



## The Art of Referring: Introducing Qualified Professional Advisors

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Many Los Angeles and Southern California professional advisors realize the importance of referrals when it comes to landing new clients for their businesses. When you get a referral to a prospect from someone the prospect trusts, this makes it much easier to contact the prospect and arrange a phone call or face-to-face meeting.

Of course, referring goes both ways. While you certainly appreciate it when other professionals refer prospects to you, it's just as important for you to keep your eyes and ears open for opportunities to refer the advisors you work with — attorneys, accountants, insurance professionals and financial consultants, for example — to qualified prospects as well.

### Giving Your Stamp of Approval

But making referrals isn't something that should be taken lightly. When you refer an advisor like one of those noted above to another business or professional, you are essentially giving this advisor your stamp of approval. If the advisor isn't up to the task of performing the job — or worse, ends up dealing with the business or professional in an inappropriate manner — this could reflect poorly on you and your judgment and have a negative impact not only on your relationship, but on your overall reputation.

Therefore, it's critical that you take steps to properly vet advisors before referring them to other businesses or professionals you know. Here are five questions to ask about advisors as you vet them in anticipation of referring them to other businesses and professionals:

- 1. How much experience do they have?** Experience is probably the number one qualification you should look for as you vet advisors before referring them to other businesses and professionals. Simply put, there's no substitute for experience when it comes to disciplines like law, accounting, insurance and the financial aspects of running a business. The more practical, real-world, hands-on experience an advisor has, the better equipped he or she will probably be to do the job.
- 2. How closely related is this experience to the business' or professional's niche?** But just having broad experience in a particular area might not be enough. There are many niche areas of each one of these disciplines — for example, there are dozens of different kinds of legal specialties (and even specialties within specialties), as well as different types of accounting and insurance and different areas of financial management. The more narrowly focused an advisor is in a particular industry and niche, the more likely it will be that he or she can deliver a high level of customized service.
- 3. Do they operate with a high degree of honesty and integrity?** This may be just important as experience, if not more so. If you have any reason to question the honesty and integrity of a professional advisor, it might be wise to hold off on referring him or her. Or, talk to them about anything that concerns you — he or she might be able to clear the air and ease your concerns, freeing you up to make the referral in good conscious.

**4. Is it a good match from a personality standpoint?** There are many different personality types in the world, and they don't always mesh well together. So give some thought as to whether or not you think the advisor and the business or professional you're making the referral to will be a good personality match and will work well together.

**5. Would you work with the advisor *yourself*?** Finally, this is the "where-the-rubber-meets-the-road" question. If for whatever reason you don't think you would work with a particular advisor yourself, then you should seriously question whether or not you should refer him or her to another business or professional.

It's important that you educate advisors about the business or professional you're referring them to. Be sure to give the advisor any tools you can provide that will help him or her with the engagement. For example, share ways to access information about the firm via websites, social media posts and articles with current industry news. Stay in the loop to connect, communicate and collaborate as needed.

### **How CFO Edge Makes Referrals**

Here at CFO Edge, we are actively involved in the art of referring. Throughout the course of our work, we interact with many different kinds of professional advisors, including attorneys, accountants, insurance professionals, commercial bankers, equity firms and other investors. We enjoy making referrals back and forth between businesses we work with and these types of advisors.

At the same time, though, we take the art of referring very seriously. We go through an extensive vetting process like the one described here with any professional advisor before giving that advisor our stamp of approval. As far as we're concerned, the advisors we refer to our clients are an extension of our own business, so their success in an engagement or relationship with our client is as important to us as a referral partner as it is to them.

### **Concluding Thoughts**

Getting referrals is an important part of new business development for most Los Angeles and Southern California businesses. When you get a referral to a prospect, this makes it much easier to contact the prospect and have him or her agree to speak with you. But making referrals isn't something that should be taken lightly. You should take steps to properly vet advisors as referral partners before referring them to other businesses or professionals you know. CFO Edge has the ability to leverage and connect you with a network of professionals via referrals so you can start to build relationships with them and get your foot in the door more easily than making cold calls. We go through an extensive vetting process with any referral partner before giving that advisor our stamp of approval — and a referral.

### **About CFO Edge**

CFO Edge, LLC delivers enterprise-class financial and operational performance solutions to executives throughout Southern California. Based in Los Angeles, our formerly-seated chief financial officers engage on demand as part-time CFOs, single-project CFOs, and interim CFOs to help business leaders successfully resolve pressing challenges and realize their financial and operational goals. At CFO Edge, we're passionate about helping our clients create, grow and sustain value. For more information, visit [www.cfoedge.com](http://www.cfoedge.com) or call 800.276.1750 Ext 101.

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