

# Leveraging Centers of Influence

This course is designed to help firms learn how to build relationships with and increase the number of referrals received from Centers of Influence (COIs). By the end of the course, firm leaders should be able to decide which type of relationships they want to pursue and develop a concrete action plan to better leverage COIs in their business development strategy.

By the end of this course, you should be able to:

- Understand the two COI approaches.
- Build relationships with and demonstrate knowledge to COIs with knowledge-sharing events.
- Convert COI referral relationships into strategic partnerships with a select group of COIs.

## Overview:

Building meaningful, productive relationships with accountants and attorneys is often the launching pad for significant A+ client growth. Every client needs three legs to their financial stool: an attorney, an accountant, and a financial planner/wealth manager. By creating referral networks and strategic partnerships, clients are better served in a more integrated planning model.

The process of creating COI relationships isn't for every advisor. Advisors who work with attorney and CPA COIs need an organized process and high-level technical skills, or they risk credibility issues.

There are two tiers of COI referral generation.

- Tier 1: Straight referral relationships; ideally, both the advisor and the COI benefit by receiving referrals from each other.
- Tier 2: Strategic partnerships, where the relationship is much more integrated. The advisor becomes an adjunct part of the COI's planning team. The COI and advisor work together to achieve greater, more seamless solutions for high net worth clients.

Advisors can be successful building referral relationships with COIs, or they can choose to put in the time to upgrade to strategic partnerships. These strategies can be used independently or together, but they both start by getting exposure to potential COI relationships and showing value to the COIs.

**The process for earning COI referrals takes work, but it is worth it. The process involves:**

- **Step 1:** Understanding the differences between straight referral relationships and strategic partnerships.

- **Step 2:** Building COI referral relationships, by demonstrating your value to the COI's clients through knowledge sharing events.
- **Step 3:** Converting traditional COI referral relationships into high-value strategic partnerships.

**Coach Tip:** A lot of busy accountants and attorneys don't really understand what advisors do – so you need to have a good, professionally-created one-page description of your firm, and the benefits that you provide to your clients. Additionally, you can demonstrate a fact-finding process for them, showing off tools and techniques that you use with clients. Check out sites like [upwork.com](https://www.upwork.com) to find a freelance professional who can help you develop a one-page document and other collateral for your firm.

## Step 1: Understanding the two COI approaches

Most advisors understand the importance of building meaningful, productive relationships with accountants and attorneys. Many of these relationships are loose associations in which referrals are simply traded back and forth. The problem is that the “trades” aren't usually even. In an attempt to win favor with COIs, advisors often refer client after client, with few or no return referrals. However, when an advisor finds the right COI attorney or accountant who is willing and able to share prospective client leads the time is worth the effort.

Beyond referrals, there is a higher-order form of working with COIs – the strategic partnership. In a strategic partnership you become an adjunct team member of a small, select group of accountants and attorneys. You become the sole provider of financial planning and wealth management for their top clients. The strategic partner path is not easy. It takes time to build the trust to a point where the attorney or accountant sees you as part of the “planning team.”

**Coach Tip:** Attorneys and accountants are prone to a bias that financial advisors are underqualified and pushy “salespeople.” Show them that you are different, by being prepared, knowledgeable, consistent, and intentional – which is how they see themselves!

Strategic partnerships generally evolve from referral relationships, so the next step will focus on techniques to build COI referral relationships. The final step in the course will detail the best practices of developing referral COIs into strategic partners.

## Step 2: Build referral relationships with knowledge-sharing events

Whether your goal is to develop COIs that will provide you with referrals or if the goal is to develop a few, select strategic partnerships, you will need to demonstrate your potential value to the COIs and their clients. We have found several techniques used by successful advisors that will help you generate professional introductions. They empower you to enhance the quantity, consistency, and quality of your COI referrals.

### CE APPROACH

This approach involves making use of a large conference room or a rented space in a hotel or restaurant and inviting accountants or attorneys to a free CE session. This approach allows you to showcase your technical skills, while helping them earn CE. This can be done for CPAs, attorneys or trust professionals.

### Before the Event:

1. Choose the size of your gathering. Pick a number you believe will create a collegial and manageable environment. Consider 25-30 as a starting point and adjust that number as circumstances dictate and you become more experienced with larger groups.
2. Arrange a comfortable, convenient venue that supports group discussions and meets your food and beverage requirements.
3. Identify the professionals in your area that you think would be a good referral fit for you and your firm. The CPA or attorney's desire to grow should be near the top of your criteria when developing your invitation list. In addition to your "A-list," consider also inviting some "B-list" players that may be less established but initially more willing to work with you in this new capacity.
4. Research the CE requirements for potential attendees.
5. Schedule the session for about a month before you know CE is due.
6. Schedule a four to eight-hour session, so it is worth the commitment for the attendees.
7. Consider working with one or two of your top COIs or COI prospects to create the session content.
8. When putting together material, aim a little over their heads so the advisor is seen as the expert (*this is key for referrals*) – BUT, be careful, these are smart people. You must know your material incredibly well. If you don't, it will backfire.
9. Create the invitation to the event.
10. Develop a one-page information sheet to include in an email invitation. This document should incorporate the following:
  - a. Very short advisor/presenter profile
  - b. Schedule
  - c. CE Hours for the session.

### At the Event:

1. Distribute the agenda and any necessary materials as people register. Also, remember CE events can be audited by professional organizations to make sure you follow all their rules. Some organizations are very strict on signage and whether attendees are attending the full session. *Know the rules.*
2. Make sure to provide a scheduled break every hour to ninety minutes. This will allow for people to catch up on emails and messages, as well as for bio breaks or drinks.
3. Make sure the attendees are provided the documentation they need to report CE.

### After the Event:

1. Follow up with an email asking the attendees about CE session topics they would like to see in the future.
2. Think of the COI as a high-level client. Create a service and relationship experience as rich as the one you provide your very best clients.

## **CASE STUDY APPROACH**

Similar, but more interactive than the CE session, Case Study sessions use a conference room or a rented space in a hotel or restaurant. Invite 10-15 accountants and attorneys to a “Lunch and Learn” session. Together, the attendees assess the broad financial challenges of an anonymous high net worth client and then offer solutions from the unique perspective of their own disciplines.

This approach allows you to showcase several important strengths: expertise, ability to engage meaningfully with other professionals on technical matters, creative problem-solving, and, notably, the willingness and self-awareness to defer to the other experts in the room.

The focus should be on discovering and vetting “outside the box” solutions that can save clients’ money or reduce their risk exposure. You will demonstrate how professionals working together develop more creative, comprehensive solutions that better serve top clients.

### **Before the Event:**

1. Choose the size of your gathering. Pick a number you believe will create a collegial and manageable environment in which participants share ideas and join in collaborative problem-solving. Consider 10-15 as a starting point and adjust that number as circumstances dictate and you become more experienced moderating the group.
2. Arrange a comfortable, convenient venue that supports group discussions and meets your food and beverage requirements.
3. Identify the professionals in your area that you think would be a good referral fit for you and your firm. The CPA or attorney’s desire to grow should be near the top of your criteria when developing your invitation list. In addition to your “A-list,” consider also inviting some “B-list” players that may be less established but initially more willing to work with you in this new capacity.
4. Develop a one-page information sheet to include in an email invitation. This document should incorporate the following:
  - a. Very short advisor profile
  - b. Meeting purpose
  - c. Schedule
  - d. Expected outcomes for participants
  - e. How to prepare to get the most out of the gathering

5. Create the script you will use to invite people to your event. See the resource on [COI Event Scripts](#). Rehearse your script until it's tight and then call the prospects.
6. Create a compelling case study based on the needs and circumstances of real clients. Create a composite of several clients if that better serves the purpose of identifying thorny problems and their solutions for top tier clients. The case should offer opportunities for the accountant, attorney, and advisor to all add value. Consider working with one or two of your top COIs, or COI prospects to create the case study materials.
7. Prepare packets that frame up the case and outline the challenges and key discussion topics. Consider distributing these packets prior to the event so participants can familiarize themselves with the circumstances before the meeting. Consider using a gig economy contractor to create a professional set of documents. An example of a gig service network is [www.upwork.com](http://www.upwork.com).

#### **At the Event:**

1. Have the attendees introduce themselves and their practice specialties.
2. Review the details of the case study.
3. Engage the group in a discussion, being sure to include all attendees and to evaluate the situation from the perspectives that all the professional disciplines represent.
4. Record key points and draw meaningful connections on a whiteboard or flipcharts.
5. As the meeting closes, summarize key points, reiterate the value and enhanced client experience resulting from collaboration among professionals, and address next steps.

#### **After the Event:**

1. Send a follow-up email thanking attendees for coming and requesting feedback. Include a document that summarizes the discussion of the case.
2. Think of a COI as a high-level client. Create a service and relationship experience as rich as the one you provide your very best clients.

### **PRACTICE MANAGEMENT APPROACH**

The skills that make one an excellent advisor, accountant, or attorney, are not the skills required to run a great business. Many technically proficient professionals struggle to create an efficient organization and scalable foundation. Show value by helping your colleagues identify and develop action plans to address their chief impediments to the level of success they desire.

This technique can be delivered in a group format, or one-on-one, where you work directly with the professional and their team. Engaging a group offers the benefit of high-level idea sharing among several attendees as well as the opportunity for you to perform in a consulting capacity for several professionals at one time. The one-on-one approach allows you to get deeper into the challenges of the firm and be more specific in your remedies, potentially creating a closer connection. If you choose the group setting, be open to bringing in speakers to reinforce topics outside of your expertise.

A powerful addition to, or derivation of, this idea is to address investment, retirement, or financial concerns the attendees have regarding their own firm and employees. Topics may include compensation strategies, business continuity, or maximizing retirement contributions for firm owners.

#### **Before the Event:**

1. Create a one-page document that describes your offering. Be concise and express high-level concepts. Use images or other graphical design elements to help communicate key points. If you end up with a page full of text, you have missed the mark and your ideas are much less likely to be absorbed.
2. Send the invitation both by mail and email.
3. Develop the script you will use to invite people to your event or offer your service. See the resource in Carson Coaching Online on [COI Event Scripts](#). Rehearse your script until it's tight and then call the prospects.
4. To deliver the most impactful presentation, you will want to know something about the specific pain points experienced by your attendees. Once you've gained their commitment to attend, schedule a brief discovery session to gather the information you'll use to establish your presentation outline and offer guidance.

#### **At the Event:**

1. Have the attendees introduce themselves and their practice specialties.
2. Review the agenda for the meeting and then begin by sharing your biggest practice management challenge and a recent success. This will show the other attendees the kind of topics that can be discussed.
3. Engage the group in a discussion, being sure to include all attendees and to evaluate the situation from the perspective all the professional disciplines represent.
4. Record key points and draw meaningful connections on a whiteboard or flipcharts.
5. As the meeting closes, summarize key points, reiterate the value and enhanced client experience resulting from collaboration among professionals, and address next steps.

**Coach Tip:** For one-on-one sessions (as compared to larger, group sessions), hold the meeting as you would a top client or prospect meeting. Bring them into the office, or on a video call meeting; be friendly, but formal enough to demonstrate your professionalism. For group sessions, it may help to think of and position it as a mastermind or study group.

#### **After the Event:**

1. Send a follow-up document that summarizes the discussion of the case.
2. Think of a COI as a high-level client. Create a service and relationship experience as rich as the one you provide your very best clients

## **RESEARCH APPROACH**

The first part involves engaging with select professionals individually by taking them to lunch and soliciting their input on a research project or whitepaper you're drafting. The subject of the whitepaper is the challenges facing professionals who work with high net worth clients in your area, and you are seeking to discover your colleagues' greatest hurdles and the factors that limit their success.

After you have collected data from 10-15 professionals, hire a writer to create a draft that summarizes the key points. Consider using a gig economy contractor to create well-written whitepaper. An example of a gig service is [www.upwork.com](http://www.upwork.com).

Once the document has been refined and finalized, it's time for the second part of the technique. Arrange a luncheon at a comfortable location that's conducive to discussion. Invite your previous lunch partners and several of their colleagues, as well as other top professionals in the area you were not able to meet with separately.

Moderate a discussion of the principle findings of your research project. Draw attention to your observations regarding different professionals working with high net worth or affluent clients: the various professionals serving these clients are not always synchronized in their approach and, when that is the case, the resulting service and solution set is inferior to those delivered by a team of professionals who are coordinated and synchronized throughout the client engagement.

Revise the whitepaper based on feedback from the group meeting. Distribute the updated version to the attendees and the other professionals in your area with whom you would like to partner.

The goal is to demonstrate that when the professionals work together, rather than separately, clients can get better, more coordinated service from everyone.

### **Before the Event:**

1. Identify the discovery questions you will use to gather information from interviewees. Suggestions include:
  - a. What are the top three pain points that bubble up for you when you think about your firm?
  - b. What are the hurdles that constrain your success?
  - c. If your firm or practice was ideally configured, how would it look or act differently than it does today?
  - d. Given the chance, what would you improve, develop, or change in your practice?
2. Develop the script you will use to invite people to lunch and to your event. See the resource on [COI Event Scripts](#). Rehearse your script until it's tight and then call the prospects.

### **At the Event:**

1. For group sessions:
  - a. Provide an opportunity for attendees to introduce themselves and their practice specialties.
  - b. Describe the reason and topic for your research project or whitepaper.

- c. Engage the group in a discussion, being sure to include all attendees and to evaluate the situation from the perspective all the professional disciplines represent.
  - d. Record key points and draw meaningful connections on a whiteboard or flipcharts.
  - e. As the meeting closes, summarize key points and address next steps.
2. For one-on-one sessions, hold the meeting as you would when visiting with a top tier prospect for the first time. Bring them into the office, or on a video meeting, be friendly, but formal enough to demonstrate your professionalism.

#### **After the Event:**

1. Send a follow-up document that summarizes the discussion of the case.
2. Think of a COI as a high-level client. Create a service experience as rich as the one you provide your very best clients

#### **CLIENT MEETING APPROACH**

This technique can be used in conjunction with any of the other techniques. The goal is to demonstrate to the COI what clients experience in a meeting with you as an advisor. There are two approaches:

**Approach 1:** Invite a few COI prospects to a mock discovery meeting – have them come for lunch and walk them through the discovery process. Highlight the deliberate process, the use of technology, materials, and the questions you ask that uncover clients’ feelings about money and the life experiences that inform financial and non-financial aspirations and their comfort with goal setting

**Approach 2:** Invite them to an actual client review meeting – not to sell their services or to say anything at all, but rather to observe the advisor’s thorough process, warm connection to the client, and impactful use of materials and technology. Clearly, you need to find the “right” client, who would be open to the experience as well as giving a heads-up to the client’s existing professionals, so they know no one is trying to steal the relationship.

#### **COI Event Technique Postscript:**

With these techniques, you continually focus on the idea that working together can help the accountant, attorney, and financial advisor provide truly comprehensive solutions for everyone’s top clients. And, you position yourself as the indispensable contributor to the process.

Across the different methods, there are a few central themes:

1. Add value to the other professionals by addressing gaps in their service delivery for top tier clients and provide solutions for these clients they cannot provide themselves.
2. Acknowledge each professional’s role as the client’s most trusted advisor. Work hard to augment, rather than replace, that relationship. Ensure the other professionals regard you as a true colleague and not a competitor.
3. Maintain a vigilant lookout for growth-oriented partners. If you sense complacency, make a quick but graceful exit and move on.



4. Do your homework and familiarize yourself with the COI's practice before any meeting.

Whichever of these techniques you use, affirm the notion of "You and I," rather than, "Let me tell you more about me" approach. As the advisor, maintain a focus on helping the other professionals be successful and meeting client needs in a way that they have not previously imagined.

And now that you have a clear view of creating foundational relationships with COIs, move on to the next step to see how to convert and upgrade referral COIs to strategic partners!

### **Step 3: Convert COI referral relationships into strategic partnerships with a select group of COIs**

Advisors who have the greatest, most consistent success in generating A+ new business from Centers of Influence shift away from the common quid pro quo referral approach. Instead, they forge a limited number of well-nurtured strategic partnerships.

High-net-worth (HNW) clients all need an accountant, an attorney and a financial advisor. An argument can be made that these clients are *best* served when all three professionals work in tandem to develop the most creative, beneficial, outside the box, client-centric solutions. When you find the right partners, consider how much of a differentiating service offering you can build for top clients and prospects of each of the three professionals combined. Essentially, all three become auxiliary members of each other's teams.

For example, when the accountant or attorney is meeting with top prospects or clients and the topics of investments, planning or the strategic uses of insurance come up, you are immediately mentioned as part of the service offering. The same is true for you interacting with your best clients. You are proactively seeking opportunities to bring professional team together in serving your best clients and most promising prospects.

Not only does this expose each professional's top clients and prospects to the others, but collectively, you can create a unique service offering for top-tier, ideal clients that no other professionals in your market can achieve. Imagine how the three of you can mine referrals from a client experience expertly tailored to the requirements of HNW clients.

How do you develop these strategic partnerships? Converting COI loose associations to strategic partnerships requires a consistent, well-executed process. We suggest a five-step process:

#### **Step One**

For those professionals you have targeted as strategic partner candidates, ensure that you treat your best referral COIs as well as your A+ clients. Additionally, you should be familiar with their business concerns including business model, goals, successes, and failures. Ideally, you would know how they like to be communicated with – how and at what frequency do they prefer to hear from you?

#### **Step Two**

With referrals, there is an implication the client is being handed off from one professional to another. With strategic partnerships, that no longer applies. The financial advisor acknowledges the COI is the most trusted advisor for the client. The advisor is introduced to the client to provide guidance on a portion of the client's needs for which the COI has little to no expertise.

**Coach Tip:** See yourself as an indispensable supporting member of a top tier team, while the other professional continues to "own" the relationship.

### Step Three

You don't need a large number of strategic partners to make this system work. In fact, it works best if your group is small. If you try to create too many strategic partnerships, it's likely those relationships will fall back into simple associations as you'll be unable to give them the care a true partnership requires. Three to five key connections are a useful target.

As you're building your strategic network, keep in mind these five **MUST HAVE** factors, and be prepared to move on if any one of them is missing:

1. They want to grow their business.
2. They are an expert in their profession.
3. They aren't too big to think they don't need you or too small to provide access to the kind of A+ clients you are looking to work with.
4. You enjoy spending time with them.
5. It's possible to establish a collaborative business arrangement.

### Step Four

Accountants and attorneys are constantly solicited for referrals by financial advisors. To break through the noise and successfully initiate your strategic partnerships, it's critical to distinguish yourself by flipping the focus from you to the COI. Industry consultant Russ Alan Prince has identified nine-step process that advisors who have mastered strategic partnerships routinely follow to not only build rapport, but to evaluate the potential in each strategic partner and identify where they can add value:

1. The person
2. Practice goals and objectives
3. Service and product issues
4. Practice management
5. Their clientele
6. Marketing
7. Compensation
8. Financial advisors

9. Close

10.

**More detail on this process**, including helpful questions for each of these nine areas, can be found in the resource on [Evaluating COIs with Profiling Questions](#).

### Step Five

The economic benefit COIs receive from working with you can be either direct or indirect. Only a small number of accountants can split revenues and even fewer attorneys. Therefore, focusing on indirect benefits is the prudent course. Indirect benefits typically fall within three areas:

1. The COIs can better serve their clients.
2. Advisors are able to use specific tactics to help COIs grow their business.
3. Advisors are able to help COIs identify operational or business challenges and their solutions.
4. Education is provided to the professional, their staff, and clients.

For specific, concrete examples of creating indirect benefits for a variety of COI types, see the resource on [Nurturing COI Relationships](#).

### Next Steps

Determine how you will implement the five steps mentioned above. Create a written plan that prepares you and your team to make meaningful progress towards establishing key strategic relationships that result in mutually beneficial partnerships.

For road-tested, advisor-proven ideas on assessing COIs and moving the right ones from prospect to partner, explore the resource titled can be found in our resource on [Evaluating COIs with Profiling Questions](#).

### Strategic Partnership Key Points:

- Determine how you add value and be polished in your presentation of the activities or services that deliver value.
- Be sure to investigate other professionals engaged by your top clients to see if there is a potential to work together.
- Connect with professionals who have the business savvy to place risk in its proper perspective and who recognize that some level of risk permeates all business-building initiatives. Bringing a new professional into a long-standing relationship with a top client is not without risk, but it can be managed. Forward-thinking, growth-minded COIs will embrace this. At the same time, your job as an advisor is to identify and minimize the risks to a potential strategic partner (competitive threats, poor execution or follow-through, etc.).

- Ensure you have a service model that meets the needs of the COIs' top clients and be prepared to describe it clearly and concisely. Specifically, consider how you'll meet the needs of wealthier, more demanding clients.
- Be able to articulate what would make you indispensable to that COI. Why do they need you?
- Remember – it's not about 'sharing referrals' quid pro quo; it's about adding value to their business and to their clients to make them look better.
- Enhance and modernize your value story and be sure you can deliver it in a concise, compelling way. Focus on your *Why* rather than your *What*.
- Identify financial incentives that make the relationship mutually satisfying.

## Summary

COI relationships take time to create and nurture, but they are the relationships that often help advisors create a practice or firm that can serve the highest net worth clients. While traditional COI (quid pro quo) referral relationships can be successful, shifting to a strategic partnership model changes arms-length relationship into one where the COI integrates the advisor into the planning team for optimal client results.

## FAQs:

- **How long does it take to plan and prepare for an event?**
  - The first time you put on an event, expect planning to take up to three months. As you refine and document your process, it will take less time. However, even after you have done a few events, you should plan for at least a month before the invitations go out.
- **What is the right number of topics to cover in a CE Approach event?**
  - There is no single answer to the question. The rule of thumb is that the fewer the topics, the more likely the session will be approved by the CE granting body. Avoid mixing technical topics with ethics.
- **Can I hire an outside expert speaker for a CE Approach event, or do I need to create the material and present?**
  - You can hire an expert speaker, but you want to present something of substance yourself to demonstrate your expertise.
  - You would likely only want to make the monetary investment in an outside speaker if the audience is sufficiently large for the investment to make sense.
  - At the very least, be part of the Q&A session.

- **Where can I find ideas for Case or CE topics?**
  - Check the bar association or CPA websites for topics
  - Survey your existing COIs (or potential COIs)
- **Should I introduce my good COIs to each other?**
  - You should ask yourself if there is a good personality, skill-level, and size fit. If they are all there, then definitely introduce them.
- **Are there any associations I should join?**
  - Greatest way to get affiliated is to join an estate planning council (EPC)
    - [www.NAEPC.org](http://www.NAEPC.org) – find your local council and join and present at their meetings
    - EPCs are cross-functional, so you can get introduced to attorneys, accountants, and other professionals who work with high net worth clients.

## Resources:

Learn more and download the resources referenced in this document from the *Leveraging Centers of Influence* course in Carson Coaching Online.

- **Event Invitation Fact Sheet**
- **COI Event Scripts**
- **Evaluating COIs with Profiling Questions**
- **Tip Sheet for Nurturing COI Relationships**