

PERSPECTIVE

A strategic partner (SP) is a professional with whom you can cross-refer clients. Relationships with strategic partners are called *strategic alliances*. For loan officers, CPAs, divorce and bankruptcy attorneys, financial advisors (FA) and real estate agents are all good SP candidates (SPC). These professionals are well-informed of and engaged with their clients' financial situations.

FAs use refinancing to help clients consolidate debt or to free up cashflow for other financial purposes. CPAs may have similar concerns as FAs, but with an eye to tax strategies. Divorce attorneys may need an LO to refinance a loan as part of a settlement. And, of course, real estate agents have a pipeline of clients needing loans.

Ultimately, creating a strategic referral partnership depends on establishing mutual trust. In general, there are two sorts of SPs to pursue: 1) those who are new to their profession and 2) those who are experienced.

SP prospects new to their profession are building their partnership network, so they are easier to connect with. The downside is that their clientele will tend to be limited in number or affluence, so the profitability of the relationship will be limited. However, new professionals grow into experienced ones, so a more profitable relationship may develop down the road.

Experienced SPs are more likely to have an abundance of clients; however, they are likely to already have an SP with whom they are working, so they are more difficult to connect with.

Whether you seek to establish an SP with a newer or more experienced professional, there are practices you can employ that will increase your ability to connect and, in time, get business.

PRINCIPLES

1. Start using the term "introductions" instead of referrals.
2. Join industry related associations to which SPCs belong.
3. Know your stuff. If you sit down with an SPC, you want to show by your knowledge that you are serious about what you – and they – do.

20 PRINCIPLES FOR DEVELOPING STRATEGIC ALLIANCES



4. Research SPCs on their websites and LinkedIn. It helps you make sure they are a good fit and it will help you connect more quickly when you meet them in person.
5. If they use social media, follow them. If they announce an event, 1) share the announcement with your followers/subscribers and 2) reach out to the SPC to find out how you can contribute or help.
6. Ask your own clients for introductions to professionals who could be SPs. Whereas clients can be hesitant about giving names of family and friends, they are far more comfortable sharing the name of their CPA, FA or attorney.
7. Distinguish your brand and know your value proposition.
 - What makes you stand out from the competition?
 - What unique services do you offer?
 - Who is your ideal customer?
 - What do you do to ensure your clients are happy with you and your team? (No one can afford to alienate a client because of an introduction when poorly. This is critical.)
 - What do you look for in an SP?
 - What marketing or client relationship strategies do you implement with your SPs? (Do you host shared events? Do you contribute to one another's blogs?)
8. Be persistent. As in sales, it takes, on average, eight contacts to connect. Keep calling or sending emails. Leave brief messages that contain interesting facts about your industry. Reach out every two weeks.
9. Be patient. SPC are cautious and only refer their clients to professionals in whom they have absolute confidence. Engage with your SPC consistently and professionally. This shows how you will treat an introduction.
10. When you meet an SPC, you are there to learn about their business to see if they are a good fit for you and how you can help them. Learn who is their ideal client.
11. Don't come across as someone who is desperate to find an SP. It means you're desperate for business.
12. Be the first to refer. Reciprocity begins with unilateral action.
13. The number one reason people don't get introductions is that they don't ask. So, learn to ask – tactfully and with class!

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14. Your first ask for an introduction should be to meet someone else in the SPCs firm.
15. Know your pitch. You are selling yourself.
16. Come prepared to share how you can benefit the SPC. SPs make introductions for two reasons: 1) they have a client who needs the service you offer and 2) *quid pro quo* – they want to get introductions from you.
17. Come prepared to close. With an SPC, you want them to agree to move forward in the relationship, the minimum of which is staying in touch on a regular basis. Ideally, you might leave with a formulated plan of action as to how the partnership will work.
18. Send a handwritten note after the first meeting. Stay in contact going forward. Including them on your blog list is good, but you need to reach out by phone no less than once a quarter and, ideally, make personal contact. Agree in your first meeting how often you should meet.
19. Treat those introduced to you with excellent service – as you do with all your clients.
20. As with all aspects of your business, create systems and processes to maintain consistency, stay on track and, ultimately, save time and energy. Relationship building with an SPC is basically marketing.