



# Common Pitfalls in Client Management and How to Avoid Them

Solo & Small Firm Practice Institute  
Bloomington



## Scenario 1

- **Claim:**

Lawyer is approached by his neighbor of twenty years concerning a potential medical malpractice claim. Neighbor's wife went into the hospital for a surgical procedure. During the procedure, doctor nicked an intestine. Wife developed an infection as a result and went into a near-death coma for several days. Wife has now fully recovered. There is indisputable medical liability in which the doctor and hospital have acknowledged full responsibility. Case is settled out of court for \$100,000 with minimal legal fees.



## Analysis

- ▶ What caused the claim?
- ▶ Was it avoidable?
- ▶ What could have been done to avoid the claim?



## Scenario 2

- **Claim:**  
Client is injured at work while driving a forklift for Employer. Lawyer agrees to represent Client in her worker's compensation claim against Employer and has Client sign the standard Attorney Representation Agreement required by the Illinois Industrial Commission. Thereafter, Lawyer obtains a \$25,000 settlement on Client's behalf.



## Scenario 3

- **Claim:**

Lawyer and Client are good friends. They socialize frequently and even their children play together. Client contacts Lawyer regarding a desire to incorporate a business. Lawyer has formed several corporations in the past and even agrees to represent Client at \$100 per hour rather than the usual rate of \$125. Client sues Lawyer.



## Scenario 4

- **Claim:**

Client slipped and fell at a grocery store on a wet floor due to a water pipe leak resulting in a fractured arm. No signage was visible which made clear liability to the store owner. Lawyer retained the Client with the proper engagement letter including specific scope of representation. Client wins a very favorable verdict of \$50,000 in a trial. Client sues Lawyer.



## Scenario 5

- **Claim:**

A couple decides to divorce after fifteen years of marriage. Although the Opposing Party earns considerably more than Client, Client instructs Lawyer to waive maintenance. According to the Client, the couple has agreed to split the property equally in order to avoid a long, drawn out divorce and preserve their friendship. Lawyer follows Client's instructions and the divorce is quickly finalized. Both parties are satisfied with the terms. Client sues Lawyer.



## Scenario 6

- **Claim:**

Lawyer was retained to represent Client in the sale of a 4-flat. The proceeds of the sale were to be used to purchase a parcel of land in Florida. Lawyer was informed by Client's accountant that Client could defer paying capital gains on the 4-flat sale by virtue of the property exchange. All parties are happy with the transaction. Client sues Lawyer.



## Scenario 7

- **Claim:**

Lawyer represents Seller in the sale of a home. Buyer is unrepresented by counsel, because Buyer is acquaintances with Seller and it's a "friendly" transaction. The closing finalized. The unrepresented Buyer sues Seller's Lawyer.



## Risk Avoidance Guideline

1. Screen
2. Define
3. Communicate
4. Document

