REPLACING THE RAINMAKER

WORKSHOPS

REFERRAL LETTER

This workbook accompanies the audio workshop. It includes speaker's notes, which summarize the content covered in the workshop. It also includes activities, which you'll complete during the workshop, and a continuing education assignment, which you'll complete after the workshop. The continuing education assignment gives you a chance to apply the theory you learned in a practical setting. At the end, there's a quiz to test what you've learned as well as space to make notes and information on where to go to learn more.

SPEAKER'S NOTES

Learning outcomes

- You'll learn how a referral letter is a useful tool for helping junior staff to start bringing in business.
- You'll learn how to identify potential contacts for the referral letter.
- You'll learn how to draft the letter.

Referral letter

- A referral letter is a great way for more junior staff to ease into business development.
- The benefit to this approach is that it allows junior staff to network people they already know.
- This is often easier for them than networking in a room full of strangers.

A place to start

- The referral letter process is not a process that applies to your senior business developers.
- This is a process for more junior accountants, especially those who are new to your firm.
- These junior staff members likely haven't had a chance to establish a significant professional network.

A request for support

- A referral letter is framed as a request for support.
- For example, it might say: "I need your help to advance in my new firm."
- People tend to be quite willing to help when the request is framed this way.

Spread the load

- It's worth your time to walk your junior staff members through this task.
- You cannot afford to depend on one or two rainmakers to bring in all your new business.
- Spread the business development load and make business development a firm-wide priority.

Reliable and repeatable

- All accountants need to receive business development training, starting with their first day on the job.
- Business development training doesn't just mean classroom theory.
- It means giving your staff members the chance to practice their skills out in the real world.

Get their feet wet

- A referral letter offers a way for junior staff to get their feet wet with networking.
- A referral letter creates a low-pressure situation for the accountant.
- A referral letter also offers a low-risk situation for the firm.

Give them a push

- People often think that business development is something that only senior accountants do.
- Give junior accountants the chance to succeed in business development.
- Often they only need a little push to realize that business development is something they can do.

Meet Kelly

- Let's start with a hypothetical example to understand the value of a referral letter.
- "Kelly" is a junior accountant who just joined your firm.
- She grew up in a nearby town, attended private school and is a musician.

Overcome the hesitation
- "Kelly" is hesitant about how she's going to bring in business on her own.
- She's willing to try but she's not sure where to start.
- At first, she says she doesn't know anyone who needs an accountant.

A promising list
- You encourage "Kelly" to make a list of people she knows from the different chapters in her life.
- You learn that her mom is a real estate agent and her college roommate works at a well-funded startup.
- "Kelly" knows a lot of people who could need an accountant, even though she didn't realize it at first.

Your way in
- All these people who "Kelly" knows are potential referral sources.
- Some of them may even need accounting services themselves.
- Even if they don't, they probably know a lot of people who do.

The book of life
- This process often involves both a junior staff member and a business development coach or mentor.
- The business development coach begins by interviewing the accountant.
- They document chapters in the accountant's life, including childhood, college and their first job.

Identify potential contacts
- Identify potential referral contacts and clients in each chapter of their life.
- From childhood, you might list family friends, former mentors or coaches.
- Look for people who would be willing to open and read the letter, take a call and meet in person.

Draft the letter
- Craft the letter as making the "case for support."
- You want to make the recipient feel good about helping you.
- Especially if you're just starting out in your career, most people are eager to help if they can.

Introduce yourself
- Tell the recipient what's going on in your life.
- This will include telling them where you work and what you do at the firm.
- This is also a good place to give them a brief introduction to your firm.

Tug on their heartstrings
- Think of a request for support as a way to tug on their heartstrings.
- Because the request comes from someone they care about, they're much more likely to consider it.
- Make it clear why their help is important.

Make your case
- You might write: "I have been grateful for your friendship and support in the past, and I could again use your help."
- A referral letter is a surprisingly effective tool for generating new business.
- Even new accountants can contribute to the firm's business development success.

Make your ask
- Make it clear what you're asking for.
- Specify whether you're looking to meet referral sources, clients or both.
- Customize your request accordingly and be as specific as possible.

Define your ideal client

- Tell them who you're looking for in an ideal client.
- You don't want to send your firm on a wild goose chase hunting down bad leads.
- Your ideal client profile should include both quantitative and qualitative measures.

Find a good match

- As a new staff member, you won't be servicing these accounts directly.
- When you draft your letter, you'll include your firm's ideal client profile.
- Every firm should know what a high-quality lead looks like and what a dead-end lead looks like.

Lay out the specifics

- The point of including your ideal client profile is to help recipients identify any good matches.
- Most firms will have multiple ideal client profiles.
- You can include multiple profiles in your letter, or just the most relevant ones.

Suggest next steps

- Finish your letter by suggesting a next step.
- Suggest that you talk on the phone or in person to discuss potential referral opportunities.
- Make it clear how they can get in touch with you.

Follow up

- Follow up with a phone call to confirm they received the letter and to see if they have any ideas.
- If they don't have ideas, thank them for their time and don't bother them again.
- If they do have ideas, reach out to any prospective clients or referral sources they identify.

Look to improve

- Your business development coach should help you identify what's working, what's not and how to do better.
- After every interaction, note what went well, what went poorly and how you could change.
- Review those notes with your coach and work with them to improve your performance.

Branch out

- A referral letter isn't the only way to get junior staff members involved in business development.
- One of the best ways to start networking is to choose an activity that overlaps with your interests.
- For example, an accountant who likes music can join the board of the local musical theater group.

The backbone

- Look for areas where your personal and professional interests intersect.
- Think of your professional commitments as vertebrae and your personal interests as a backbone.
- The points of intersection between the backbone and vertebrae represent an opportunity to do more things you're passionate about in your work.

It's a big deal

- When an accountant first succeeds in bringing in new business, make a big deal out of it.
- Invite the individual to your sales meeting and make the announcement in public at the meeting.
- Being congratulated in front of the whole business development team will be a big deal.

Don't stop there

- Recognize their contribution in your firm-wide business development report.
- Give them "lead generator" credit in your sales database.
- Each time you close new business, indicate who initiated the lead and who closed the lead.

The cherry on top

- Send them a thank-you note recognizing their contribution.
- Send a small, personalized gift to recognize and reward their success.
- You're rewarding the behavior you want to instill for a lifetime

Summary

- A junior staff member doesn't need to have a deep Rolodex to start bringing in new business.
- If they build their case around helping them advance in their career, family and friends will only be happy to help.
- Comb through the chapters of their life to identify potential referral contacts and mail them a letter.

ACTIVITIES

If you're completing these activities on your own, please write down your answers in your workbook. If you're completing these activities in a group, please write down your answers individually. Then share your responses with up to two other people. Look for commonalities among everyone's responses and discuss any differences.

Activity 1

Make a list of the people you know from the different chapters of your life who have the potential to become new business referral sources. Your chapters might include childhood, college, your first job, etc.

Activity 2

Using the "Ideal client profile" form located in the top right corner of your screen, create an ideal client profile for an individual, for-profit entity or non-profit organization.

CONTINUING EDUCATION

Complete the chapters of your life exercise in more detail. Enter the names and relevant contact information of potential referral contacts in the "Referral database" spreadsheet located in the top right corner of your screen. Then edit and mail them the "Referral letter" located in the top right corner of your screen, asking them to help you with your business development efforts.

QUIZ

1. The first step in the referral letter process is to ask junior accountants who they know. You want to break their life into chapters. For example, childhood, college, first job. You want to ask them to think of potential contacts from each chapter of their life.
2. In crafting the letter or "case for support," you want to make the recipient feel good about helping you.
3. The referral letter should tell the reader where you work and what you do at the firm. It should also introduce them to your firm — what your firm does, what it specializes in and why it's different from the competition.
4. The purpose of a referral letter is to look for both new clients and new referral sources, so it's important to make that clear.
5. It's not necessary to describe your ideal client in the letter.
6. You want to always finish your letter by suggesting a next step.
7. In following up on the letter, you want to start with a phone call to confirm the recipient received the letter and to see if they have any ideas.
8. It's important to review what's working, what's not and how to do better after each mailing.
9. The backbone is where your personal and professional interests intersect.
10. At least once a year, you should send out a firm-wide business development report to update the firm on business development progress and performance.

NOTES

FOR MORE INFORMATION

For more information about additional workshops, or other Replacing the Rainmaker products and services, please visit ReplacingTheRainmaker.com.