



Refer Me to Your Leader

Strong leadership drives effective referral groups

By: Steve Brainerd, Founder & President of Durham Group, Inc.

Let's have some fun. I'm going to say a phrase, and you give me your reaction. Ready? "Networking through a referral/lead group"...If you are like a growing number of folks I talk to, referral groups aren't what they are cracked up to be. Many even see referral groups as nothing more than a weekly gathering to pass around business cards and "chew the fat." That's fair, because many groups are just that—but not all.

First, let me clarify my credentials on this subject: I am not an expert on networking, I am a participant. In this role, I have experienced what seems to work and what does not. My purpose here is to share what I believe to be the most important components of a flourishing referral group: If I had to summarize in one word, it is "leadership." Here is a breakdown:

Start strong: First, send out a general mailing to members. Make it a simple letter of explanation. Specify a deadline, first-come, first-serve. This seems to work better than an infantry-style recruitment campaign. We don't have time for our fishing pole, so we lay out the net instead and let them swim in.

Select the right people: Charles Schwab, a steel executive from the '30's, was one of the first presidents to receive a salary of more than \$1 million. Schwab claimed that one unfavorable attitude could impact in a group of 20,000. The point is, select members who have an attitude of giving referrals, not getting them. Being picky about your draft picks could cost you some political heat, but it's worth it.

Define what a referral/lead is: We need to work from the same song sheet. Is it a "hot tip" or have you set things up so that the person receiving the referral knows the prospect is calling—and wants him or her to call.

Keep good records: How many referrals have you given, received and what are the total dollar amounts? Let's face it, the normal salesperson is not in love with paperwork. We are "people-people." Therefore, a detail person is needed and they should be treated like royalty rather than a mosquito.

Maintain accountability: Publish data once a month and spend a few minutes reviewing. This allows the group to: See in black and white those who give will get; reveals members who are not living up to standards; shows what products or services need to be better understood; and helps to keep problems small. Report results each week; displaying referrals given, received, invoices reported, plus a running total.

Where seldom is heard, a discouraging word. One thing we know about a winning team—they are positive and respect one another. No cliques or "what about me?" They put others first as a habit. At even the slightest rumbling or resentment or friction, resolve it. If you don't, the condition will spread like cancer and you'll lose your esprit de corps. A strong leader does not tolerate negativity—and the skies are not cloudy all day.

Be candid, keep things in perspective. If we have something to say, say it. If someone isn't carrying the load sit down with them and work it out. And most of all, let's not take ourselves too seriously. As Mark Twain said, "A sense of humor is a sense of perspective."

To build an effective group, select a strong leader, enlist the right people, keep each other accountable, and most important, have fun!

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