

September 2015 Strategy Call



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Building a Culture of Referrals - Interview with Richard James

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Call Transcription

Philip: We have a special guest on our call today, Richard James. Richard has a very unique story on how he started coaching one of our partners, Pew Law. Pew Law was a small firm and he truly helped them explode into what they are today.

Richard: At the end of the day, we had some great results and we went from 0 to \$3.5 million. I appreciate the kudos, but at the end of the day, I think it's a formula that anybody can follow. We've proven it now.

Philip: Richard and I speak periodically, and whenever I ask him how's it going, his reaction is always like, "We're growing. We're growing." I knew that I had to get him on our next Strategy Call to talk about it.

Richard has this unique 7-step process where it's building a culture, a system for referrals, and, Richard, what I really want to do here is knock these things down one at a time, stage 1, stage 2, stage 3. Let's give the people on the call just tangible advice, things that they can input immediately.

Richard, does that sound good?

Richard: Yeah, that's fantastic. As a matter of fact, I'm excited about breaking this because it's a topic that's near and dear to me. Listen, my firm was built the same as everybody else's when we first started with how to build it through referrals because I started with one guy telling another guy, telling another guy or a gal, forgive me. You have to figure out how to put a system in place. I'm excited about teaching that system today.

First of all, I find as we work with attorneys, they understand the idea of creating rules around kicking a case out the door. In bankruptcy, particularly, they understand how to create a Chapter 7 petition, or a Chapter 13 plan, or the rules that their trustee has to get their plan confirmed. They understand the step-by-step rules that they have to file with filing a document. Somewhere along the line, many attorneys we work with, when they start coming on board with us, they fail to recognize that there are rules to managing their practice and their marketing of their practice as well. They should create rules around that.

We want to create 7 rules of building this culture of referrals. The second thing that I want to say is I'm going to mention throughout this process a tool that is going to position you one way or the other. Now, what I mean by that is they currently use 720 as a tool that positions them correctly in their community, either through their marketing efforts, or through their lead conversion efforts, meaning, getting people to come in and set appointments when they're on the phone, or getting them to show up, or when they do show up, convincing them to retain the firm because they offer 720, where other attorneys in their communities do not offer 720.

There's another tool that I'd like them to have and that is a positioning tool. Now, my favorite positioning tool in marketing besides 720 is the use of Authorship, Celebrity and Expert. It marries along with 720 really well. Authorship, Celebrity and Expert is a tool we call A.C.E. which primarily means we want them to use a book in their marketing.

Now, for those on the call that don't have a book, I don't want them to freak out and think that they have to have this to make it work, you don't, but I want you to recognize that I will reference that as we create these rules because I think it's really important to understand how it works in this culture of referrals.

Philip: Let's dig into A.C.E. a little bit, the Authorship, Celebrity and Expertise. What would be an example of that?

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Richard: The easiest way to do it is to literally write a book on the subject. We teach in our program how to write a book in a week. It's super simple to do. You just basically get a list of questions. You answer those questions on a recording. You have it transcribed and in an hour of recording, you can literally put together a 40-page little Shook, a Short Book. Just basically answering people's questions about it, but when you print it out in an actual book format using maybe Amazon's CreateSpace feature, you position yourself as an author, and it really does change the game in how you market yourself, and how you create not only price elasticity, and positioning in your world.

When you combine that with you're the only firm that offers this holistic approach to bankruptcy and offering 720, you really create a place like nobody else has in your community. Now, we also want you to do it because we want you to have a tool, something to hand to them. If you don't have a book, I don't want them to get open arms because they can get on the phone and do an interview with somebody like you, or a client, or somebody else in their community that's a center of influence that they respect, and do an interview like this, and maybe have it transcribed, and maybe just have it put on a CD. That could be the same type of thing without going through all the work of publishing a book because my point is when we're going through this process, you'll see how I used it as opposed to using a business card. That's what we're trying to accomplish as we're building this culture of referrals.

Philip: I love the way you're stressing the simplicity because it doesn't have to be, like you said, a book immediately. You can start with a 30-minute question and answer session, put it on a CD and transcribe it, boom. It will be done in 3 days or not even that, maybe in a day can be done.

Richard: The key point is if you hand somebody a business card, it goes where all the businesses cards go, right? If you hand somebody a book, or a CD, or something, they just don't throw that stuff away. It has a longer shelf life. It's easier for people to share. When you're building a culture of referrals and you see what I mean by this, you could give them a bunch of business cards to give out to their friends. It's probably not going to happen, but if you give them a tool with free resources on it that their friends that might be suffering from similar situations can listen to or read, they're more likely to share that tool. We found that to be true as we're going through this process.

Let's break in to step 1.

Step 1. Let's think about building a culture of referrals from beginning to end. Let me ask you, in the very beginning, what is the first point of interaction in your opinion that a potential new client has with a law firm?

Philip: When they call the office.

Richard: Yes, you got it. When they pick up the phone and they call, or they filled out a web form and somebody picks up the phone to call them, right? One way or the other there's the first interaction with the law firm as a person to person is on the phone. We teach that you need to master the phone. As a matter of fact, we train our clients live every month because it's so important. We have an 11-step process that we teach on the phone. We don't have a time for that today, but inside that 11-step process, one of those steps is starting the culture of referrals.

From the very first phone call, here's the question you must ask when you answer the phone and it has to be asked like this. The question is who referred you to our firm. Now, you'll notice that question is different from how did you find out about us. That's what a lot of firms ask, right?

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What you'll hear is commonly if they were on the internet shopping which is where a lot of bankruptcy attorneys are, they'll say, "Google." You can make a joke about that, say, "Oh, yeah, Google happens to be one of our best referrers," but I just wanted to make sure I knew that there was no friend or family that referred you because Attorney Jones wants to be sure to say thank you to anybody who refers people over.

What we're doing subconsciously at that moment by asking that question and giving that answer is that we are letting that person know from the very first phone call a couple of things subliminally, right? One, we expect to receive referrals. Two, we're okay with receiving referrals which is different than we expect to receive referral. We're actually okay with it and that Attorney Jones is actually going to say thank you for it. Three, we obviously must be doing something right because people refer their friends and family to us.

It's such a small thing that everybody misses, but we want to start the culture of referrals from the very first phone call. That's the key and we want to word it in that way. When we score on our 10-point score of how well our clients are answering their phone, one of the things we score them on is did they ask this question. It's vital in getting this step right.

Now, the second point is when we communicate with them in our reminder sequence. Now, when we communicate with them in our reminder sequence, if we're using ... Here comes with the book, or a free CD, or a free MP3 audio, or PDF, or whatever it is you've got that you're giving away that's positioning you differently. What we want to do is in our reminder sequence, first of all, we want to make sure we have a reminder sequence because this is the start of what I consider micromanaging the client experience which I'll talk about more in a second for stage 3, give you a little glimpse there, but we want to sure we have a reminder sequence.

In the first call, there were a couple of things about that first call going backwards. One of them is making sure that we talk about how we differentiate ourselves from our competition. Just to be clear, we have a stage in those 11 steps. One of them is differentiation. One of the ways that you do that for us in a bankruptcy firm, if they're offering 720, it is a key differentiator. It is a must said in that first script as it would be in the email copy and the fact that you write it for them makes it so simple.

Now, the second part of that in that email copy or that reminder sequence is making sure that we put just one single line in there again about referencing back to our firm welcomes referrals. If you have any friends or family who are experiencing similar situations and you'd like to share with them a free resource, go here. Again, keeping it congruent all the way through because just like you've written, your email sequence is to be congruent with the message that they should be saying on the phone about why they're different with offering 720, we want to include that same differentiation, not necessarily differentiation but a reminder and expectation about referrals are good and supporting what we said on the phone about referrals.

The third step is micromanaging the client experience. When you build the culture of referrals, one of the easiest ways for you to ensure that you're going to get more referrals and probably the thing that happens most often with our new members is they start micromanaging the client experience. What does that mean?

That means they pay attention to the every piece of communication that happens with the client specifically when the client starts to arrive at the office. After the reminder sequences go out and the client actually arrives at the office, what happens. What is the first thing that they see? When they come to the office, what do you think is the first thing they see, Philip?

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Philip: They probably see the sign on the street, they walk in, they meet the lady or the man at the front desk.

Richard: Yeah, you hit it. They see the sign on the street. They see the parking lot. When we went to High Point University in North Carolina, We had an appointment on Monday morning at 8:00. We pulled in and as we drove up, there was a High Point University sign at the parking space with Michael's name on it. Reserve for him.

It's important to understand that. They said, "Okay, how are we going to micromanage this potential student experience that we're going to personalize it from the very beginning?" The other idea is just making sure the parking lot is free of trash, that the sign isn't peeling, that they understand clearly how to get from where they are in the parking lot to your door, that they just micromanage because it's so important.

I used to be such a stickler about this because my uncle used to tell me all the time back in the day. He said, "When the inside of the business will have maybe a few hundred people a month," he said, "But on the outside of the business, we have a few thousand people a day driving by." He said, "We just have to make sure the outside is perfect." It starts. Micromanaging client experience starts with how your outside is. Then I don't want to believe with that too much. As we move to getting inside the door, what is the receptionist doing? Is your receptionist also the person who enters all incoming and makes out phone calls for your office? Did you ever take any consideration about how your receptionist is dressed?

In what way are we micromanaging, what rules do we have about what they are going to see, what they are going to smell, what they are going to hear, how they're going to feel when they walk into that office. That is usually a huge paradigm shift for many of our members. It's where they oftentimes start and they see the referral rate just go up because the satisfaction of their client starts from the very first moment they enter the firm.

The next step to own team members on a team including us is this idea of mastery. We just want to get better at what we do. We just want to master our jobs. Not everybody hates their job, right? That's not typically the case. As a matter of fact, most people like their job. They just want to be paid up their wage. They want to like what they do. Then they want to figure out how to master it. I love your advice because you're right. Just sit down with them. Figure out what they think that we should do and I bet you it will get done.

Philip: Yeah, and I think what you said, I mean, we both said the same way, but I like the way you said it better is including them in and it's their idea so it's not going to be like, "Oh my gosh, another thing to do."

Richard: Step 4 is the initial consultation. How do we get a culture of referrals in an initial consultation. What is the best way? Assuming it went well and you can't help but not everybody is going to make a buying decision today but regardless of whether they make a buying decision today or they're saying you've scheduled another appointment for them to come back to make that decision at a later time.

You just always want to have extra copies of that book, or CD, or I used to call it an e-book but they could easily print off your e-book and have those ready. To give to their friends, it just give them 2 or 3 and say, "Listen, we oftentimes find that friends that are going through this for one reason or another, have other family members or friends that they know that experience similar problems, we just want to be able to allow you to give this out to them at no cost. We've included a couple extra here in the folder so you can give to your family and friends if they're experiencing some troubles and they have questions.

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They can call us at anytime. We'll be sure to answer their questions for them." We just reaffirm this whole idea of we expect referrals, we build the culture of referrals, and we want to give you the tools necessary to help invite other people. Does that make sense?

Philip: It does and I just want to clarify something. If someone does not hire you and you're not feeling it, just to get in the habit, you would still say, "Hey, ask for the referral," right?

Richard: Yeah, look, if they didn't hire you, why didn't they hire you? Not to sound like a lawyer, but the answer is that all depends, right? If they didn't hire you because of some level of animosity then no. If they didn't hire you because they wanted the \$750 attorney, and you're not the \$750 attorney, and you couldn't convince them otherwise, they might not refer you anyway, but they might. You never know.

I still would do it. Unless it's an animosity situation for whatever reason it just didn't go well. I would make a rule to do it. Here's the reason. Not everybody shops in price and just because they know people ... If they walk out the office, and it was a price issue, and by the way, we find it's the least common reason that people leave. Many of our clients start coming into the process thinking it's the main reason that people don't hire them. We don't find that to be the case at all.

Anyway, if that was the reason, if they share it with somebody else, they still position you differently than any other attorney in your marketplace because you're giving them free tools, free information and you just never know where they're going to land, so yes, I would get in the habit of doing it unless the situation was wrong.

Philip: One other aspect, I just want to add, Zig Ziglar, he always said, "Never ever, ever prejudge a prospect," because what's going on in their mind, you don't know. They may be saying no for a completely different reason, right? They may be sitting in front of you and they were just told that something happened like their child has got expelled from school or something. You have no idea what's in their mind. You always have to ask, and go in, and just never prejudge.

Richard: Okay, good. The next steps are really for bankruptcy. I laid it out in stages. I want to be clear about this. This is the culture of referrals. The reason I've done this is because there are oftentimes different people depending on the size of the firm doing different things. There are sometimes a different person meeting with them at the consultation that might be doing the signing appointment, or there might be a paralegal that runs a signing appointment, or there might be a paralegal that does the document prep or the petition prep where they're meeting with the client. Every firm has a little different structure, but I want to be clear that I want that person dialed in.

When you build the culture of referrals, the next step is to make sure that the next person in line, whoever that is, after they've hired the firm, they've hit the water market to the point where you're going to file the case and the next person steps in. That person also has to be armed with a couple of pieces of information. One, we're on their sheet. Does it tell us if we're referred by somebody else? Because we want that person to bring it up in the conversation. We want them to pay attention to it. "Oh, I see that Mr. Smith referred. How's he doing? I want to make sure it's brought up.

Secondly, always reiterate. I know that Attorney Jones gave you some free tools to give to your friends or family. Do you need any other copies? Did you hand them out? Bring the conversation up again. This is not something that should be a sometimes thing.

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This is something that has to run as a current throughout the practice, right? It should be something that's measured. You should make a big deal out of your referrals. The names of the people who were referred to you by somebody else should be on your wall in the backroom. The names of the people who referred your business should be on the wall and somebody should be in-charge of thanking them and whatever that looks like in your world. I have a attorneys who do the same things. Some people do very elaborate things. Some people do very small things depending on their bar associations, their rules, their willingness, but for me, at a minimum. Somebody should be sending them a handwritten thank you card that says thank you.

We should be making a big deal of this. Everybody in the firm should know it's a big deal and that every stage at which we're going to touch a client, we need to make sure we bring that conversation up. Makes sense?

Philip: I love it. I absolutely love it. Once again, it's the concept of this drip. Every time around, it's like, "Hey, how's John. I'm so grateful he referred me," to us and it's just this constant conversation that it's just expected well. These guys get a lot of referrals. It makes me look good. People refer because they want to look good.

Richard: Yeah, people want to help their friends. That's it. They want to help their friends. There is that psychological, they want to look good, they want to look like the hero, which is why they don't want to refer anybody who's a louse. Who drop the ball at some level, who's, "Okay, I had a friend call us today and say, 'Hey, I ended my roof fixed and do you have a contract that you can recommend?'" Normally, I would recommend a guy that I know and the problem is he's 7 days late on getting me a bid, on a job that I had them coming to do for me. Guess what I said, "I do, but I can't give it to you in good conscience because he's dropped the ball on mine and I'm afraid he's going to drop the ball for you." The answer is no, I don't have anybody I can refer.

Look, this wasn't said in this whole process, but doing good work for your clients, having excellent communication skills with your clients, making sure that you have excellent client satisfaction scores is like the ticket, the price of admission to get a seat at the table to play this game. If you don't have any of that, the rest of this isn't going to work because you're just going to speed up the pace which everybody figures out you're not very good at what you do.

The next step is step 6. I don't know if you know this answer, Philip, but I'll ask you anyway. I know an attorney knows this answer. At what point is a bankruptcy client happiest?

Philip: I would say discharge, part of me says when they get their first check and they say, "Yes, I want to use you."

Richard: The bankruptcy client is happiest when they get their discharge, but that's secondary. The most nervous a bankruptcy client ever typically is, is right before and during a 341 because they have no idea what it is. They're scared to death because they're going to court maybe for the first time in their life. There's this herd of people there. They're intimidated. They understand. All of a sudden, everybody is going to see them. They're in public form for the first time ever and they think the worst. They've been told that the creditors have the right to come and oppose the situation no matter how much we've tried to put their mind at ease, that's what they're thinking.

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Then when it's over, it goes as easy as it typically goes. There are exceptions to that rule, but typically, it goes very well especially in the Chapter 7 situation, the trustee awards them their bankruptcy and approves their petition. At that point, those clients are ecstatic. They are happy. They're oftentimes crying. They want to hug the attorney. They can't wait. Now, they unfortunately, a lot of times has to wait because the attorneys have several people so they have to wait outside for the attorney to come out but they're just bubbling over.

The best time to reinforce this idea of referrals is that the 341 hearing when it's over. The best way to reaffirm when a referral culture is to ask for a testimonial at that point. It, again, lets them remind them, "Listen, a lot of people invite their friends and family. We want to let them know." They're going to say thank you. They're going to hug you. They're going to whatever and your response should simply be, "Hey, a lot of people as they're going through this are really scared and the best way for them to find out that it's all going to be okay is to hear from people that had a good experience. Would you mind if we took a testimonial to let them know how this all went?"

Most of them are going to say yes. Then the next question is would you mind if I capture it on video, or would you rather just write it down because at that point, if they say yes about video, your iPhone comes out, click and you take your video testimonial right there. You just want to reaffirm that this is all about helping other people with this culture of referrals and they're never happiest than after the 341. That's why we ask at that point. Does that make sense?

Philip: I love it, absolutely. The funny thing is, is why is it? Where my mind goes is why is it that it doesn't come natural to us, because you're right. It's like when people are the happiest, you want to ask them for something that just makes logical sense.

Richard: I think the reason it doesn't come natural is because it's not natural. I think that's the truth, right? I think it's a sales process. I think it's a marketing process. I think it's the entrepreneurial business process. I think it comes natural to those that it comes natural, too, but at the end of the day, many attorneys, they were never trained in these styles or tactics. They were never taught this, so they never thought about it. Law school certainly didn't teach them this, right?

Law school barely taught them how to be a bankruptcy attorney. Matter of fact, they didn't teach them how to be a bankruptcy attorney, so they came out to figure out their specialty not board certified but you get them in on their own. They learned it from somebody else and the person that they learned it from probably didn't know this. That's why I don't think it is natural, which is why these calls are so important because if they do this, they will get more testimonies. They will get more Google reviews. They will get more Yelp reviews, or Apple reviews, or whatever review source you want to use, you can put this stuff everywhere, and you will build that culture of referrals, and you will remind them constantly as you said, Philip, as a drip sequence throughout it that we expect referrals, we welcome referrals, we say thank you for referrals. We must have done a really good job along the way for people that would be willing to refer us business.

All right, so final step, this is the grave part, cradle to grave, right? Step 1 was when they first interacted with the firm. Step 7 is now ... It's over, the 341 is done. Of course, you have the discharge and I think there's an opportunity there as well. You can tie those 2 together. For me, the discharge doesn't happen for 6 months and between now and the 6 months. I don't want to wait that long, so what I want to do is I want to tie it all together by reminding them about referrals through our newsletter.

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When we have a newsletter, when you write a newsletter, it should be a printed, mailed newsletter. You can do an e-newsletter too, but if you choose between one or the other, it should never be email only and not printed. It should always be printed even if it's one page, front and back, 8 1/2 by 11, that is better than nothing in a white number 10 envelop. We want to do a newsletter and the newsletter should be 70% non-relevant content. Meaning, not about bankruptcy world, recipes of the month, Jumble, Sudoku, whatever we could do that's interesting to people.

There should always be a section in there where we're either thanking those folks who refer those business and letting them know that they got their gift on the way, or their handwritten note, or whatever. If you can thank them by name, fantastic. If you can get permission allow them to put their name in the newsletter, that would be awesome. Whatever we want to highlight this idea of referrals. Then when we take our premium which is that e-book that you have that they re-branded, or a book that they wrote, or an interview that they didn't put on a CD, we want to make sure that we remember to add that in, what we call referral corner or whatever that will section the newsletter where we remind them that if they have a friend or a family that's going through this situation that they could always ask for this free resource.

Again, the drip. Every month from the point that they're down with the client forward, there's a drip that is constantly being put on. I can't tell you how many times clients have come to us and said this is their second filing 10 years later. We ask them who they use the first time and they say I don't remember.

The way that we make sure they never forget is by using a printed newsletter. They could throw it away and they might, but if you make it interesting enough, they won't. That's the way we wrap this whole thing up in a tidy little bow is once they're done with the case, we never stop reminding them about who we are so that they can send us additional business. There's all sorts of other additional benefits to a client newsletter. We don't have time to break into that today, but do you have any questions around what I said on that subject?

Philip: No question but the one thing I want to point out, I love the distinction of the paper newsletter. I never thought about that, but what I was thinking about was every time as our attorneys mail, they get a weekly ... When they enroll someone in the 720 Program, they get a weekly email for weeks and months about 720. Every time they get one of those credit lessons, they go out. It says at the bottom. This cradle lesson was provided by you, provide to you by Attorney Jones. If you have a friend, family member or coworker who's interested in or has a question on bankruptcy or their debt, have them call this number. I love the distinction of the paper newsletter.

Richard: Listen, the bottom line is I think you just summed it up. If you're already doing this for them, you get it, obviously. You're doing it in a drip format. They need to do it so that they're congruent with that message and for no other reason, they should take it and create these rules so that they're congruent. It's also important that they said that all the way through this process, they're using 720. That should be integrated into this message, too.

Make sure in the newsletter they're reminding that 720 is available to them as a client, that if they haven't already sign them they want to use it at a 341 here. Before you leave, make sure you remind them, "Hey, listen, this isn't over. We're with you all the way through your holistic approach. We want to get your credit score up to 720. Here's the steps you need to do. Give them a flyer. Then remind them yet again about 720 whether they use it for free, or they're paying for it or whatever.

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All the way through the process, make sure the person doing the signing appointment or the doc prep petition for the paralegal if they know about it as well, they should integrate it all the way through these 7 steps.

This is the message on building a culture of referrals, but I guess my point is, is it can easily be transplanted as building a culture of differentiator which in this case is using 720 to differentiate your firm from everybody else and you could integrate the 720 message throughout these 7 steps as well. Does that make sense?

Philip: Oh, absolutely. Richard, you've given so much value here. What I love about this is that we weren't really deep. These are things that any attorney on the phone can spend the next 2 weeks and implement all this. Instantaneously, this can start producing referrals. Man, it's just so great. Everyone got the email I sent out, Richard has written a book, highly recommend you download it for free, just get a feel for Richard. When you download it, you're going to be on his email list so you can learn from him constantly.

Richard: Certainly, you sent the email earlier to get a free copy of their book, the DNA attorney about building the systems because we talk about all of the different systems in that book, or we call it a Shook. If anybody wants a free copy of that book and they don't really know where to go, if you have questions or you want to know the 7 steps, just send us an email at richard@yourbusinessautomated.com and we'll get you what you need if you have a question regarding today's call or if you want the 7 steps outline for you, if you want a free copy of the book, just let us know. We'll be happy to get that to you and we can start the process if you're learning how to best improve your practice one system at a time.

Philip: Richard, you are truly a value creator. I love that about you and thanks for being a part of the call. Thank you, everyone, for joining us.