

Black Wall Street LIFT Conversation Starter



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LIFT Conversation Starter – Legal Agreements

Silence fills the phone line.

Neither of you is sure what to say next, and the awkward silence fills the airways.

“All right,” you say, unable to hold on any longer, “I” will get started right away. Bye.”

Another successful sale, a brand new project or client for your business, and another missed opportunity to discuss the details and get a written legal agreement. *

We know what you are going to say. We have heard all the reasons (and used a few of them ourselves):

“If I ask for a written agreement they will think I don’t trust them.”

“If I ask for a written agreement they may walk away from the project.”

“I wouldn’t want to work with someone if I felt we needed a written agreement to trust each other.”

“If we needed a written agreement they would have asked for one.”

“Only businesses much larger than mine need written agreements.”

“I don’t have a lawyer, so how can I have a proper written agreement?”

Any of those sound familiar?

Asking someone for a written agreement is can be uncomfortable, and some people even believe, just rude. Honest business people need nothing more than a handshake.

Time for another Eyes Wide Open reality check:

Honest business people need written agreements. In fact, the more integrity you have in your business, the MORE you need a written agreement because you really care about the relationships you are creating and having a written agreement in place is the only way to strengthen, enhance and protect those relationships.

Good news is, it doesn't have to be painful to get written agreements in place. All it takes is a small shift in your perspective on what a written legal agreement is and how to create your own:

A written legal agreement is a transcript of the business conversations you have with prospects and clients.

Transcripts aren't awkward, scary, or rude, right? We read transcripts of classes, radio shows, podcasts, and interviews all the time. Minutes from an important meeting are an abbreviated form of that meeting's transcript.

Transcripts are useful for remembering exactly what happened so we don't forget later on. Having a transcript of our agreements is what allows us to remember.

Agreements as transcripts

By thinking of your agreements as a transcript of the conversation with your prospect or client the real benefits start to appear:

- You create an objective record of what was said and agreed to that both of you can reference at a later date
- You accelerate the relationship and trust that you build with the other person by becoming crystal clear on what is expected and how you will work together
- You will increase the chance of a successful relationship with the other person
- You will increase the chance of success for the project/service you are offering
- You will discover right away if working with this person is a good idea, instead of wasting time, energy, and money dealing with someone you should be avoiding you should avoid

Yes, you will also be protected legally if something goes seriously wrong, but that is not the benefit you want to be focusing on because truthfully if you get to the point where the agreement has to be enforced, you've already lost. Using this Conversation Starter to create a healthy agreement process at the beginning of all of your relationships will make it so much less likely you'll ever get to that place.

You want to be focusing on building the right relationship by creating the agreement. When it comes to agreements, keep your focus on the reality that you are creating agreements because you love the person you are creating the agreement with and want to do everything possible to keep that love alive.

Conversation Starter

This Conversation Starter works a bit differently than the ones you are using to create your LIFT Team. This conversation starter should be used whenever you are preparing to enter into an agreement between your business and anyone your business does work for or with.

REMEMBER: you never *personally* enter into an agreement with a client, vendor, supplier, etc. your business entity does enter into that agreement.

The process of entering into agreements with others consists of three steps that use the same set of questions:

Steps

1. Before the Conversation
2. The Conversation
3. After the Conversation

Agreement Questions

1. Scope of work.

- What is the final goal of the agreement? (What service or product is provided? What are the deliverables? What work will actually be done)_____

- Who is responsible for doing what so that that the final goal is accomplished?_____

- What is the time frame for the work to be completed?_____

- Who determines if the work is done satisfactorily?_____

2. Establish Timeframe.

- How long will this agreement last?_____

- What are the deadlines for completing the work or parts of the work?_____

- What milestones will be used to determine if the work is on track? _____

3. Clarify Payment Arrangements.

- Who pays who what? _____

- What will payment for the work be? _____

- When are payments made? _____

- How are payments handled? _____

- What happens if payments are not made on time? _____

4. Resolving Disputes.

- How are disagreements over terms handled at a later date?

- Will you use arbitration or mediation before a legal claim is filed? _____

- Who pays legal fees? _____

- Which state, country or province will govern the dispute?

Let's get started.

Before the Conversation

One of the biggest reasons people hold back from getting written agreements is that they are not prepared to talk about the agreement. If you are not clear on what you expect from the agreement, it is difficult to have this conversation with the person you are talking to.

So, write out your own detailed answers to the questions in this Conversation Starter before each meeting you have where an agreement may be needed. You may want to file these answers away if you know you need to have similar agreement conversations repeatedly.

Once you have YOUR answers to the questions written out in detail, move on to having the actual conversation.

The Conversation

When talking with the person you need to make the agreement with you are going to ask them all of the same questions you just asked yourself and record the answers that the two of you create together. The answers that you create together will become the basis for writing up the agreement that you will both sign.

As you write the answers down you should be constantly asking yourself a very important question:

Do I want to work with this person?

Oftentimes, the agreement process itself will surface hidden beliefs, attitudes or behaviors in the person you are going through the agreement process with that make you realize you really do not want to be in relationship with that person.

If the during the agreement process you realize the answer is “no, you really do not want to work with this person” then great, you don’t sign the agreement, and you just saved yourself a lot of potential trouble.

If you decide you do want to work with the person then move on to step three.

After the Conversation

Now that you have joint answers to the Conversation Starter questions you need to turn the notes you made during the conversation into a more formalized list of terms for the agreement.

If necessary this can be part of a more complex legal agreement you enter into with the person (we have examples template agreements for you to use in the LIFT Get it done program).

If a complex legal agreement is not needed then:

1. List each of the four main categories in the Conversation Starter.
2. Write out the detailed answers to each of the questions under the category heading.
3. Email a copy of the terms to the person for review.
4. If the person agrees to the terms ask them to reply to the email with confirmation.
5. Respond to this email that you also agree to the terms.
6. You are done. You have created a legal written agreement.

That wasn't so bad now was it? Now make sure that you start using this process with every client person you do business with who you currently don't have a written agreement with, and with every prospect you sign in the future. – this includes clients, team members, joint venture partners, vendors and anyone else you are doing business with.