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WINNING STRATEGIES

By Roger Sitkins

REFERRAL HEAD TRASH

Take out the trash and go for those referrals

We all know that referrals and introductions are our best sources of new business. Since that's something we all know, why do the vast majority of producers wait for that passive referral instead of aggressively pursuing referrals?

Sitting around waiting for that friend of a friend to call you is not a referral; it's an incoming phone call! Therefore, sitting in the office waiting for the phone to ring is no different from sitting in the office waiting for the roast duck to fly into your mouth. But it's very different from aggressively pursuing referrals and managing our brand so that we get introductions and referrals.

The more I've thought about this and discussed it with the other Sitkins Advisors, the more I'm convinced the answer lies in something we call "Referral Head Trash." What is it? We define referral head trash as the negative thoughts and beliefs that hold you back from doing what you know you need to do.

Recognizing and responding to head trash

Unless you learn to recognize it and respond appropriately, referral head trash can quickly clutter your brain and curb your productivity. Here's a list of some common head trash and the best ways to respond to these intrusive, counter-productive thoughts.

I haven't earned a referral. Then what does it take to earn one? We've talked before about the necessary behaviors to help you obtain referrals. Have you implemented them?

I look needy. Aren't you? Don't you need the business? I'm not suggesting that you start begging! But if you ask for referrals as a professional courtesy and in the context of helping one another, you are bound to project the right image. The reality is that if you don't have more opportunities than time right now, you need referrals!

I'd sound like a used-car salesman. Guess what? You are a salesman! Don't be ashamed of your profession. If you are a professional salesperson, referrals come with the territory. Professional salespeople accept this as a valuable means of building their pipeline.

What if I ask and they say no? Consider this: They already *have* said no by *not* giving you a referral. We always say that everyone who's out there selling has a 100% closing ratio because, as a salesperson, you either persuade them to go with you or to go with someone else. Either way, you've closed the sale. They've already said no to somebody. Why let them say no to you?

I'm too busy to chase new business; I just don't know how I could fit it in. With all this activity, is your book of business growing vertically? Is your personal income growing? If you're so busy, are you busy doing the right things? If the answer to any of these questions is no, keep in mind that you can't coast uphill!

I know I should ask, but there's never enough time. During meetings with clients, do you tend to run out of time to ask for referrals, even when you have it on your agenda? If so, broach the subject early in the meeting instead of waiting until the end. Have a referral mindset. Tell the client that your goal is to provide extraordinarily impressive service and products. If you make it a priority to wow him, he'll gladly refer you to his friends and associates.

I'm just not comfortable asking. Then practice! It's the only way you'll become comfortable. Very few of us are comfortable the first time we try anything. Remember the first time you played golf? Did you swing the club and miss? If so, did you quit or keep swinging? Have you ever fallen while skiing or hit the tennis ball into the net? Have you ever played the wrong note on a musical instrument,

forgotten a line in a play or missed a free throw? Practice may not make perfect every time, but the more you do it, the more you'll improve.

I just wing it and I do okay.

Many of you can wing it and get a way with it, but more often than not, it shows. Your clients know you are winging it. I can recall several salespeople over the years who have called on me and done a good job, but I could tell they were winging it. It was obvious to me that there was no system and no process behind their presentation. They didn't impress me as having it all together. I didn't think, "Wow! I want to refer them to someone else."

If you wing it in our business, customers might stay with you, but they don't refer you because there's nothing to refer. Typically, they don't know how—or to what extent—you're helping them; they only know the price of coverage. There's no Risk Reduction Plan™, no annual calendar of services, no stewardship report. When you wing it, everything is reactive and almost nothing is proactive. Therefore, you're not doing anything to earn a referral.

I'll make promises I may or may not be able to keep. When working on a new account for the first time, most agents will over-promise and under-deliver. Because there's no mutual accountability regarding the services provided and no timeframes offered, agents know that they can usually get away with it. Very rarely does the customer hold the agent accountable—until there's competition. Once that occurs, the incumbent agent must play catch-up and match what competitors are offering. At that point, it's foolish for an agent to ask for a referral because it's obvious he or she can't deliver as promised.

I'm doing okay; why rock the boat? You may be thinking that because the economy's down, the market's still soft and your book of business is stable, you should settle for what you have. You worry that if you reach for more, your client won't like it and you could lose the account. If you don't rock the boat, at least you won't make waves that could capsize your business, right? However, by being reactive vs. proactive, you'll merely continue to drift along. Your business won't grow.

Turn trash into treasure

Rather than cultivating these negative thoughts and behaviors, why not remove the head trash and replace it with some positive reinforcement? When you substitute constructive beliefs and actions for self-defeating head trash, your business is sure to improve.

Believe in what you do and how it helps your clients. This is huge! The most successful producers (the "soaring eagles," as we call them) really have a major impact on the results of their clients. Their actions are very rarely motivated by money. Their goal is to help people and get rewarded for it.

Compile testimonial letters as proof of what you do. Start asking for and accumulating letters from satisfied clients. You'll have to ask for them—they rarely just appear. Explain to your best clients that you're compiling testimonial posts and letters to help market your agency. Tell them that you'd like to include their comments and would appreciate it if they'd write a letter on your behalf.

Most clients won't hesitate to help agents who have helped them. But what if they refuse your invitation? What does it tell you if they decline

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the opportunity to write a testimonial letter? If they're not willing to say you're the best, that speaks volumes about the relationship and what they think of the job that you do.

Have an evidence binder. An evidence binder could contain some testimonial letters but, primarily, it should contain examples of the services you provide. For instance, if you're including a disaster recovery plan in your portfolio of value-added services, you'd better have a sample of one to illustrate your expertise. Or, if you're going to talk to someone about a proactive claims management system, your presentation will be much more impressive if you can show what you're proposing. Unless you have the proof to back you up, you're basically

saying that you do a lot of stuff, but not very well.

Develop a Private Client Group mentality. A big part of eliminating head trash is to think of your clients as an exclusive group. Your mindset should be that you accept only a limited number of private clients for whom you will do a superior job. Further, you should make it known that you accept referrals only from those in your Private Client Group.

Become a ROPE Producer. We've talked about Referral Only Production Explosion. I really like the idea of including a statement on your business cards that says something like "Accepting New Clients by Referral Only." This lets everyone know immediately that you are building your business solely on referrals from satisfied clients and trusted advisers.

Adopt an "I'm worth more" attitude. I've found that average producers who have average incomes also have average mentalities. How do you think of yourself? Do you believe that people should be willing to pay more to have you as their agent?

If you provide more than the average agent, you should be compensated accordingly. I'm not saying that you should win a new account by quoting \$100,000 for a \$50,000 account. But if it's a \$50,000 account, you should be worth more because of what you provide and how you help people control their total cost of risk.

The bottom line

What's going on in your head? Destructive head trash or a treasure trove of positive thoughts? If you don't believe in yourself and aren't constantly working to replace the head trash with the right positive thoughts, you're not going to get the results you want. Remember, if you don't believe it, no one else will either.

As always, it's your choice. ■

The author

Roger Sitkins is founder and chairman of Sitkins International, a private client group and membership program for some of the top Independent Insurance agencies and brokerages in the United States, Canada, and Latin America. Members participate in training, advising and networking opportunities focused around innovation, sales, growth, profitability and value. Sitkins International is inventing the future of the independent insurance system by providing intellectual property that empowers agents and brokers to become the innovators.