business opportunities will reinforce the interest of law firms in supporting such causes.

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