

# Ask the Coach

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## The Fact Finder Revisited

Certainly no item in a salesperson's kit is subject to more neglect – or perhaps disdain – than the Fact Finder.

It's been repeated to me many times: "I don't use a Fact Finder – just a yellow pad." I believe this is a serious error. In this article I'll show you why, and how you can correct this oversight to improve your sales and marketing effectiveness.

## Part I – Completing the Fact Finder

### Why We Use a Fact Finder

An effective Fact Finder is designed to help you gather information regarding the four issues that should be discussed each time you open a case:

1. *What* is important to your client
  - a. Why these issues are important.
2. *Who* is important in your client's business and personal life
3. *How* your client feels about his or her important professional relationships
  - a. Is your client happy/satisfied with these professionals now serving him?
4. *Client facts* and figures that are pertinent to your services.
  - a. For example: balance sheets, cash flow, profit and loss statement, family information, medical history, existing or pending insurance policies, past insurance/investing experience, etc.

These four issues are the front end of the sales and marketing process.<sup>1</sup>

<sup>1</sup> A graphic representation of these points is shown at the end of this article.

## How the Fact Finder Unravels the Mysteries

### **REASON #1:** Discovering what is important and why it is important

Assume that you are using the partnership approach<sup>2</sup> in your sales process, which simply means your goal is to discover if there is a good fit between you and your client, and whether or not you can effectively solve your client's problems. The only way to discover the answers is to ask questions and listen for the response. Here are some simple examples:

2 See article Green Light - Red Light - Yellow Light, [www.coachnickray.com/assets/green\\_light.pdf](http://www.coachnickray.com/assets/green_light.pdf)

Life Insurance Planning: How much income would your family (or business or partner) need if you died prematurely? Will this need change in the future? Why is covering this loss important to you?

Retirement Planning: What level of income would you like to count on when you choose to (or must) slow down or stop working? How will you adjust your plans for inflation? Why is retirement planning important to you?

Long Term Care Needs: If you were unable to care for yourself at some future time, where would the money come from to pay for home care or convalescent care? If you are spending retirement assets on long term care expenses, will you have enough money to cover these costs? Whether you recover or not, will there be sufficient assets to protect those who depend upon you?

Asking questions like these will enable you to discover if your prospect needs what you have to offer, and also discover if your solutions are right for your client. As the old saying goes: People buy for their reasons – not ours.

Asking questions will enable your prospect to tell you what his or her concerns are, reveal his likes and dislikes, and indicate readiness to move forward. You can't discover the answers without asking pertinent questions. Many of us assume we already know why our prospects will buy; I believe this attitude gets us into lots of trouble, especially if we have an inadequate understanding of our prospects' needs and motivations.

Well-designed and consistently used Fact Finders will solve these problems. Standard Fact Finders, which must also satisfy compliance issues, are usually available from your insurance company or broker dealer. An excellent additional source is [toolsformoney.com](http://toolsformoney.com).<sup>3</sup>

3 [www.toolsformoney.com](http://www.toolsformoney.com)

## **REASON #2:** Obtaining Referrals from Clients/Prospects

Asking the questions "What's important?" and "Why it's important?" helps you discover how to solve your client's financial needs (Fact Finder reason #1). But you also need to contact enough new people to fill your sales inventory and maintain your overall sales success. The second benefit of your Fact Finder is to provide you with a continuous flow of high-quality referrals to your ideal client.

Here's how it works: Ask your client or prospect who is important in their personal and professional life. Determine if they have a strong trust relationship with these people. Record these names in your Fact Finder. At some future date, introduce these names to begin a referral conversation.

Regular use of your Fact Finder helps prepare you for every referral conversation. By capturing the names of people you want to talk with, the Fact Finder is an invaluable tool in keeping your referral pipeline filled.

## **REASON #3:** Obtaining Referrals from Centers of Influence

In addition to getting referrals from existing clients and prospects, you may also want to obtain referrals from Centers of Influence. The dilemma is that under normal circumstances, the salesperson has a fairly limited capacity to refer clients/prospects to other accountants, lawyers, financial planners, mortgage brokers, etc. Yet we know that reciprocity is often critical to obtain referrals from third-party centers of influence; using a Fact Finder is a very effective way to obtain leads for these centers. Use the Fact Finder to help you by following this process:

1. Discover whom you'd like to refer leads to. It could be a CPA, estate planning attorney, casualty insurance agent, mortgage broker, or financial planner.
2. In the appropriate section of your Fact Finder, ask the prospect if he/she is satisfied with the current relationship with their CPA, attorney, etc. If the answer is yes, move on. If no, ask the prospect if it would be OK to give the prospect's name to (name the professional) and to ask the professional to call your prospect or client.
3. When you ask these questions on a regular basis, you'll also generate leads for other professionals. This in turn will result in leads coming back to you.

## **REASON #4:** Client Relationship Management

Whether you use CRM software (such as ACT!, GoldMine CRM, or Advisors Assistant) or your own forms, it is critical that you have a system which allows you to maintain accurate information about your clients and prospects. Some of the more important functions that you'll want to cover include:

- Vital business and personal information about your client
- Balance sheets and profit and loss statements
- Insurance information
- Investment information
- Contact information
- Standard forms and letters
- Calendar functions
- Follow-up marketing activities

This is just a brief listing of the information you should maintain. Your Fact Finder should always be synchronized with your CRM forms.

In summary, the Fact Finder can help you in four basic areas:

1. Determine how to effectively serve your client
2. Capture quality names for a future referral conversation
3. Identify clients/prospects who you can refer to other professionals
4. Gather all the important data that reflects your client's past financial experience and their current financial situations.

By using the Fact Finder in these four areas, you'll be able to improve both your sales and marketing effectiveness.

## Part II – Using the Completed Fact Finder

### A completed Fact Finder – the trigger to a cornucopia of actions.

When completed, the information in your Fact Finder will have many important uses:

1. The information obtained is used to complete software input requirements for your sales presentations. Unless you are selling a single need, package product, you must have sufficient facts and feeling information and historical data to complete your sales presentation input requirements.
2. The Fact Finder can also be used to trigger the process of obtaining any supporting proposals, back-up presentation materials, and supporting forms for compliance purposes.
3. Your completed Fact Finder also helps you to capture many names that can be used in a future referral conversation. These names should be transferred from the Fact Finder to a Referral Log.<sup>4</sup>
4. Your Fact Finder can also be used as a source of referrals to professionals with whom you would like to have a continuing referral relationship. This of course assumes you have asked about your prospect's professional relationships during your fact-finding interview.<sup>5</sup>
5. Your completed Fact Finder should provide you with enough information to complete your client relationship management (CRM) input forms.
6. You should send any confirming or follow-up correspondence to your client/prospect either via e-mail or snail-mail.
7. You can complete the Center of Influence Log<sup>6</sup> to help you instigate and monitor your center of influence marketing program.
8. Your Fact Finder should also trigger setting up client files in paper or electronic form.
9. The form may also act as a trigger for sending a small thank-you gift or thank-you note if the sales meeting you had was the result of a referred lead.

4 See 10 Steps to Building a Referred Lead Engine, [www.coachnickray.com/workbooks.htm](http://www.coachnickray.com/workbooks.htm)

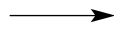
5 See Building a Center of Influence Engine – The Relationship System, [www.coachnickray.com/workbooks.htm](http://www.coachnickray.com/workbooks.htm)

6 See Building a Center of Influence Engine – The Relationship System, *ibid.*

# A Graphic Display of the Interplay Between the Fact Finder and Your Sales & Marketing System

## PRIOR TO THE INTERVIEW

Develop / Obtain  
a standardized  
Fact Finder.



Set up a standard file  
including a Fact Finder.  
Use in each interview.

## DURING THE INTERVIEW

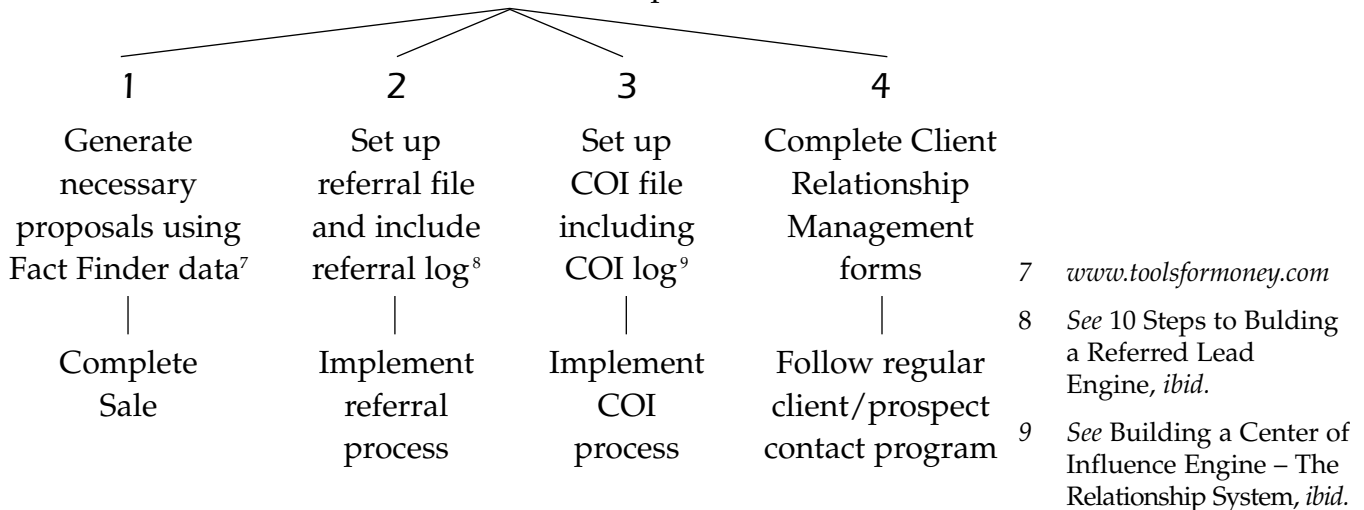
Employ a standard  
interview process and  
always use a Fact Finder.



Complete a Fact Finder  
and set up  
next interview.

## AFTER THE INTERVIEW

Review the Fact Finder  
and take the next steps.



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*Nick Ray, CLU RHU ChFC MBC is a business coach  
dedicated to helping his clients clarify and achieve their goals.  
A certified provider of the One Page Business Plan, he also provides  
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