It was a complete coincidence when an entrepreneur from Liverpool called Alan, struck up a conversation with a strip club owner from Germany called Bruno. As they got to talking, Bruno mentioned that he’d had a lot of success with a rock band from Liverpool called Derry and the Seniors and did he know of any other good bands. Alan told him that he managed a few bands himself. Three months later he sent one of them, the Beatles, to Hamburg.

At that time in 1961, they were playing about two 60-minute sets a week. When they went to Germany, they would go for two to six weeks at a time and every two to three months. When they were there, they would play eight hours a day, seven days a week! Guitarist George Harrison described it, “That was kind of like our apprenticeship.” This was the making of a no-name band because it gave them an opportunity to practice. And my first point about referrals is that it is not a tip, a technique, a clever phrase, a book, or a workshop. It’s a skill that is truly learnable. Most of us are going to have to do it badly first! We need to be realistic here. If getting referrals were that easy, everyone would do it. The good news is that this content is not hard to understand, but it does take some practice. This process means being out of your comfort zone, which most of us don’t like to do, and treating this as a new skill to learn as if you decided to take tennis lessons or learn basic Spanish.

Let me define what I mean by a referral. These numbers come from research done by the Sandler Sales Institute, and I have found them to be very accurate over the years. The 5% of business is what you’ll get (if you’re very lucky) by cold calling. The 15% is the referral business most people are trained on in financial services. It’s getting a bunch of names and numbers of people who are not expecting your call. Yes, you can mention the referral source’s name, but it still feels mostly like a cold call to the person you’re referred to.

For example, if Al mentions to me that Jim might be interested in talking to me, and I call Al but he’s not expecting my call, only 15% of the time will he do business
with me. If I leave him a message, it is very unlikely he’ll ever call me back.

But if Al talks to Jim, and Jim says he would be open to hearing from me, then my chances of doing business with Jim go up to 50%.

The best scenario would be a personal introduction. If Jim is a big prospect for me, it’s worth taking the extra time, and if Al is willing to introduce Jim to me over coffee, lunch, beer or golf, then 80% of the time, Jim will do business with me.

Now, there are some limits to when a personal introduction is best. For example, when three guys are standing at a urinal and one says, “Shawn, I want you to meet Mark, the best attorney in town!” is unlikely to be a choice time.

Now it’s your turn. In your opinion, what does it take to get good referrals? I always like to ask this question to get clear about what you already know, so I don’t spend time telling you what you already know and having you wish you were sitting in a different session! Who do you refer business to and what qualities does that person have?

So first off, look in the mirror here. Does this describe you? Are you all these things? If so, why aren’t you asking? And, as importantly, given that you already know most of what it takes to get referrals, why are the results disappointing?

My job today is to address these gaps. What you can expect from me is to cover these areas:
1. The Fearless Referral Fundamentals
2. Fearless Referral Asking
3. The Six Steps to a Fearless Referral Conversation

Part One

What I ask from you in return is to identify specific steps that you are going to take. It’s not what you know, it’s what you do with what you know that counts, I can’t imagine you made MDRT by not taking a lot of positive actions, some of which were out of your comfort zone.

There are two universal principles of social influence that, if you can engrain in how you build relationships, you can use to get more referrals. Arizona State professor Robert Cialdini identified these principles in the 1980s and, personally, I think the man’s a genius.

The first one is the Rule of Reciprocation. This states that when you do something good for someone else, they feel obligated to reciprocate. Now, you can’t manipulate people. This has to be something sincere that you do for someone else. The easiest example I can give you is to think of the last time you met someone for coffee or lunch and he or she paid for you. What’s the first thing that you think at that time? “Next time I better pay because I don’t want to feel like a moocher.”

This isn’t about just being a do-gooder and saying what goes around, comes around and hoping that if you’re nice to people, they might refer you. You can be more deliberate about this once you realize how powerful it can be.

From a referral standpoint, think about important relationships you have, of people you would like to refer you more business. How can you bring more value to them so that they will feel more obligated to help you? This principle is based on Stephen Covey’s emotional bank account concept. The more deposits you make, the more water you have in the well of that relationship, the easier it is to ask, and the more likely the other person will help you.

The other rule I’d like to mention is the Rule of Liking. I know this sounds like common sense but listen to the rule: When people like you, they want to say yes to you. This means you must make it easy for them by being very specific about what you want. I will get to that later in my six steps conversation. A great question to ask yourself about important people in your business is, “What can I do to be more liked by this person?”

You are in a relationship business and we know many people make decisions based on their emotions, so when people like you a lot, they are much more likely to go to bat for you. So, what have I done for them and how much do they like me?

Now, the best question to ask yourself and the most important question in this whole presentation is this one: “How can I most add value to this person?” Give your brain some time on this one because sooner or later it will
come up with a great idea—most likely when you’re driving or in the shower (apparently, that’s when most people come up with their best ideas). And that idea could be a business solution, a sales idea (some way for that person to make more money), or, more likely, something personal. You might find out about some great new fishing bait if they love to fish, or you might know of someone who can give the son guitar lessons, or you might buy the person a terrific new historical fiction novel. That personal touch truly tells clients that you really do care about them as people and that they are not just clients or prospects.

Stopping to think through just these two principles can help you build a strong enough relationship that a person can become a good referral source for you once you master the rest of what I will cover today!

Here’s the pain in today’s presentation. These numbers are from two studies published in Horsesmouth.com in 2005. Clients of financial and insurance professionals were surveyed by two financial service organizations—one American and one Canadian. The first number, the 11/17%, were the clients who said they had already been asked for referrals by their advisors. In other words, for every ten clients that most advisors have, one or two of them have been asked for referrals.

The second number, the 6/13% (in other words, about one in ten) said they would not refer business to their advisor. In other words, for every ten clients that most advisors have, one or two of them have been asked for referrals.

The second number, the 6/13% (in other words, about one in ten) said they would not refer business to their advisor. This is the real world; not every relationship we have is going to be great.

But those colossal numbers—87% and 94%—were clients who said they would refer business to their advisors, but less than two in ten had been asked. Ouch! So I want you to feel some pain here. Pain motivates us to take action more than anything else. Think about all those people you could be helping to make smart decisions and all the money that’s been left on the table simply because you did not ask and do so in an effective way.

And I don’t know if those numbers are true for everyone of your businesses. But even if we are conservative and say that you have six in ten happy clients who would recommend you if you made it easy for them, and you’ve only ever asked one of them. That’s an exciting opportunity!

Here is more reason to grow in confidence. According to research done by Northwestern University’s Andy Sernovitz from his book *Word of Mouth Marketing*, the two main reasons why people refer us has nothing to do with us. That’s why it doesn’t work to tell people that you grow your business by referrals. They don’t care! But they do care about people who are important to them. Sernovitz has found that people recommend others because most people are pretty nice and 1) they like to help people, and 2) it feels good to do so!

Just think about the last time you recommended something to a friend—it could have been to another business professional or even to a good restaurant—and they thanked you for telling them. How did you feel? That should be your number one goal: That your referral source gets thanked by the person they refer to you. It’s not about you! I know that’s why we’re here today, so you can bring in more business and do it based on building great relationships. But that’s not what your client cares about. The wording you use when you ask has to reflect that.

The first question you must ask before we get into how to ask for referrals does not get enough airtime. Before you can ask, you need to ask yourself, “What am I doing to earn referrals, or am I merely doing my job?” If I hire a realtor to find me a property and she does that, has she earned a referral? If I go to the dentist to get a filling and he fills my tooth, do I recommend him? When my dog is sick and I take her to the vet, do I recommend everyone to my vet because she gets better? So I urge you to write this question down and do a realistic gut check with yourself. “What do I do that is different and better than my competition?” Is it possible that my clients see me as “business as usual?”

Here’s the problem as identified in Harvard psychologist, Daniel Gilbert’s most recent book: Most of us appear to believe that we are more athletic, intelligent, organized, ethical, logical, interesting, fair-minded, and healthy—not
to mention more attractive—than the average person.

On the same page in his book, he gives two examples. One study found that 90% of Americans rated themselves as above-average drivers. Now, I suspect that you would get similar responses in any country so regardless of where you live, if you have ever driven a car, you might be inclined to doubt this number. Another study found that 94% of American college professors rated themselves as above-average educators. Average means 50%! Again, we’ve all been to school and experienced a wide variety of abilities with instructors. Our problem as humans is that we overrate ourselves, and we struggle to accept that we are average at many things.

My point here is you have got to earn referrals, and people do not recommend average. It is one reason why some people are uncomfortable or object when you ask. If you follow my six steps, you will not have this problem.

One way to plant seeds about referrals in a non-threatening way is to have an expectations discussion. The reason I use a picture of pilots here is that flying is one of the few times that people do a really good job managing our expectations. They tell us everything we need to know about the journey and about availability of food and drink on the flight. They even tell us things we don’t really care about, like the altitude we’ll be flying at and the wind speed outside. It’s all designed to make us more comfortable.

Several years ago I was having lunch with a CPA friend of mine. He said that he told his clients up front that he expects them to refer him. I was surprised at his boldness and wondered if there was a way to adapt this approach so that anyone could ask regardless of his or her experience level. I came up with this conversation, and I can tell you that for all those advisors who use it, they love it. It is in two parts, and the first part is a customer service approach.

You start out asking your prospect or client what they expect from working with you as a potential advisor. Let them think up three or four things and write those down. Then, present them with this long list of all the things your clients have told you they expect from you. It is all the things you bring to the table. The intent is to really impress them and get them to realize how valuable you can be. It is also to facilitate more conversation about what is important to them that (hopefully) their current advisor does not offer. The intent is also to address any objections you may be running into. If, for example, some people still think you look too young, then talk about the advantages there are to your being there for them for the next 30 years compared to the average-aged advisor (in the U.S.) who is 59.

My favorite is Number 18 on the list: to advocate for your business. If you are meeting with a business owner or sales professional, there is no way that he or she is expecting to hear you say: “I know a lot of people in this community and, once I get to know you well, one of the things you can expect is that I’ll be more than happy to introduce you to those who might want to do business with you.” Have you ever had the experience of going to see someone to become his or her client and being told he or she would like to help you bring in more business?

Then there’s part two. What I love about this part of the discussion is that you’re no longer a needy salesperson. Now you’re confidently asserting that you have expectations for a healthy working relationship. It feels more like a gentle interview and gets the prospect to see that you are only looking for clients that are a good fit for you! I’d suggest that your list be much shorter than what the prospect can expect from you, and that you start out with a couple of very light requests.

This portion of the conversation allows you to: Plant the seeds for future referrals whenever value is provided. The real intent of this part of the conversation is Number 5: “That provided that I meet all of your expectations, you think about people important to you in your life (whether that’s at work or in your family) and recommend that they, at least, have a conversation with me to make sure they have all their ducks in a row.” Once you’ve stated it, it gives you permission to return to it any time, whether it’s the next day, week, month, or year.
Michelle, do you remember the discussion we had the first time we met? How am I doing? Am I doing what I said I would do for you?”

You can get the feedback and, provided it is positive, you can transition into a referral request.

Part Two

In becoming fearless, there is a way for you to get comfortable asking for referrals. I always like to give examples of what’s possible.

When I met Matt I hated asking for referrals. In my head, it made me feel like a used car salesman. Matt helped me, not only define my value, but craft a way to communicate that to my clients in a professional and nonthreatening way. In working with Matt Anderson, I have taken my comfort level asking for referrals from a 0 to a strong 8 and getting better every day! Last month I closed two cases with over $15k in commissions, each that were for referrals that I obtained using Matt’s guidance and techniques.

Mary Sterk, Woodbury Financial Services

What I like about this story is that I was nervous about helping Mary because her discomfort was so great. And it didn’t change overnight. Every month her comfort level would go up a couple of notches. But what it shows is that if you are willing to face your concerns and get out of your comfort zone and provided you have good relationships with your clients, you can get referrals.

So how do you really feel about asking for referrals? Many people have these concerns: they feel pushy, like they’re going to come across as a used car salesman; are afraid of looking needy, coming across as cheesy, using wording that doesn’t work anymore (such as the finest compliment I can receive is a referral to your friends, family, or business associates), or spoiling the relationship—that somehow the client will throw a temper tantrum.

So what concerns do you have? This matters because you can’t shoot at an enemy you can’t see; we do need to know what our obstacles are.

Today I am going to focus on two solutions to laying down what is a mandatory foundation before you are ready to ask. Having the right wording is not enough if you are uncomfortable under the surface. Your clients will pick up on your discomfort.

First off, you need to be your own number one fan. And that starts by you becoming completely aware as to why people should do business with you. There is a list of 20 reasons in your handouts that I want you to begin today. [visual] I want you to toot your own horn here. Why should people choose to work with you and not just randomly pick from the Yellow Pages or search for strangers online? When you have that foundation of confidence that you have built, the asking gets a lot easier. So please take a couple of minutes to think this through. Here are some common examples that may help you get started:

My integrity; I put my client’s interests above my own; I really care a lot; CLU/CFP; I am like a daughter to top clients; I speak in language they understand; I take care of your loved ones after you die; I am reliable, a good problem solver; I enjoy connecting with people.

I urge you to complete this list as soon as you can. Yes, 20 is just a number to get you to stretch yourself. If you were getting married and could only come up with three reasons why that person was a good fit, your mother would be very worried. And I would say that, on average, when people come up with 20 reasons, two of the three most important reasons come in the second half of the list, after some deeper reflection. Then, what you do is circle the two or three that resonate most for you. Find somewhere to keep those main reasons top of mind as constant reminders as to why you should be asking those 84-93% of your clients who have never been asked! I can’t tell you how important this is as a building block for asking. When you know how much value you bring, it impacts solution
6 Steps to a Fearless Referral Conversation (continued)

#2: you develop a belief about asking for referrals that is empowering.

This is the belief that you need: “I am good at what I do. I know I can help people you care about and I know I need to ask you!” Once you have this belief in yourself, you can actually mess up the wording to some degree, but because your client knows you are being sincere, they do not feel awkward. This is what congruent communication is.

Albert Mehrabian at UCLA found that only 7% of our communication was the words we use. 55% was our body language (gestures, eye contact) and the other 37% was our tone of voice. Even if the wording were 20%, that still means that most of how we communicate is nonverbal. That comes from your confidence in who you are, what you do, and how you believe you can help others. That confidence comes from earning the referral and believing you are good—Parts One and Two!

Part Three

Now it’s time to talk about what to say—the six steps to a fearless referral conversation.

So this is about using wording that works and knowing whom you want to ask. Another example I like to share is from a new agent I worked with in 2009 who did such a good job learning these six steps that his results were excellent, even with people who did not know him well.

Working with Matt has taught me exactly what to say and, more importantly, exactly who to ask when it comes to referrals. Matt’s process has allowed me to generate an additional $32,000 of commission in 4 months of working with him!

Kristian Finfrock, 1st year producer, MetLife

Just before I get into the six steps, a question I get a lot is, “When is the best time to ask?” The answer to this is not complicated. You ask when the client is happiest. I think we complicate by second-guessing ourselves and letting the unhelpful self-talk take over (“Did I do a good job? Are they just being nice? What happens if they don’t want to refer me to anyone? Gosh, things are so good right now, I don’t want to spoil it!”).

I think the best time to ask is after the meeting that has gone very well. I like this time because the other person is more relaxed. The meeting is over, you know you’ve done a good job, and you’ve transitioned the conversation. Now you’re talking about what that person is doing over the weekend or on some other safe personal topic that’s not upsetting to him or her. Then, you pivot back to business:

First: “Oh by the way, when we were talking earlier, you mentioned [and now you get specific] that you thought your business partner might benefit from doing the kind of work we’ve been doing.

Second: What would be the best way to find out if he’d be interested in hearing from me some time? OR Do you think the three of us should have lunch sometime?”

I know this is a technique, but it works for a reason and it works when you are sincere.

My last point before the six steps is to manage your expectations. These steps work very well but there are six steps for a reason. There’s a scene in a Monty Python show where Terry Jones (one of the cast) is in court for having put together a rude English-Hungarian travel book. Where it has innocent phrases in Hungarian useful for tourists such as “Can you tell me how to get to the post office,” the English “translation” is something inappropriate like “Can I fondle your buttocks?”

So in the actual show, you see a Hungarian tourist approach John Cleese and ask him in a thick eastern European accent, “Excuse me sir, can I fondle your buttocks?” To which Cleese then responds, “Yes, of course! Well, you want to keep going straight down the high street here, take the second turning on your left and the post office is opposite the railway station!” My point is that knowing one or two of these steps is not enough to get high quality referrals on a consistent basis. There are six
steps for a reason and most of the time, you will need to use most of them.

My advice is this: implement steps one and two right away. As you feel comfortable and competent with them, add another step at a time.

Here are the six steps in brief.

Step 1: Acknowledge Your Client.
This is your opportunity to powerfully commend your client. Recognition and acknowledgment is the number one human need we have after food, clothing, and shelter. It sets the right tone for a potential referral request.

Step 2: Have a Value Conversation.
“What has been most valuable about the work we’ve done so far?” Have you helped your client reach a personal goal? Put the client on the path to financial security? Having a value conversation helps you determine if you have earned the referral. You only ask if you have.

Step 3: Get Specific and Ask the Expert.
It is your job to help the client identify one to three specific people who might be open to a quick conversation. This is the most important step, and it’s not one that comes easily. Most people who ask lose the opportunity for a referral by saying, “If you know other people I should talk to, please have them give me call.” You need to be much more specific.

Step 4: Reassure Your Client.
Reassuring your client gets worked into the conversation in the wording of Step 3. Your clients often need to hear from you that they are not expected to know the needs of their friends or associates. It helps reduce their resistance and apprehension.

Step 5: Coach Your Client on What to Say.
It is your job to make sure the referral sources have something simple and effective to say to the person they are referring. Most people do not know how to introduce you, and this way the referral opportunity is not lost because they either say the wrong thing or (more likely) get cold feet and say nothing.

Step 6: Keep Control of the Process.
You cannot simply hope your contact information will be passed on so you can sit by the phone and wait for it to ring. You need to make sure you have control of the next step. You need to follow up with your client first to see if the referral has been “warmed up” and wants to talk to you. Getting this permission increases the client’s responsibility to follow through and avoids issues with “Do Not Call.”

Step 1: The purpose of Step 1 is to commend your clients for the smart decisions they have made.
People love it. Even if they have made some poor choices in the past, they will appreciate you highlighting what they got right.

Taking time to acknowledge others is powerful. If there is a secret weapon to improving relationships quickly, this is it. Robert Cialdini might call it complimenting people, but rather than saying “My, what brown eyes you’ve got,” the goal is to be factual about identifying a trait or action that has produced positive results.

People are crying out for positive recognition. Proof of this is demonstrated in Tom Rath’s and Donald Clifton’s How Full is Your Bucket? They cite Gallup research which found two things: 1) lack of recognition is the number one reason why Americans leave their jobs; and 2) 65% of Americans received no recognition in the workplace in 2003. Lack of income actually came in fifth place.” Once you start getting good at this, you will be surprised by how much others appreciate your feedback.

This is not some fake exercise about glossing over something unsightly. People will see through that. But for you to put some thought into what your client has done that many other people haven’t will be received with sincere gratitude. After all, since 50,000 thoughts go through our heads each day, and on average 80% of them are negative, we can be assured that most people spend much of their
time berating themselves. There are three rules to your acknowledgment:

1. It must be sincere.
2. It must be specific.
3. It must be true.

This is not as easy as it may sound. There’s a reason why few people do this already and do it well. For those of you who are naturally empathic, you probably already do this. But you are in a small minority. For most of us, it takes practice—quite a lot of practice. I have found this skill difficult to master. If ten of us were to put this book down right now and go and coach soccer to a group of 12 year olds, the feedback about eight of us would give them at the end would likely be something general such as “good job guys—well played.” It’s the business equivalent of “thanks for coming in today; it was nice to see you.” This is empty, white bread content that provides no useful feedback.

A recent client of mine, Matt, is so effective at Step 1 that he will often be given referrals on the spot. He makes people feel so good about themselves for the wise decisions they have made, that their brain instantly starts to think of others who would like to feel the same way. “You should talk to the other guys in my department,” a client will say or “You know, my sister should meet with you.” I cannot tell you this happens often for other people, but I do believe that much of that is because most people are really weak at the skill of acknowledging others.

I remember Matt sharing with me one example in which he was working with a client who had just been downsized from a car plant after 30 years. This man had saved his money over the years, and Matt shared with him his utter disbelief that some of this autoworker’s peers had done the same, yet decided to spend their savings rather than re-invest it. As he slapped his own knee to emphasize how crazy he thought this was, he said, “I met with two of your coworkers. One of them blew all his money on a Harley after he was let go, and the other decided to spend 22 years of his carefully set-aside savings and blow it all on a trip to Vegas! Believe me, you will be so happy with yourself five years from now—and as you hit 70 and 80 years old.”

Ideally strive to make the other person feel as though he or she is in a small minority of the population who makes smart decisions. If you have third-party statistics, I would recommend using them because then you won’t sound biased or as if you are making something up. For example: “I came across a fairly recent article the other day (in a 2004 *Journal of Political Economy*), which reported that the average American (58%) spends more time picking out a new tennis racket or TV set than deciding on their contribution rate and investment allocation on a retirement plan.” So I hope you realize how wise this time investment has been!”

**Step 2: The purpose of Step 2 is to find out what value your clients have received.**

You will hear in the tone of their voices how pleased they are and whether you have earned the referral (or not). The focus here is to get positive feedback that builds on the feel-good factor of Step 1. People refer you when they are most happy with the work you have done. The point of this question is to hear whether you have a green light to ask about referrals. Remember, the Six Steps are a train of thought—not something contrived. You ask for referrals only if the client is happy.

You are not asking for feedback, in general. Get that some other time! If the person is not that thrilled with what you have done, you will hear qualification in his voice when you ask, so you don’t need to worry that this is an artificial exercise. If there is something you sense he is concerned about, go ahead and find out what it is because asking for referrals at that point would be a mistake.

The Value Conversation question is: “I’m always curious to find out, what has been most valuable about the work that we have done so far?”

Two things:

1. Be silent and let them talk!
2. DIG! Feel free to ask, “Anything else besides that?” after clients respond. The more value they can ver-
balize, the better. One reason this is important is that many people need time to think hard to give you the highest quality answer. The first words that come out of their mouths might not be the most meaningful.

The most important thing in this conversation:
- You want to get them talking about how they feel.
- Don’t be afraid to also ask, “How do you feel about what we’ve done?”
- The ultimate feeling is peace of mind—even if they don’t use those exact words. We are more giving when we feel good and we want them to give more referrals.
- It feels good to get this feedback, and it makes the asking easier! Even if you know the client is already happy, the feedback you get can still be valuable and may teach you what your clients consider most useful as compared to your own opinion.

Some other ideas about the value conversation:
- **Feel free to reword the question slightly** if you prefer the words “helpful, useful, important, etc.” You could even ask: “What has been the number one takeaway for you from our meeting today/the work we’ve done together over the past four years?” Or “What have you gotten most out of our meetings so far?”
- **The question must be open-ended.** Don’t say, “Was the meeting helpful? Good. Now, whom else should I speak with?” One reason for this is most people are polite and will simply nod their heads to avoid looking rude or to avoid a potential confrontation. It will not give you an accurate response.
- **Avoid “How am I doing?”** People do not know how to respond to a question such as this. They say “fine.” Nobody is going to go to bat for you and recommend you to others based on just feeling “fine!”
- **Write down what your clients say for feedback.** Using their words when making your referral request will have much more impact than saying something generic such as, “Who else might benefit from talking to me?”

**Step 3: The purpose of Step 3 is for YOU to identify whom you would like your client to introduce you to (it’s not their job).**

Most of the time be specific, I mean that you are asking about one to three actual people who easily come to your client’s mind. You don’t want to be vague about your referral request by asking, “Whom else do you know that might benefit from my services?” This is incredibly important because your client is not going to spend time thinking about your vague request after the meeting and likely does not know whether the person you are asking about has a need or not. The average person knows 200 people or more, so the “who else might benefit” question just leaves their mind in a fog.

**Step 3 is the most important step of all.** You can do everything right and get no referrals because you are being too vague about whom you would like to help. So what are the best ways to get specific? There are two effective ways to transition immediately from Step 2, the value conversation. One way is to ask directly about a specific person, and the other way is to ask the expert, your client.

As soon as the other person is done giving you great feedback, and it is clear that good value has been recognized by them, you say, “Thanks for that (feedback),” and you move straight into your next train of thought—helping someone else.

Now, hopefully you’ve been doing your fishing for prospective names and preplanning your asks because this will make Step 3 so much easier, and it will make you feel much more confident. If you have, you can directly ask for the person you want to meet. Make sure it is someone he or she likes!

**Example:** “In the past you’ve mentioned that you know Megan Gibbs pretty well. Now, I don’t know if the two of you ever talk about the type of work we’ve done together (Step 4), but I would really appreciate you introducing us.”

The alternative is to ask the expert, the client. When you “Ask the Expert,” you are safely assuming that there are many other people in the same situation in that client’s affinity group that likely could use the help (usually
a work department, team members, other partners in the firm, other nurses on the ward, other teachers in the same grade level, or other board members).

Example: Frank Lee works as a dentist at ABC Clinic, where one of his benefits is $200,000 in life insurance. His wife is a stay-at-home mother. Let’s say his insurance needs are closer to $1 million to be properly covered. If Dr. Lee were to die prematurely, his wife would be in a really challenging situation. So the advisor can safely assume there are other colleagues of Dr. Lee’s who ought to meet with him or her.

The old school way was to tell Dr. Lee that you would use his name and start calling on his colleagues. Think about this. Would you rather submit to someone else’s idea? Or commit to your own?

As Mary Kay Ash says, “People will help support that which they help create. When you dictate even the most thoughtful and logical concept to a person—this idea is still a command. When you ask her to contribute to its inception, that very same idea becomes a ‘personal crusade.’”

With the Ask the Expert approach, you solicit people’s advice, which does not come from a place of neediness. What would be the best way to find out if this is something that might be of value to the other dentists in your department? How would you recommend finding out if some of your colleagues might be interested in making sure they have their all their needs addressed?

Then you close your mouth and wait expectantly for a helpful response. Here’s why it works so well. Everyone likes to be treated as an expert. The focus is not about helping you; it’s about them helping others! The client takes responsibility and ownership of the process. The question you ask expects a helpful response. Your clients might suggest bigger and more creative opportunities than what you would have asked for. If it doesn’t work, it was their idea, and your clients are much more likely to suggest another.

Being specific has mattered all the way back to the age of the dinosaurs. Here you see a T. rex at a networking event telling everyone, “A really good referral for me this week would be any small to medium-size Apatosaurus that’s within two years of retirement.” The most important thing is to be specific.

**Step 4:** The purpose is to weave into your Step 3 request that you do not expect your client to know the situation (need or interest level) of your referral request.

If you just ask about the needs of somebody in the same life situation or line of work, your client’s thoughts may go as follows: “Who’d benefit? My good friend Jeff might. Yeah, but I don’t know what he does in this area. We don’t really talk about it that much. And what would I say to him?” The client’s doubts start to kick in. So it usually helps to acknowledge what the client doesn’t know, otherwise the client might get uncomfortable bringing it up with someone important in his or her life.

**Step 5:** The purpose of Step 5 is to make sure your client says the right thing to your referral request so that you have permission to get in touch.

You can also do everything right to this point and lose the opportunity because your client says the wrong thing. Don’t leave this to chance! You must have had the experience in which a client has agreed to tell someone about you and returned saying that person wasn’t interested. And if you ask the client, “I’m curious, what did you say?” You will likely cringe when the client shares what was said. “I told them you wanted to call them about a retirement plan.” “I told them my financial advisor wanted to meet them and they said they already had a guy.” “I told them someone I knew wanted to call them about a job selling insurance.”

Coaching your referral sources on how to warm up the referral will improve that name and number to a 50% chance of doing business—remember?

I find this is the least discussed referral topic often because people don’t realize where things collapse in the referral process. It is not enough to simply be specific about
whom you want to meet. You want to take that name from a 15% to a 50% likelihood it will end in business. Leads are a dying business. You want warmed-up referrals, and once you know how to get them, it’s worth the extra work up front.

So there are three reasons to coach your referral sources:
1. You don’t want them to mess it up when you’ve done everything else right.
2. Most people have no idea how to talk to others about what you do. You must teach them what to say and make it easy for them.
3. You want them to warm up your referral so your referral request is expecting your call.

Here’s the key to Step 5:

The only key = keep it simple. Their only job is to open the door and say, “Michelle is great. You’ve got to talk to her. I’ll have her call you.” They do not need to explain anything about the work you’ve done. It’s not their job, and most people can’t explain it well anyway. The more they talk, the more likely it is that the person they are referring will find an excuse or a flaw in their logic and decline. It’s your job to sell yourself once the door has been opened.

Example 1 of What to Coach Your Client

This script is all you need to direct your client’s conversation with the referral:

“That’s great, Mary. I appreciate you recommending Jennifer. The easiest thing to tell her is that:

a. You’re very pleased with the work we’ve done;
b. You highly recommend that she, at least, have a conversation with me, and;
c. Is it okay if I give her a call sometime?” (keep this vague)

This wording is very nonthreatening and does not make you sound needy. Note the third part—that you are getting permission to call (Step 6) and not letting them simply pass on your business card leaving you no further course of action but to sit by your phone and stare at it until it rings.

If you specialize in a certain niche market, that’s worth including in part a. If you are building a specialization, you could mention that, too. People would much rather work with a specialist than a jack of all trades:

Example 2 of What to Coach Your Client

a. “You’re very pleased with the work we’ve been doing and that I specialize in helping contractors/women in transition/morticians/B&B owners/people who do exactly what you do;
b. You highly recommend that she at least have a conversation with me, and;
c. Would it be okay if I gave her a call in the near future?”

An e-mail or a follow-up thank-you note is helpful when coaching others how to refer you. Most people do not know how to talk about what you do to others. Step 5 sometimes can be accomplished more effectively in writing. Why? Because having it in black and white can help people remember what to say about you. Anything that makes it easier for others to introduce you is a good thing! Not to mention that it makes it less likely they’ll mess up their sincere efforts to help people they care about.

Step 6: The purpose of Step 6 is to make sure YOU always have permission to take action so that you can get an appointment with your referral request.

You can also do everything right to this point and lose the opportunity because you turn control over to your client by now needing to wait to hear from him or her to do something. Don’t leave this to chance. Keep control of the process.

You always want to have permission to make the next call to your referral source. Don’t just hand out a business card and ask them to pass it on. Don’t just hope something will happen. Most people’s businesses offer important but not urgent products and services.
6 Steps to a Fearless Referral Conversation

Example: “When should I get back to you to see if she's interested?” Why this works:

1. It gets your clients to think about when they’ll have that conversation. Also, they will suggest an actual timeframe when you should call them back about it—often something like “Why don’t you call me in a couple of weeks?” That way, when you do follow up, you can simply say, “You’d suggested this would be a good time to get back to you. Did you get a chance to talk to Jonathan yet?” This is very nonthreatening and makes you simply an obedient professional doing his or her job.

2. Your clients are taking responsibility and ownership for the solution, just like with “Ask the Expert.” It is their idea. So if they don’t make the call when they say they will, they are much more likely to feel awkward about it because they have not kept their word. They will feel some internal inconsistency. Of course, this will happen. We’re talking about human beings who are not perfect and who have other priorities. That’s why persistence is so important in asking for what you want. But this process is the highest level of accountability you can get.

3. It’s not pushy. It’s not you saying, “I tell you what, I’ll call you on Monday at 9:00 a.m. Shall I call you on your cell phone or your office line? Or would Tuesday at 2:00 p.m. be better?” Ouch! Avoid sounding needy.

My final two points are about getting referrals after this workshop. First, I highly recommend that you get some kind of support team so you can role-play this conversation and develop this skill. This is going to take time, but it is going to be worth your while. It is not rocket science. As I said earlier, it’s like learning tennis or basic Spanish, only easier. In Geoffrey Colvin’s book Talent is Overrated, he makes the point that no one becomes extraordinary alone and goes on to say that “It’s apparent why becoming significantly good at almost anything is extremely difficult without the help of a teacher or coach.”

My second point is that all the positive changes you make must then turn into habits. I know you’ve heard it before but positive changes will not all instantly drop out of your discomfort zone, so it will always be tempting to get lazy and hope the referrals will come if you don’t ask. That’s unlikely for most people.

- So remember the 87-94% of clients you have waiting to be asked who will say yes if you ask in a way that is specific and about them.
- Remember the key mindset: I’m good at what I do. I can help the people you care about and I know I need to ask!

And let me conclude with the five reasons why you should be asking for more referrals:

1. You’re good at what you do, and you should be the one helping more people, not those claiming to be cheaper or using gimmicky marketing campaigns.
2. I’ve never met anyone who didn’t want to make a difference in the world, and when you help more people, you impact more people in a positive way.
3. So you can fulfill your potential.
4. So you can look yourself in the mirror at night and know you’ve reached as many people as possible.
5. So you enjoy whatever your true purpose is in life by having more income to do so.

Best of luck with making it back to MDRT next year and hopefully, with more referrals, maybe Court or Top of the Table!
6 Steps to a Fearless Referral Conversation

Endnotes

1 Sandler Sales Institute, Closing the Sale, Nightingale Conant audio program.


