

**Jennifer Navarrete:** Welcome to the show that shares insights into how you can build your business once, with hosts Jennifer Navarrete, and Sherry Lowry.

Thanks for joining us today, my name is Jenifer Navarrete, and I am joined by Sherry Lowry who is sharing with us her 20-years plus of knowledge on what it takes to build your business once. We are diving into the second half of November 2017 today, and we are talking about pre-qualifying your client-base. The sub-title here is a preliminary and exploratory conversation.

I like that. It really does take some thought and planning to decide whom that ideal Client-fit is for you.

**Sherry Lowry:** Yes, it also takes courage, which is the reason we did the previous two weeks worth of work. To build our resilience, our robustness, our basic way of knowing where we stand on our foundation, because during this session we will talk about the courageous act of really truthful conversations. And, also the way to turn these conversations both into an exploration and adventure, and to end in a good place no matter what. As a result of today we will be preparing to talk through the preliminaries you can go through together with a client in order to pre-test what the water is for both of you and to come through it in a very short exchange. It can easily be 15 to 30 minutes of real time exchange connected either by phone, or in person. That will inform you if there is a real high likelihood that you and the firm or individual can work together, or if you need to make an informed referral, or if you need to do more research and preparation in advance as a result of your discoveries.

Either way, we are going to land in a good place to build a new alliance, but it may be some kind of networking type relationship that results, or a relationship alliance more than conversion of potential experience into a contract or agreement.

Then the next session we will talk about structuring how to co-draft the actual agreement if this all goes well and it does end up that there is a fit. That is my goal today.

I am going to take us through some steps. I will provide a template for this for people who actually want to experiment with it.

**JN:** Sherry, a lot of times when we are first getting started with business and we are just so on fire, hungry to go for it, we will take those Clients that are not a good fit. Those times that Client: #1) ends up being a frustrating process for you, or #2) the project is, if not the client. So, be concerned with reputation management, and know if your client has a bad experience, well, they are going to share that bad experience. So there are some times holding off on what looks like a good financial opportunity may not be because you know it is not a good fit and you going for cash is going to harm you in the long run.

Really listening, honing in on your pre-qualified Client actually pays big dividends in the long run.

**SL:** Yes, so today what I want to provide is a structure, of support for the owner or the company to be able to lower the risk of it turning out in a way that is not useful. It can also be disappointing to someone who has already been referred to you, especially if multiple sources have referred him or her specifically to you. You discover early on if they already want to work with you and they initiate the contact, it may not be in your best interest, and we will talk about how that is. But, you can turn it into an asset experience, for both of you through working through preliminaries, knowing it could have other potential relationship purposes in the future.

I am going to start out with a series of steps and I want to give a bit of an over view of what these are. There is an icebreaker process in the beginning. You can do this by phone or in person, this is not advisable to do in email exchanges. That is different; you need the real-time response from the other person to both advise you as to the next step, and also to begin to build a bridge to the next step.

There is a series of exchanges that are interactive.

1.) The first step is to start with an ice breaker, and one of the very useful questions you can ask, and it is really more of a request than a question, tell me how you got to this particular point in your life to make this contact. Again, we are assuming that they did the outreach to us.

2.) In my case, I specifically find it incredibly helpful to ask: **why now, why this, and why not last year or next year for you?**

How people respond to that is incredibly informative, some times to themselves, and just in the exchange of that short time frame, they can discover there is more of an urgency around it than they thought.

Or, they can give it a second thought and realize rather than trying to load something in November, it might be better to do it in January or in June. You get off to a better footing no matter what you find out.

3.) if you are super courageous in that first step, Jennifer, you may say: why me, why my company, Brewing Media VS X,Y,Z, which you may know is also based in their vicinity. If you are courageous enough to ask that they may well tell you something you don't know about what your reputation is, what your brand is, that you never intended it to be, but you might like it.

Part of the beauty of this process is it is spontaneous all the way through though you will have a structure going into it. What you will do with that structure together in the conversation and exchange will help pave the every other step of the way.

Does this make sense to you, Jennifer, that we would start with something you don't know but you want to know as to business of the business you are executing within this process?

**JN:** Yes it does, interestingly enough, I think one of the things you do with that, sometimes, in this scenario, both you are helping people pre-qualify themselves in their considered approach of you.

We are not talking about a cold market here; we are not going out and looking for Clients. They are coming to you, and they have their own agenda. They always have their own agenda, they may be in such a fire to get started that they want this to start in two days, and you have not gone through the process of identifying exactly what they want – yet.

It is kind of like you slow them down, a backward thing, because they are ready to roll. They are ready to write the check. But if you don't take the time to pause, and really identify these pieces, you are going to be putting yourself and them in a situation where you have not had time to look at the scope of work, or the time line. Be clear when you have a Client who is “shut up and take my money kind of

thing.” You have to be willing to pause and go through the process because it is going to be worth it to both of you to do that.

**SL:** What you referenced in Step One is the beginning of trust between the two of you. If you are thoughtful enough to want to take care of their well-being from the very beginning, even before they are thinking of that, or they are not thinking about that, they are automatically going to trust taking the next step with you, whatever that is

You may discover in this early-on exchange, this is a person to do a short-term project with to test wheels, to kind of feel how it feels to work together. To give them a little bit of a pilot chance, put them on pilot, they would not necessarily know that, but you can make that decision when you do get to the co-drafting agreement for something very short-term that could be done in one month, whereas your usual co-drafting of an agreement would be with the understanding that you are both on-board for a longer period of time. Sometimes a more extensive timeframe; in my case it is usually four to six months to do a full exploration of what they come in for initially and to accomplish that and then to evolve it from there one way or the other.

That is **Step One**, and you lead us naturally to **Step Two**. In **Step two**, if all has gone fairly well, either to continue exploring with this potential client the fit. In Step Two you get to the important issues that go back to the stimulus, the challenge or opportunity that brought them to you.

You want to find out early on what those important issues, or one single one is, and if it catches your interest and is something you and your team are highly qualified to do. Is this going to be a pleasure? You have already begun to ask yourself that and will it be a new learning experience, an adventure for you?

So one of the things you can do during Step or Stage Two as they begin to unfold their most significant reasons for contacting you are, can be to ask them to be specific about that. **If there were three things you could accomplish, or change in the next 90 days, can you name at least two of those?**

That gives them a opportunity to think a little longer term than they might initially, also it let's them know you are serious about building something together, one way or another, and at the least the two of you will end the conversation either at

that step with a lot more clarity than you had in the beginning, or it will be your cue to go to **Step Three** with them.

**JN:** I think that is so important. It is hard to make those calls, it seems the more seasoned you are and more confident you are in your business it is not a challenge because you know the process and know it works. When you are first getting started in the process, you are shifting to be more thoughtful about the type of Clientele you take into your business. It is going to feel uncomfortable, feel awkward to take extra time and really fine-tune your business but is well worth it.

**SL:** I promise that too, and who it is going to be most uncomfortable for, might be people who have been trained to identify the pain. What you are actually identifying is what you will be build into the future upon foundationally, and pain tends to get alleviated really quickly You can get quick contracts, quick cash flow with dealing with pain but you are picture and so is your company as soon as the pain is resolved.

You don't call your Insurance Agent just exploratorily very often, once you have an Insurance Agent. Or your Attorney. You call them once there is a problem. You don't want to be that problem-only person even if you are good at it because that just makes more problems be drawn to you.

So, **Step Three**, let us assume you have both decided by this point on the two or three things they want to shift, create, or change, and that you are a good candidate as a fit for them. So, **Step Three** is going to take into some boundary discoveries, so it is important to know in terms of what some of the most important things are to them.

I am going to have this conversation with someone on Friday who has wanted us to work together since we met in Houston before 2002. We are just now in 2017 toward the end of it. We are probably going to come up with a formal agreement, if not Friday, next week. There is a lot of reason she has re-landed now at my door, we both live in Austin now, so these are some of the things I am going to be talking to her about.

She is a servant-leader type personality, and a highly potential fit exists for us. But as for questions for her, what I'll want to discover in **Step Three** will be more

personal boundary kind of issues for this particular Client, is to uncover if there anything we want to do together that may put both of us, but primarily HER in further integrity, the kind of integrity stand you take for your business or is there anything that might impinge on that. And I may ask the same kind of thing about her Values which I know she has based her business around up to now. Is there a particular Value in the process of how we do this together she may want to ensure continues to stay honored?

When you start talking about competition, strategic plans for marketing, outreach, or how far you will go in over-promising or over-selling, depending on what it is they are coming to you to ask help to do – all this matters. This is where you would explore where they stand, on issues and Needs, Values, but mostly Integrity. For example, I have been asked, often asked, by start-ups to help them build then flip a company.

That would take me out of Integrity, I don't help people build companies to flip them out from under the Client base or industry just because they want to sell them to Silicone Valley or reward Investors.

I took that stand a long time ago, and make that referral 100% of the time. Even though I understand the principle and business value of that to many, it is not a personal Value I hold for the Client. They need to work with someone who wants to engage in that form of enterprise. That is just a personal basis and I need to declare that. It shocks a lot of people, I do a lot of work in the start-up community, and even though very early stage start-ups fail close to 99% of the time, and flipping a company is often the main point, a lot of them have an aspiration to do that who would be glad to engage with them. Just not me.

I don't know where you draw your line, Jennifer, but you could tell me that; if you want to comment on that, do so.

**JN:** For me, I have always been for the most part, going to train for things. So my philosophy is I am not going to be you, but I am going to train you to use the social platforms, use the tools, handle crisis, and know how to respond in any given situation. Let them slide into the free-to-be space, while I am the boots on the ground mentality.

Those business opportunities, I can be that here and there, those kinds of referrals come my way, I explain my business and work process. These are folks who do not want to own it, they know they need to do it but they don't want to be part of it. I am not your person, but I can refer you to people who love doing that kind of stuff. I have made exceptions, because I was brought in as a team member, I was part of the process in that way, I was boots on the ground That way I could represent the brand well as I was part of what was going on.

I do have the fine line, I can almost be you, but I can't tell that story unless I am part of that story.

I feel comfortable with that line and run my business that way and it has worked well for me.

**SL:** That makes perfect sense, which leads us to **Step Four** naturally. Once you discover what some of the personal boundary issues are either for you or the Client, **Step Four** is about asking what is called the “**OUCH**” question. AT what point does it hurt, in my case, then ask a (or THE) question I am uncomfortable myself. That in my case is working with people where my fee which does vary according to what they want to do, how frequently we meet, how much time we spend together, what I can contribute outside those 1-1 or pre-scheduled group meetings. I have to make sure that people can actually fit my fee into what their business and budget is, and we do co-negotiate what that is.

There are always conversations of ways to add to or over time change our agreed-upon fee. AND, One of the things I want to know is if this price-point we agree on is an affordable, feasible option for them at this point in time. That relates to whatever their life-stage and business phase is in terms of family, like for a single mom for example, it may ve different, especially a single Mom or Dad with a special needs child, a single parent with a private school tuition that will already be part of their business life.

So the goal in **Step Four** which may be the “**OUCH**” question is to try to discover any unfinished business or difficult areas the Client would formally not even bring up unless you ask directly.

This requires a little courage, so in my case, because a lot of my clients are go-to people for other people and tend to be kind of servant-leader typology, type of

person, I need to ask them about both calendar and energetic space. Example: “Is there room at this point in time in your life for us to take this on or is there something else running you, more than you are running it? There may be simply because of life’s responsibility, and because to do my best work, I will need some real time together; I will give that person or firm some work that will take some time, and most of my people because they are often Founders/Owners – what they are most short of often is *personal flexibility*.”

That for me is the often the arena of the “**OUCH**” question. You may ask or have to ask if they want the affordability at this stage in time of various additions they might need if they are going to do a social media campaign. Or if they are going to do extensive high color printing, or the setup, equipment, tools, people to do the posts, the various things that relate to your business could generate the kind of “**OUCH**” questions you need to ask. You need also to become willing to ask them.

Jennifer, because we are going to run out of time, we will merge show #15 (today’s) and show #16, and extend with that, but I wanted to be sure to give the overview for the early **Steps**.

**Step Five** is planting the seed of how we will both best take care of the on-going relationship if we do pursue this. Then we need to find out how they best take care of themselves through this, because the time you spend with them is going to take away from something. How they made arrangements for that needs to transfer or transition smoothly. (While we did not reference it directly, here is also a good time to find out who else may care about that in their life? Whoever that is – they need to bridge this accordingly.)

**Step Six** is the mutual commitment you agree to make, and exploring and documenting exactly what that is.

**Step Seven** is getting to the financials. By this time it will become a much more comfortable conversation than it typically will, because you will have all this other you have already built upon.

All this can happen easily in a 30 to 45 minute exchange, then to re-focus as **Step Eight**, back on the Values and the whole purposefulness of the Client coming to you in the beginning. That is the conversation about success and how

this will make things different for them if you were able to guarantee high success working together, what would that give this person that he/she doesn't yet have? Or what they want that they did not think was possible?

Then, there is a process check if there is anything else for **Step Nine**, ultimately we will discover when they are ready, and that is about a declaration of what is the timing wanted as best for the two of you?

You get to negotiate that just as they do, so in Session #16 next, we are going to get to the point of taking the referral successfully, or is there another way to be a benefit to them, even if the fit is not right for the two of you now, or how do you get onto actually co-draft what the agreement ends up being?

JN: You know, Sherry, I have to say when you talked about the idea of success and balance, one piece, if you do nothing else but ensure the Client and you are on the same page for identifying what success is, and that is called the **Peak Performance** for them, at the end of the day, after we are done with this project, if we accomplish X, is that your idea of success for this project and having that very clearly identified makes the greatest difference in the world. Because, with that, as your project moves forward, to whatever timeline it is, it is always going to refer back to that to make sure that is the case. I will go back and remember when we first talked about. Yeah, the **Peak Performance Indicator**, is this still the case, is this still true?

As long as you do we need to adjust this, and as long as you constantly go back to that goal, then check off the box, if you do at least that, you can mark that project as a success.

**SL:** Right, we will talk about that more next show, but the beauty of this process is there is always time to re-negotiate the details, and that is part of building the bond between you for it to eventually become a sustaining, on-going Client relationship that might even have starts, stops, breaks, but always will return and you will have built a very solid relationship by the end of your set of exchanges doing business together.

**JN:** That leads us to the end of the day of Episode #15. Tomorrow we will talk about Client Agreements, the art and science of crafting those in a way that makes everyone happy, right, Sherry?

## Prequalifying Your Client

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**SL:** That is right. There is a way; we will step into it.

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