DB Basics INC

Sales Training Manual

Updated 1998

Introduction

This manual is designed for Major Account Representatives, Training Account Representatives, Recruiters, Managers, other sales persons and those who want to understand how and what we sell at DB Basics, Inc. The purpose of this manual is to define our sales model, typical client, major divisions, commission structures, competitors, objection handling and how we as a company differentiate ourselves from our competitors by consistently bringing superior value to our clients. The ultimate goal of this material is to give you the information you need to better represent DB Basics to clients.

As you read each section, you will see certain sentences and phrases in *Italics*. Try to memorize these sentences and phrases word for word and use them in front of potential clients. They are tried and true and they will serve you well. Remember that only those things committed to memory will be of value to you when standing before a client. Read this material carefully. Highlight sections that apply specifically to you and take notes during training classes. After you have been on the job a few weeks, go back and re-read the material. Make it a habit to review this material a few times a year. If you earn your living through commissioned sales or manage a DB Basics' sale team, it is critical that you know this material in detail. Experience may be the best teacher, but it is also the most costly. Dedicate yourself to committing this material to memory before the lessons become very expensive.

"The trouble with experience is that she
Gives you the test and then the lesson."

Marketing Mix

Divisions

DB Basics, Inc. has four major divisions. Our slogan is "*The Information Technology Specialists*". We position ourselves as a resource center for information technology professionals. Our divisions are briefly defined below:

Project Solutions

This division offers complete custom software development project outsourcing. They take on full accountability for software deliverable. The projects division is structured into groups. Each group manager reports to the division director. Developers report to project leaders who report to group managers.

Training Services

This division specialized in Information Technology (IT) training. They teach both public and customized classes for software developers and system administrators. They do not teach application or end user software. Their typical classes are built around an intense one-week format. They also deliver mentoring services and courseware. The staffing division consists of training sales representatives who report to a sales manager and trainer/developers who report to the director of the division.

Staffing Services

The Staffing Division specializes in pre-qualifying, recruiting and pay-rolling technical contractors. They do not take accountability for deliverables, but offer technical human resources to clients who are managing projects internally. The staffing division consists of recruiters and developers who report to the division director.

Network Services

The Network Services Division consists of network administrators, technicians, DBA's and engineers who report directly to the division director. They provide capacity planning studies, network maintenance, problem resolution, emergency services and on-going support.

Division Synergy

These profit centers make up the unique services offered by DB Basics, Inc. Having several services to offer under the IT resources title makes for a very effective and efficient organization. Many of our students end up outsourcing development projects to our project solutions division. Our training division offers training for our staffing division's contractors. Our staffing division recruits for our internal developers and trainers, etc.

Beyond internal efficiencies, this marketing mix is easy to sell. IT managers are struggling with resource allocation issues. Most IT decision-makers will be interested in at least one of these services. There seems to always be a way to get in the door and meet some client need. Once we have delivered services from one division, we become a known vendor and it becomes easier to sell other services to that client.

This configuration of services creates tremendous marketing efficiencies as well. If you make one hundred cold calls today, the chances are that only one of those prospects will be interested in outsourcing a project. However, five will more than likely be interested in staffing services and another seven in training and two or three more in network services. By making the same number of calls, under this model, you can open many more doors. A client may say, "We never outsource projects". To which we respond, "then you must use contract staffing to meet bubbles in you work load." If the client says, "No, we only use our internal developers", we respond, "Then you must spend a lot of money training them."

Because we do not sell a singular IT solution, our sales representatives have the luxury of helping clients with IT resource planning.

Selling Philosophy

Selling to corporate clients today is very different than it was forty years ago or even ten years ago. Advances in communications and transportation now allow us to sell to a much broader audience. There are many more clients for the professional IT (Information Technology) sales person to choose to solicit. That's the good news. The bad news is that each of these clients has far less time to spend with us. The IT professional community in general has become fast paced almost to the point of frenzy. The time demands placed on IT decision-makers are increasing exponentially. Unfortunately, most people today earning a living through sales are still relying on sales approaches developed prior to the information age. The majority of the sales training that is available today is rooted in methodologies that no longer accurately reflect the way that modern executives think and make buying decisions. It is my strong conviction that those who wish to be extraordinarily successful in sales to the modern decision-maker must embrace a different attitude towards selling. This article is about a new approach and attitude to selling that is more suited for the information age. The world has changed and the sales professionals that I see being the most successful have changed their selling approach to fit the new paradigm.

Years ago "*relationship selling*" became a standard for corporate solicitors. Based on the teachings of Dale Carnegie and others in the early part of this century, relationship selling was based on the premise that "people buy from people they know and like". With this belief as the fundamental premise, sales persons set out to build long term relationships with corporate clients. The personal sales call was the main tool used to promote this end. Sales persons bought gifts for their clients, took them golfing, took them to dinner, and learned all they could about their client's personal life. If you were the account representative for Mr. Jones, then you were expected to know the names of Mr. Jones' family members, where he went to college, what sports teams he liked, etc. The image of the executive sales representative was that of a smiling, back slapping Joe who "never met a stranger". In fact, it was impossible to separate his clients from his personal friends, they were synonymous for all practical purposes.

The logic behind this type of selling was simple; if a client considered you to be a personal friend, then he would buy your product or service. And guess what? It works! Sales professionals I know who are masters of the human-relations approach to selling do close sales and their clients are very loyal, but they are not necessarily the high volume producers of the information age. Unless you are in an industry that has very few decision-makers, you will need more than relationship selling to be uncommonly successful.

The world has changed and so have the executives to which we sell. Decision-makers do not tend to stay in one position or even with one company that long anymore. It used to be that if Mr. Jones was a purchasing agent for XYZ Corporation, you could pretty well count on him being there for many years if not for life. The "cradle to the grave” employee has become an expression of days long gone. The lesson of the last part of this century has been that there is no such thing as job security not even with Big Blue who for decades boasted that it had never and would never lay an employee off. Most decision-makers now realize that we are all expendable independent contractors and must depend on our own wits to advance our careers and to provide security for our families.

So the first change we must accept in our new information age selling model is that decision-makers are transitory. Pick up any trade journal for almost any discipline and you will find article after article about the movement of top managers from one company to another. Last week I read about an executive who was at a high tech company for a little less than a year. He left to join a competitor where he worked for a little over a month before being hired away by yet another company. The phenomena of musical management is not limited to top executives. The demand for effective decision-makers is enormous. A whole new industry called “head hunting” has emerged and is flourishing as a testimonial to the transitory nature of managers especially in the technology sector. I personally receive on average two calls a month from head hunters promising me better pay and greener pastures if I will go with company X. Many executives do not need much cajoling. Guess what the number one type of document placed on the Internet today is? It’s a resume. Some of the fastest growing businesses in the US today are resume database brokers. Some companies have even developed Internet search engines designed exclusively for gathering and categorizing resumes.

Besides an increase in decision-makers moving between companies today, we also see a dramatic increase in these executives changing positions within their organizations. Companies, in an all out defensive to keep their top decision makers, have become very flexible, offering executives multiple career paths and opportunities to change job responsibilities when they get bored or feel burned out. The net result is good. Companies are starting to value their employees more and offer them options. Companies are viewing their workers less as robots and more as individuals who need diversion in their job responsibilities.

What does all this mean to our new sales model? It generally does not pay to put large amounts of time and effort into an individual client in an attempt to build a long-term relationship for the purpose of selling. Decision-makers are transitory. After working for months building a relationship with Mr. Jones, you will call one day to find that he is no longer making the purchasing decisions for your service. He has been moved to another department to fill a vacancy left when a coworker resigned for another opportunity. Companies are constantly restructuring, reorganizing and reassigning responsibilities. Whatever new sales model we choose to use, it must be based on short term investments of our time with specific individual decision-makers. Long term investments of our time and energy in individual relationship building for the purpose of selling are too costly and risky.

The Fundamental Premise of IT Sales

It's easier to find hungry people than it is to try to make people hungry.

The information age has also created another major change in the attitudes of executives. They make decisions faster. The demands being placed on decision-makers have increased exponentially. They now have to contend with multiple devices competing for their attention. With voice mail, pagers, e-mail, the Internet, personal digital devices, cellular phones, faxes, intercoms, etc., executives have never been more accessible. Coworkers, vendors, employees and bosses are all able to get at the executive almost effortlessly and compete for his or her time. With a few exceptions such as government accounts, the speed with which purchasing decisions are made by executives is increasing at a phenomenal rate. The information age has increased the speed with which business moves. Decision cycles that used to be measured in months are now measured in days. Executives have devices that allow them to communicate at the speed of light and they are expected to be able to make good decisions at that same speed. Important decision-makers today are busy. If they were not busy, they probably would not be important decision-makers.

What does this mean to our sales model? Most modern executives are not purchasing from their friends. They are purchasing from acquaintances who present a timely solution to the immediate problem they are facing. They are not as concerned about making the "best" decision as they are about making a reasonably good decision quickly. Being a bit of a perfectionist, I remember how frustrating it was for me taking tests in college. I would carefully check each equation and contemplate the grammar of each sentence. As a result, I usually got every question right that I completed, but failed to finish the test in the allotted time. One day, I remember complaining to a professor saying that his tests were more a measure of how quickly one could write than of how well one knew the material. I will never forget his response. He said, "In the real world, success is not so much getting some question perfect as it is in managing your time well enough so that you get all of the questions reasonably right." As a sales person and a decision-maker, I can not tell you how many times I have found myself in this situation.

I may know after a day of information gathering that the product or service I have chosen is a good and reasonable choice. It is probably not the best choice available, but it would take another full day or two of information gathering to locate and qualify a choice that would be only four to five percent better. Usually, it is not worth my time, so I go with the *reasonable* choice knowing full well that it may not and probably is not the best possible decision I could make. Most decision-makers have learned to choose their battles and to protect their time. Their goal is not to make perfect choices, but to make reasonable choices in a reasonable amount of time. It is critical for those of us in sales to understand this *information age attitude* if we are to form an effective sales model for it.

Onassis, one of the wealthiest and most successful businessmen of this century, was once asked his secret to success. He said that the secret to success was in knowing how much time to spend with each client. I think that Onassis had learned the secret to selling in the information age. I have seen great sales persons expertly work an account for years and produce minimal results, and I have seen novice sale people close huge orders with a single phone call. Selling successfully today is not as dependent on the quality of the sales person as it is on the urgency of the decision-maker's needs. The bottom line is that today's decision-makers are transitory and in a hurry to make reasonable decisions. The facts that we must consider when selling in the information age is that we have access to a lot more decision makers, but they have less time to spend making each decision. These facts dictate a sales approach that does not spend a lot of time with each prospect, but contacts as many prospects as possible at the time when they are making buying decisions.

So what is the secret to selling successfully in the information age?   First of all, stop spending so much time trying to create desire for your product or service and start spending more time locating clients who already know that they want your product or service. When it comes to selling in the information age, it is far easier to find hungry clients than it is to try to make your clients hungry.

The Sales Cycle

There are four distinct phases in our sales process. Each phase will be discussed in separate sections.

A. **Prospecting**
The process of locating the names and phone numbers of potential clients.

B. **Cold Calling**
The process of contacting prospects, locating the decision-maker and pre-qualifying suspect accounts.

C. **Selling**
The process of convincing a potential client that we have a reasonable solution that will meet his or her needs.

D. **Relationship Building**
The processes of solidifying a long term relationship with a client that is built on trust and good account maintenance.

Each phase of the selling process is very important. Early on, your prospecting and cold calling skills will be your most important tools for success. As you build a loyal customer base, your selling and account maintenance will become increasingly important. You must be skilled in all of these phases of the sales process. A tragic weakness in any one area will neutralize your skills in the other areas. We begin with prospecting.

Prospecting

What is prospecting?

One of the most critical tasks a sales professional will engage in is the location and qualification of prospects. A prospect is a potential client or account. Prospecting is the art of locating these potential decision-makers. Most prospects will not become clients, but it is through the often-laborious task of prospecting that we eventually do locate our best accounts. If we contact fifty prospects, we will more than likely discover only one potential customer. Therefore, most successful sales representatives will spend more time prospecting than actually selling. Prospecting is the hard work that makes sales possible.

It is more important to have good prospecting skills than good sales skills.

An excellent prospector will run into a lot of customers who require no selling; they are ready to buy a timely solution to their immediate need. The greatest sales skills in the world will not help a representative who does not get the opportunity to make a presentation. Without good prospecting habits, clients will not be discovered and all of the sales skills we have discussed will never be utilized. When hiring sales professionals in the past, I have often had to choose between an individual who clearly had superior sales skills and one who had better tenacity and organization skills. I almost always choose the later. That individual will make a better prospector and that will ultimately lead to more success than having wonderful sales skills that do not get used very often.

Ways to Prospect

Every industry has its best-kept secrets for locating potential clients. We will continually be advertising, conducting seminars, purchasing mailing lists, etc., but these marketing efforts can never replace the full time efforts of the local salesperson. Here are a few habits that should be a part of your life for as long as you are involved in IT sales.

- **Read the Computer Technology Classifieds**

There is no better way to find out which companies have needs and are using the technologies in which we specialize than by reading the IT help wanted section. If you see a company advertising for an NT administrator, you can assume that they want to use or are using the NT operating system. If this is so then they may also want to utilize Visual Basic, Exchange Server, SQL Server or other related Microsoft technologies. Companies that are advertising for IT staff in the classifieds do not have all of the IT resources they need. They may well consider outsourcing projects, training or utilizing contract staffing. For years, my Sunday morning ritual has been to read the classifieds and cut out the ads of prospect companies. This ragged stack becomes my call list on Monday morning. You may also gather important intelligence about your current clients.

- **Talking to programmers and looking over resumes.**

Resumes generally list an IT professional's work history and state what skills were utilized at each company. A lot of prospecting information can be gathered from resumes including a company's chosen languages, environments, applications and major projects. You may also learn that certain employers are having a hard time locating and keeping internal IT resources. Talking to programmers and looking at resumes are important prospecting tools.

- **The Training Roster**

From a prospecting perspective, training is a paid sales call. When students attend a class for a particular technology, you can rest assured that the company that is paying for this training is interested in investing in that technology. Always, get your local office's training roster. We make a brief sales presentation to each class, but this is not enough. Systematically and religiously follow up with each student. Talking to students around the coffeepot while on break from their classes has instigated many major deals. I have been known to pour my coffee out so that I would have an excuse to mingle while getting more when the next class began a break. Begin by asking how the class is going. Follow up with, "So are you using X at work?". Use probing questions. Get them talking. Ask for names to contact. If you discover a decision-maker or potential coach, take that person to lunch the next day. Now when you cold call his boss, you have an excellent referral; "I met George at our training class last week and he said that you might be interested in…"

- **Local News Sources**

The cover of a recent business journal read, "IT is not just a part of business, it is the business". When a company is growing, it's need for IT resources will be growing in turn. Read the business section of your local paper. Keep up with your local news, business journals, Chamber reports, real estate deals, etc. Constantly ask yourself, who's growing?, who's moving to town?, who needs our services?

- **State, Local and other RFQ Postings**

Many States now email or post Request for Quotations to their web sites. Often you can be added to the distribution list just by asking. You can also pay a clipping service or a third party new letter agency for this information. Many government contractors, subcontractors or other major companies have formal bid request posting procedures. Stay on top of your local RFQ publications.

- **IT Journals**

Religiously reading the journals is the price of admission to being an IT sales professional. Besides keeping abreast of the industry and new technology, these journals often highlight specific companies and their IT strategies. You may learn that a competitor has just won a major outsourcing deal. A good prospector would call to see if they need a subcontractor with any of our core competencies. Be creative. To the skilled prospector, leads are everywhere.

- **Partnerships and referrals**

At one point over thirty percent of our new business was coming through referrals from other local companies. Search out and form relationships with technology companies with related offerings. We do not sell hardware or offer application software training. There are numerous companies in each of our local markets that sell related goods and services to prospects for our services. For example, make friends with the local DEC Alpha dealer. We do not sell Alphas and therefore we will not be viewed as a competitor. If a company is buying an Alpha, it may be running NT and need training, staffing or project solutions. The Alpha dealer may view our services as supportive of his sales effort. Discuss cosponsoring marketing seminars, sharing mailing lists and joint sales calls. Get to know other technology sales representatives, form alliances, trade leads and let everyone who sales to a similar customer base as ours know who we are and what we do. Some sales persons will want a referral fee for passing you a lead that generates business. If the fee is reasonable, agree to it, but let them know that we will expect the same fee when our leads generate business for them. Try to have a “no fee” relationship when possible as these agreements sometimes lead to misunderstandings. Tell your potential business partner that putting together a formal agreement is time consuming…let’s just do this on a no fee friendly basis for now and if it becomes lopsided then we will take the time to formalize a referral fee agreement.

- **Competitors**

Make it a habit to get your competitors’ marketing literature, read their web site regularly and subscribe to any newsletter they offer. Competitors will often list their client references and even announce with whom they have won bids. Even if their clients are completely happy with their current vendor, that competitor may not offer all of the services that we do. There may be a change for you to get in the door by offering one of the services that we offer but the competitor does not. Keep in mind that few companies offer the exact same marketing mix of services that we do. We have very few competitors who compete with every one of our profit centers. Many competitors are also our clients. For example, a company that competes with us for project solutions, may be a client of our training division. A training competitor may have a need to rent one of our vacant training rooms or to use our courseware. A direct network services competitor may have need of our staffing services the next time they are hiring. A good prospector will constantly be on the look out for opportunities to meet needs with the services we offer.

- **Never meet a stranger**

Our livelihood in sales depends on our ability to be in the right place at the right time; more specifically, our ability to accumulate and utilize information that will put us in the right place at the right time. Think about all of the people you meet at social events, church, and clubs or just around your neighborhood. Make it a habit when doing small talk to find out where your acquaintances work and what they do. Friendly people like to help each other out. If your neighbor sells office supplies for a living, you would probably be more than happy to give him the name and number of the person in your office who orders such supplies. When he calls in, (if he’s any good), he will drop your name as a conversation starter. If his products are good and his prices reasonable, both he and your local office will be better off for this exchange of information. Several times, I have sold projects, training, and staffing solutions as a result of getting to know people in non-work related settings. More often, the individual you speak with will not be the decision-maker, but he or she will gladly point you in the right direction and give you a referral. Some people say that they are not comfortable mixing business and pleasure in this way. High achievers tend to not make such strong distinctions between work and play. They do not just leave their skills at work when they go home. The people I meet often become my fiends, and I like helping my friends to prosper.

- **Client Referrals**

The best source of all for prospecting is your own customer database. As it grows, you will be able to penetrate deeper into major accounts by leveraging your references. Always ask for referrals when you talk to you clients. We will cover this in much more detail in the next section.

Cold Calling

Why Cold Call

Cold calling is the engine that makes the automated sales approach work. Because there are so many leads out there and the phone is your main tool, cold calls become a way of life for the professional sales person in the information age. It is far easier to locate contacts that want and need your product than it is to try to create desire in contacts that do not have an immediate need for your services. There are a lot more clients out there today, but they have less time to spend with you. The phone is the fastest way to quickly talk to a lot of contacts. This all adds up to cold calling.

Over the years, I have made peace with cold calling. No sales person likes interrupting important people. We like verbal abuse even less. But, as your skin gets thicker and your successes become more frequent, making a cold call seems like fishing. Each call is like skillfully casting a line. No seasoned fisherman would curse the cast that did not retrieve a fish. In fact, casting is part of the pleasure of fishing.

> ***It's easier to locate needs***
> ***Than it is to create them.***

No one likes to feel unimportant and cold calls have a way of doing that to you. When people brush you off or are rude, they are communicating that you are not as important as they are and what you have to say is not significant. It takes a lot of courage to make regular cold call presentation and a lot of self-esteem to deal with the rejection. "No" and "not interested" are the two most common phrases a salesperson hears each day.

I remember reading a business book in college that said, "The Company that invents a better mousetrap will be successful." After working in the real world for a number of years, I am convinced that a philosopher, not a businessman, must have written this book. I have seen companies with great products and services go miserably out of business. I have seen "mousetraps" that are far superior to anything on the market go relatively unnoticed. I have seen companies with marginal products have good

success, but I have never encountered a company with poor marketing that had good success even with a superior product or service.
The fact is that you, the sales person, are the lifeblood of any company. I always told my employees that there was nothing happening in the building that was more important than a sale being made. Successful sales persons and politicians say that it is not so much reality that determines the future as it is the perception of reality. The greatest product or service in the world is useless to you if you do not know about it. The greatest discoveries of science are pointless to you unless you are made aware of these benefits. Salespersons play an incredibly important role in any economy because they build that vital bridge between the laboratory and the real world. Without them, there would be no laboratory or products from that lab for the world to enjoy.

The contact you call may be an important person and he may be doing something important, but so are you and so is the information you are providing. <u>Do not be intimidated by foolish managers who decide that your services are of no value to their organization before they even learn about them.</u> I assure you that it is their short sightedness and not your tenacity that is inferior. Many times in the course of a day I play the roles of cold caller and decision-maker as sales persons call me. I assure you that a wise decision-maker will take a moment to quickly learn about the products and services that may benefit his enterprise. Good managers know that information is the key to success and they are willing to listen to free intelligence reports so long as they are benefits based and to the point.

Pity the harsh decision-maker whose ego is greater than his skill. Play up to his vein nature. Work around his shortcomings, but never, ever, be intimidated by him. Remember that a highly successful sales person generally has a two to three time's greater income than the clients on which he or she is calling. You can rub your bruised ego all the way to the bank.

Not all decision-makers that are short with you are foolish. Sometime we all have a bad day or get stressed out. Even a seasoned manager will sometime brush you off if he is really busy. Remember that one of the main goals of your call is to determine the right time to call again. If your contact is short with you are sounds hurried, you may want to say, "Well, Mr. Jones, it sounds like you are in the middle of something right now. May I call you tomorrow?" Most busy decision-makers see this as a way to get out of the conversation fast. They also see you as being sensitive to their needs and they like that quality in a vendor. Most often they will say, "yes". When you call Mr. Jones back later in the week, he will usually hear you out because, after all, he told you to call then and he feels obligated to listen.

When my responsibilities were primarily sales, I set a goal of fifty to seventy-five cold calls a day. Some days I make it and some days I end up rolling calls over to the next day in my scheduler. It is an on-going challenge to get caught up to date with my scheduled calls. Sometimes, I get a few days behind and it motivates me to work faster. There is nothing more satisfying at the end of the day before I leave work than to look at a blank screen where before there were what seemed like endless scheduled calls.

Cold calling is your lifeblood for selling in the information age, never stray far from it. We often have to check on deliveries, put toner in the laser printer, type contracts and generate sales reports. These things are also important, but none of these things directly generate sales the way cold calling does. It has been said that the average sales person actually spends less than 5% of his day making sales presentations. You may be having great sales this week, but if you don't keep up with your cold calls, the pipeline can quickly become empty. Cold calls are like investments for your future. A daily regiment of cold calling is money in the bank.

"***Cast your bread upon the water for you***
Will find it again after many days"

King Solomon

The first twenty seconds

Many studies have been conducted to determine the most successful elements to include in your first impression sales call. The evidence is mixed because there are so many types of clients with varying backgrounds, but in the IT industry some things are clear. The decision-maker you are calling on will usually be very busy, behind on deadlines and harassed daily by sales persons hocking everything from hardware to Internet access.

> ***You have about twenty seconds to make your point before your prospect loses interest.***

Important people are busy. If they were not busy they probably would not be important. When they first answer the phone, you have their full attention. After all, they do not know who is calling. It could be their boss or an important client. Once you identify yourself, the next question the contact will ask is, “why is this person calling me?” which is followed by, “Why should I listen to what this person has to say?”

Elements of the Introduction

An initial sales call should include these three elements in the first twenty seconds.

- ***Who you are***
- ***How you got their name***
- ***Why they should hear you out***

1. Who you are

When contacting someone you do not know, you should always begin by stating who you are and whom you are representing. By stating your name, the contact begins thinking of you as a real person and not as one of those AT&T tele-marketers who call you every night during dinner saying, “Hello Mr. Jones, I’m calling from AT&T to tell you about….” When you identify yourself by name, you tend to be viewed more as an individual and less likely to be quickly dismissed. By saying who you are and the company you are represent first thing, it sets the tone for total disclosure and honesty. A good opening line might be “Hello Mr. Jones. I am Bill Smith with DB Basics.”

2. How you got their name

As soon as you identify yourself, the contact’s mind starts racing. Should he remember you? Why am I being called? How did you get my number? This is where you would like to have a reference or what I call “a reality in their neck of the woods”. Everyone is a little suspicious of people we do not know, especially people who approach us unexpectedly. You can defuse this by stating up front how you got the contact’s name. If someone has referred you to the contact, mention his or her name. “Bill Smith suggested that I call you because….” State that you saw them advertising for a certain skill in the paper last Sunday or that you noticed that they took a certain training class with us. If someone tells you that a small plane crashed in Africa last week, it will probably not command your attention. But, if someone tells you that a plane crashed near you house last week, you will be all ears because this is a reality in your neck of the woods. If you tie your opening lines to a person or event that the contact can relate to, you will go a long ways towards removing the obstacle of suspicion. In fact, many contacts will hear you out simply out of respect for the person who referred you. When you have successfully made the referral link, you can often hear the contact's defenses coming down.

Commonly used referrals phrases

- You were listed as an IT manager in…
- I was referred to you by...
- I was told that you are the person who...
- We have provided services to (another department within your company) and I though we might also be a resource for you as well
- Joe Smith suggested that I contact you about...
- I have been told that you are working with (some particular technology) and I wanted to call and tell you about our services related to that technology.
- I noticed that a number of your people have attended our training classes and I wanted to tell you about some of the other services we offer.
- Congratulations on being listed as one of the top fastest growing companies in the area in the business journal last week. That kind of growth puts a lot of stress on IT, so I'm calling to tell you about the resources available to you through DB Basics.
- I wanted to thank you for attending our internet seminar last week and tell you about…

You will not always have a referral. That's when a call is really cold. Do your best to warm up cold calls. It often takes many calls to locate the decision-maker in an account. Each person you talk with will generally give you a little more information about that account on your way to the primary decision-maker. I do not like to get the main decision-maker too quickly for this reason. As you call through the account you may learn that the company is moving towards SQL Server and develops medical claims processing software. Now when you call the decision-maker you can tie these points into you presentation, "Bill Smith suggested that you might be interested in our services. We specialize in SQL Server database application development and training and have experience delivering claims processing systems.

3. Why they should hear you out

After identifying yourself, during that first twenty-seconds of the call, you must give the contact a reason to talk further with you. This is usually a concise statement of the services we offer. Try to mention all of our services in this brief statement unless you know that the contact is only interested in one thing. Remember that most IT managers are struggling with resource allotment and will be interested in at least one of our offerings. You most often do not know which service will open the door to conversation with a managers, so make sure that you opening statement includes all of our offerings. Here is an example of a generic statement introducing our services.

> ***"We provide resources to IT managers such as technical staffing, developer and system training classes as well as complete project outsourcing solutions. Over the last ten years we successfully delivered over 700 custom software development projects, conducted hundreds of IT training classes and built a database of literally thousands technical contractors. Are you currently getting all of the IT resources you need?"***

Notice how this statement end with what Dale Carnegie calls a "question begging the desired response". The goal of everything you have said during this twenty-second introduction has lead up to this question. Now, you pause and wait for the contact to speak. Few IT managers today could honestly answer "yes" to this questions. If they answer "no", then the door is open for you to respond by saying, "Which resources do you need?" By using the above approach, you have drawn this busy decision-maker into a conversation and forced him to analyze his needs in light of our services.

Probing Questions

During the next phase of the conversation, you have entered into the selling stage. You want to keep the contact talking by asking probing questions such as:

- Do you currently using contract staffing?
- Who does your developer training?
- Are you completely satisfied with the service you are receiving?
- How do you deal with large numbers of projects in your backlog?
- Have you ever outsourced a project?
- What happened?
- Why would you do it or not do it again?
- Are you exploring Internet development tools?
- Have you heard of DB Basics before?
- Are you considering NT as a platform?

All of these questions are designed to draw your contact into a conversation so that you can identify the services he or she might be interested in discussing. Remember that the more time a client spends talking to you, the more he will feel that you understand his needs.

A brief description of the services of interest

Once you have identified the service or services of interest by using probing questions, you need to fire off a brief description of the service. Concentrate on what makes our service different from our competitors. Use your fact/benefit statements. If a contact expresses interest in several services, do the same for each offering in turn.

<u>Brief Distinguishing Features of Specific Service</u>

Staffing - The IRIS System

a. 1000 unique IT resumes per week
b. Web and news group crawling
c. Mass emailing capabilities

We pre-qualify contractors and use certification testing
We offer free training for our contractors
We are a project shop and know how to hire programmers
You have an option to hire permanent if you want
You have no obligation to keep a contractor.
We have certified full time consultants.

Projects - We take complete accountability for the deliverable
Our reputation for delivering real world systems
All of our developers are certified in their specific technology
References: AT&T, Glaxo, GE, John Deere, DuPont, Honda
Time proven application framework
QA process
80% repeat business ratio
Expertise with a particular technology

Training - Name specific classes we offer
References: American Express, EDS, HP, MCI, Duke
We offer public and on-site customized classes
Instructors are real world project leaders
We can customize a class to meet your specific needs.
All of our trainers are real world developers.
Mentoring Services

Network Services -	NT and Unix support DBA Services Emergency Services Capacity planning studies Fire Wall consulting Mentoring Performance and Tuning Unbiased consulting We sell no hardware

Combination or Special Services

You may also want to mention special offers or specific combination services such as project partnering, customized training, free seminar invitations, passports, blocks, a specific candidate's resume, etc.

Special Offers: Building a Sense of Urgency

We will talk a lot about how to create a “sense of urgency” in this manual. Busy decision-makers have many “to-do’s” on their desk. Often, they really do want to explore the services you are offering but they just do not get around to doing it. How do we get our action item to the top of their long list? A busy decision-maker has to believe that some opportunity will be lost if he or she does not act on your offer immediately. Many professional marketing agencies use this technique. You are probably familiar with the phrases,

“For a limited time only”
“The first 100 people in the door”
“While supplies last”
“Offer expires June 6th”
“One time only”
“Once a year event”
“RSVP required”
“Limited seating”

All of these techniques work well and are used by marketers to motivate a customer to action. Although our services are much more of a soft-sale, we also should create a sense of urgency when possible. An upcoming class or free seminar is a great way to do this when cold calling. They get decision-makers into our office and informed about our services. Utilize lost leaders such as a free class or seminar invitation. These events happen on a given date and therefore require prompt action by the decision-maker. When you call to give something away, you are not a sales person in the mind of the contact. Use these lost leaders sparingly, but where appropriate for key prospects.

For example, if you call a prospect and say that you are calling to invite that person to our “Free Intranet Development Tools Seminar Luncheon”, you will tend to get a better response than when you call trying to sell something. You can also use the event to get to the right decision-maker by asking,

“Who else in your organization would be interested in getting an invitation to attend this event?”

You are more likely to get the referrals you want if you are giving a free seminar or class away then if you are just asking who you can solicit next.

Cold Call Conclusion

Throughout the call, you are evaluating how valuable this contact is to your sales effort. If you are certified to sell the services requested, then go directly to objection handling techniques discussed under basic sales skills. If the contact is interested in a service you are not certified to sell, let the contact know that someone from that group will be contact him or her to answer specific questions and transfer the lead.

Remember to document your conversation and any information you gathered about this account. Schedule your follow up contact and send out your second impression literature that we will discuss later. Following are some closing remarks you may want to utilize:

- Would it be all right if I had someone from the ... group contact you?
- Can I send you some information about DB Basics?
- Would you like to be on our mailing list for our newsletter/class schedule?
- When would be a good time for me to contact you again?

Cold Call Mistakes

Pauses During the First 20-Seconds

Do not pause or ask questions during the first 20-second presentation. Do not ask if this is a good time to talk or if the contact has a minute? I encourage you not to use the "How are you today?" pause in your opening remarks to a contact you have never spoken with before. Although this may play well if you are calling people at their homes or in other more relaxed settings, IT managers in the heat of battle generally do not appreciate an interruption followed by a demand for a response. Many will view an inquiry into their well being as insincere coming from a person they have never spoke with before. Worst of all, it creates a pause in your presentation during the few seconds when you have the contacts full attention. By using this imperative, you have inadvertently communicated that you are sales person that will waste the contact's time with small talk. During this pause, most IT manager will begin thinking of ways to get you off the line. Once a contact starts thinking down this path, it is very hard to focus him back on the value of the services you are presenting. Speak quickly and to the point. Value your time and the contact's time. Busy IT decision-makers will view this as professionalism and they will consider what you have to say as being more important if presented in this way.

I. Am. Reading. This. To. You.

The worse thing you can do is to sound like you are reading a script. Be especially careful of this while stating the generic overview of the services we offer. You will be perceived as phony or unintelligent if the contact thinks you are reading or reciting a rehearsed sentence. Practice the generic 20-second services overview sentences until they sound off the cuff and natural. Contacts do not like to feel that they are being professionally sold or that they are on the receiving end of a canned pitch. Change the speed of your words as if you are thinking about what you are going to say next. Pause briefly in the middle of a sentence as if you are composing your thoughts. Talk as you would in an impromptu conversation even though you know exactly what you are going to say.

> ***"The greatest achievement in any art form is the concealment of effort."***
>
> **Pavarotti**

This will only take a minute

If a contact interrupts you or sounds impatient, stop your opening monologue and say, "If you are busy right now, I can call back later". If they say "OK", then ask, "When would be a good time for me to call?" This again shows respect for the contact's time and sensitivity to meeting the contact's needs. Remember that often, these contacts are in meetings or up against a short deadline. You will do better calling back when you can command their full attention and, when you call back it is at their request so they will more than likely hear you out.

Dishonest Messages

Some sales schools teach what I consider unethical tactics for getting prospects to call you back. They will tell a gatekeeper that they have an "urgent message for Mr. Jones." They will sometimes leave a message on a contact's voice mail stating that they have very important information to discuss but not say what it is. These tactics will generate callbacks, but are ultimately counterproductive to the sale process. They make clients feel betrayed or tricked and trust, the most precious thing in the sales process, may never be regained. If you leave a message, be truthful and straightforward. Follow the voice mail prospecting guidelines in the next section. Remember that the wrong impression is the only thing worse than no impression at all.

Prospecting Through Voice Mail

If you know that someone is a good prospect, you may want to call back a few times to try to talk to the contact in person. However, when calling unqualified prospects, this is not a good use of your time. Do not be afraid to leave voice mail. Remember our motto, "It is easier to find hungry people than it is to try to make people hungry." When calling unqualified prospects, I like to get voice mail. I can leave my entire uninterrupted presentation. If the person is hungry and I tell them in a voice mail message that I have food, he will call me back. If not, then he was not a good prospect to start with. I can make hundreds of prospecting calls per day, when leaving mostly voice mail presentations. Voice mail is a good and fast medium for prospecting. A contact only checks his voice mail when he has time to consider the messages. A voice mail presentation to a relaxed decision-maker with pen in hand can often get better results than a personal pitch to a contact that has been interrupted and is thinking about something else.

When leaving a voice mail introduction, make sure that you follow the exact format used for an in person presentation with two small exceptions to the end of the presentation.

- **Change your final question from *"Are you currently getting all of the IT resources you need?"* to *"If you would like more information about any of the IT resources I've mentioned, please give me a call at…"***

- **Include two more important sentences in closing, *"If you are not the person who would be interested in these resources, please forward this message on to that person or call me and let me know who would be interested in receiving this information. Thank you for your help."***

These modifications to the cold call format are important when leaving voice mail because we do not know if we have the right decision-maker. Unlike an in-person call where you can ask for referrals, if you get the wrong person with voice mail, the trail to the decision-maker ends. For this reason, you may want to try a few times to personally contact good prospects or prospects with key titles. But for most unqualified prospects, voice mail will do if you leave a presentation that includes asking for a referral.

Referrals

We have said in the previous section on prospecting that the single best source for leads is usually from your leads. The best place to get new contacts to add to your database is from the contacts that are already in your database. Asking for referrals is so important to the prospecting process that it deserves it's own section. It comes after the Cold Call section because it is usually after our introduction that we begin to determine if we have the right decision-maker. If not, or if there are more than one decision-maker, we must go into intelligence gathering mode. You will rarely get the right decision-maker the first time you call into an organization. No matter how good your cold calling skills may be, if you do not get through to the right decision-maker, you will not make a sale. Locating the right decision-maker is the most important part of prospecting.

The first thing a salesperson does after making the initial sales introduction to a prospect is to try to determine if this person is the decision-maker we want. The last thing we want to do at the end of our phone presentation is to try to get the names of at least one other person in that organization who might be interested in our services. You should ask questions like:

- ***"Is there anyone else you would refer me to that might be interested in knowing about these services?"***

- ***"Do you know of someone else who might like to receive our training news letter?"***

Most sales representatives fail to locate decision-makers because they forget to ask for the referral. Mastering this technique alone can sometimes double a salesperson's commissions.

"You have not, because you ask not."
The Greatest of All Salesmen

Referral Reluctance

Do not take, “no” at face value when asking for referrals. Many prospects are reluctant to give you the names of their co-works in fear that you might harass them. The MCI “Friends and Family” program was an excellent example of a referral campaign that backfired do to underestimating this reluctance. You must test a negative response for truthfulness. If the contact says "no" when you ask if someone else might be interested in our services, you need to qualify the response for truthfulness. You should ask,

Test the Answer

> ***“So you are the only person responsible for...?”***

If the client does not hesitate and concurs, then you may have a solitary contact account, and you may not need to fish around for more names in that department. If the contact does hesitate, there probably are other decision-makers and he is uncomfortable about stating a bold faced lie in light of the way you have phrased the question. You must give this contact a comfort level that you will not harass others in his name. Tell the contact that you will only make a brief introduction call not mentioning his name, and if the contact is not interested, you will not call again. You need to make the contact feel that if he does not give you the referral, he may be keeping a much needed resource away from his co-worker. You may want to mention some of our major references and talk about what a valuable resource we were to them. You may also even hint that the co-worker might be upset that such valuable information was kept from him by the contact. Here are some phrases you can use to get around referral reluctance.

- ***"A lot of managers are searching for services like these."***

- ***"Even if they do not need these services now, they will probably want to have this information on file for when they do need them."***

- ***"We offer free training and technical seminars from time to time, and I'm sure that others in your organization would want to know about them."***

- ***"Almost every IT manager I know of today is struggling with resource allotment and I'm sure they would want to be aware of any resources that can help them do their jobs."***

One Excellent Technique for Getting Referrals

Instead of simply asking, "who else might be interested in these services" you might want to try this approach.

"We periodically sponsor free technical seminars and new letters. In fact, over twenty-eight thousand computer professionals receive our news letter and nearly one hundred IT managers attended our last luncheon seminar on Intranet development strategies. Is there anyone in your organization who might want to receive our news letter and invitations to our free seminars?"

This is a non-evasive way to get the names and phone numbers of other IT decision-makers. Remember your skills. If you still sense hesitancy, follow up by assuring your lead source that you will not harass or waste anyone's time. Say that you will only call the referral one time to ask permission to put them on our news letter and seminar invitation list. Reassure your lead source that this will be of real value to the referred individual and that he or she will appreciate the service.

Referral reluctance can be overcome if you:

1. Let the contact know that you will not harass the referred person.

· Assure the contact that the person he or she is referring you to is more than likely very interested in hearing about the services that we offer.

Leads Multiplication

In general, every lead should become two additional leads. Every time you hang up the phone, you should be entering on average two new contact records and scheduling calls to them. I call this the prospecting snowball effect. It is amazing how leads multiply in our industry because there are so many decision-makers for IT type services. The path to the decision-maker you are seeking is full of roadblocks, detours, rejections and valuable information. Stay the course.

"If you are told the road will be rough, then every bump just reminds you that you are on the right road."

Account Penetration

One of the biggest dangers to avoid in selling our services is inadequate account penetration. This happens when we are calling on or doing business with some individuals or departments within a large company, but totally unknown to others within the same corporate structure. Many times, representatives stop prospecting or asking for referrals because they think that they are already thoroughly working with a particular account. They assume that DB Basics is a known entity within the entire account when in fact, they have just scratched the surface of an iceberg. Remember that IT is not just a part of an organization, it is the organization. All divisions of a Fortune 1000 company have IT decision-makers in them including HR, Accounting, Marketing, R&D, etc. not just the so called "IT department." Even if you are told that all IT training, staffing or project outsourcing decisions have been centralized to one office, do not necessarily believe it. IT managers in any group have tremendous flexibility to make decisions these days. In our experience, Purchasing, HR or Corporate Training Departments will try to control the process, maintain vendor lists, or hold final approval, but in reality, decisions are often made on the front lines and then fit into the corporate policy du juor. Current IT demands are so pressing and fast paced that technical line managers generally get what they want and from whom they want it.

Make sure that major accounts are being worked completely. Parry off of existing references to systematically penetrate every part of the account. If the bottom up approach is not working, try the top down approach or a lateral move. I can think of several accounts for which we thought we were their sole source vendor for years only to discover major divisions of that company that knew nothing of our services. I often challenge account representatives who tell me that we are completely working a particular account by making a bet. Given twenty minutes on the phone, I can usually find an entire division or group within that account that has never heard from anyone in our company. While you are prospecting, do not forget that some of your newest clients will come from within some of your oldest accounts and that these are often the easiest sales to make.

Gathering Intelligence

Gathering and organizing information is the secret to success in corporate selling. In general, the contacts you call have the information you need. They know about what's going on in their area. They have overheard things in the cafeteria and read email about long range plans. The best way to gather intelligence is to listen. Sounds simple until you tape record one of your last conversations with a client. More than likely, you do 90% of the talking. <u>You have to get the contact talking to learn things about the account.</u> A contact is not asking himself, "What information can I give this sales guy that will assist him in systematically selling his services to my organization?" We should be so lucky. The information will need has to be skillfully extracted by asking the right probing questions. We have already discussed getting leads and other information from contacts, but the best information often comes out unsolicited when you get a contact talking about his job and how it relates to the company in general.

Some Real World Examples

A few years ago, I was prospecting into a fortune 500 company. The manager I had located said that he might be interested in a Microsoft Visual Basic class we offered. I responded, "So you guy's are looking into using VB as a development tool?" He said, "We sure are. I saw a memo yesterday saying that all of our departments are to standardize on VB." After asking for and getting a few referrals, the conversation ended. I searched my database for all of the contacts we had in various divisions of this company. I scheduled calls to them all and even got a few new numbers out of a 1-800 directory I kept on hand. I modified my opening statements to include, “We specialize in helping companies that are migrating to Visual Basic.” By the end of the week, I had sold two VB projects and several classes to various divisions of this company. These sales were made possible by gathering one critical piece of information from a prospect.

If we had an infinite amount of time, we would all have infinite sales volumes. <u>Because we have only limited time, what distinguishes and average from an exceptional sales person is where they choose to spend their time and energies.</u> You can work like a dog for days making cold calls with limited success, or you can gather the information that will put you in the right place at the right time to make a number of sales. Blanket cold calling is only your best method if you have no other information to go on. Working hard is not enough we must also work smart.

On another occasion, a lady called me about one of our public classes she had seen advertised in the paper. I began asking the usual intelligence gathering questions like, "So are you using Foxpro at work?" In no time, she confessed that she had just been laid off from IBM along with hundreds of other programmers. I said, "So this is a good time for you to bone up on some new skills?" She went on to say that IBM had promised to reimburse each of the laid off programmers for up to $2200 in training. My eye browse went up. After the call, I contacted the out placement office for IBM and told them about our classes for re-tooling programmers. They not only posted our class schedule; they also let me give a full presentation to the group. We sold tens of thousands of dollars worth of training to this group and hired several of them for our projects division.

<u>It is not enough to work hard. We have to work smart.</u> Your contacts are full of valuable information. Try to get them to talk freely. Let them go on if they want. Remember that everyone loves to talk about themselves and what they do. Prime them with questions about their work. And above all, listen, listen, listen.

The Coach

There are a number of excellent books out that discuss large account strategies and locating and utilizing coaches. The coach is a contact that will assist you in selling to his company or department. The coach is usually not in a position of great authority and has time to talk. He is a person that likes to talk and for some reason likes you and is willing to give you advice and information. A coach is just a nice person that likes to feel important or at least like he or she knows important stuff.

I have an excellent coach at a fortune 500 company in Research Triangle Park. He and I go to lunch once in a while. He is not a decision-maker and has never purchased anything from me, but he has assisted me in selling hundreds of thousands of dollars in services to his company. He will occasionally look up a name in the on-line company directory and let me know who's in charge of what and how to get in touch with that contact. He lets me know about major projects that are looming and who is in charge of them. When I get a new contact, he will often tell me about the person so I will know how to package my presentation.

<u>Finding a coach is often better than finding a decision-maker.</u> Document this person as a coach in our database so that you can locate and utilize this valuable resource when doing intelligence gathering in the future. (We will discuss this more under the company database section.) You will know a coach because he likes to talk and to feel like what he is saying is important. He likes to be treated as a valuable resource. Play to his ego. Coaches like to feel that they know the real deal about what's going on in their company. They like the fact that they are doing you a personal favor for which you always express the utmost gratitude.

> “The most import factor contributing to the success of any campaign is the use of spies.”
>
> **Sun Tsu, The Art of War**

Organization

Over the years, I have had the opportunity to work as a sales person, sales trainer, sales manager and sales force automation consultant. I have had the opportunity to see many sales professionals at work. I have observed numerous selling techniques and habits that generated varying degrees of success. Because I firmly believe that an enterprise will either grow or die based on the quality of its sales staff, I have made a life long goal out of identifying and recruiting the best sales persons available. This search has led me to deeply analyze the sales approaches of numerous highly successful individuals in a variety of industries. This research has led me to conclude that one quality is essential above all others for a successful sales person to possess. If a sales person possesses this quality, he or she will be successful almost in spite of the lack of other important talents. If a sales person lacks this one skill, then consistent success at selling in the IT industry will always elude him.

The Single Most Important Sales Attribute

What is this quality? You might think intelligence or eloquence? Is it the ability to build relationships or trust? Is it the mastery of detailed product knowledge or objection handling? Is it that psychic ability some sales persons seem to have to create desire for the product or service they sell? No. Although all of these skills are important and do marginally increase the likelihood of closing a sale, none of these skills can be said to guarantee success the way the one skill I have identified can.

In order to understand the singular importance of this skill to selling in the information age, we must understand **why** most sales are made; not **how** they are made. I believe that most busy IT decision-makers today buy things because they are presented with a product or service that meets the immediate need they are facing. They do not necessarily buy the best product or service or even the lowest priced. They do not predominately select the best sales person or company available. In fact, most of them buy things because they are presented with the opportunity to buy it at the precise time they discover that they have a need for such a product or service.

Let me give you an example. I had a credit card with a $50 annual fee. Almost every other week around dinner time a tele-sales person with some company would call to let me know that I could sign up for his company's card and pay no annual fee. I tried to be polite because I know how difficult a tele-sales person's job can be, but I got off the phone as quickly as I could. There always seemed to be other things to do and think about that were more important. One evening after dinner, I was opening up my credit card statement and saw that a $50 annual fee had been charged that month to my account. I wondered why I did not switch to another card that did not charge an annual fee. A few minutes later the phone rang. It was a tele-sales person representing a bank with a no annual fee credit card. I signed up for it. The sales person could barely speak English. The sales approach was obviously canned. I have no idea if the bank sponsoring the card had a good reputation for service. All I know is that at that moment I realized that I had a need and there was a convenient way to quickly deal with the problem.

By no means am I saying that purchasing decisions at major companies are always made this way. Often there are predetermined vendor lists, long biding processes and detailed presentations required before a service is purchased or a contract signed. Obviously, simply contacting a decision-maker at the right moment is not necessarily enough to close a sale, but it is usually enough to get you into the running. If you contact the decision maker the precise week he is re-bidding the vendor list or sending out request for quotations or scheduling vendor presentations, then you have a good chance of getting to the next stage of the game. If you do not contact that decision-maker that week, then no matter how advanced your sales skills, you will probably not get a chance to use them.

I would go so far as to say that ninety-five percent of all sales are made predominately because the sales person was in the right place at the right time. I have read numerous books on sales methodologies, attended countless sales training courses and seminars and learned valuable things from almost all of them. These sales skills are all important. Knowing how to build trust with a client, handle objections and present the facts/benefits of your product or service are all critical to the sales process. They are all also quite useless if your client does not have an immediate need for what you are selling.

Most sales courses today are concerned with how to create desire for a product. Our work is not about creating desire. We will leave that up to marketing and advertising. In sales, our job is to locate existing desire. If you are selling food, you will find that it is much easier to locate hungry people then it is to try to make people hungry. <u>In other words, it is easier to locate someone who already wants our services than it is to try to convince someone that he has a need and really should want our services</u>. There are plenty of books available to assist you in the development of presentation skills. This training is about being in the right place at the right time. Even if you consider yourself a very skilled sales person, you can still dramatically increase your sales volume if you learn how to statistically increase your probability of being in the right place at the right time.

So what is the single most important quality for a sales person to possess? ***Organization****.* Only with thorough, meticulous and disciplined organization can sales persons statistically increase their probability of being in the right place at the right time. It is through such organization that we can schedule and track the information about our clients that is vital to determining that "*right time and place*."

Early in my career, I owned a computer retail establishment. We assembled our own brand of personal computers and sold them into corporate accounts. We were the fastest growing establishment in our industry and more than doubled in size each year. I prided myself on being able to identify and hire some of the best sales persons in the area. I questioned perspective sales persons in detail during interviews to measure their ability to deal with pressure think on their feet and respond to objections. I assumed that these were the most important abilities for a sales person to possess. It was crucial in this industry to constantly locate heavy hitters who would consistently do well.

I will never forget the sales person I almost did not hire. He was slightly handicapped and sometimes spoke with a stutter. He was not eloquent or persuasive. He was never accused of being sharp and sometimes not even personable. He had had little professional sales training and was even new to the computer industry, but his resume showed a consistent history of high sales volumes. I decided to give this man a chance even though I felt in my heart that he would not be able to hold his own around my other high powered representatives. In a matter of weeks he got my attention. Within a few months, his sales volume surpassed that of my best veterans. Within a year, he had become my sales mentor.

Despite the skills he lacked, this man was compulsively well organized. He was one of those guys that had to have everything in its place on his desk or it would bother him. He had two full size file cabinets in his office where he keep detailed records on every client and potential client he knew. You could ask him about any account in his file and he could tell you who the decision-makers were, who had influence over them, the organizational chart, when fiscal budgets began and ended, when new moneys were most likely to be allotted, what long term projects were in the works as well as when they were most likely to be bid. Every time he spoke with a client, he would schedule the next call to them based on the information he gathered. He was probably the worst "pitch man" I ever hired, but he had the one essential required skill. He knew how to get and track information about his clients and how to use that information to determine when to get before his clients again with a timely solution to their problems.

I learned a lot watching this sales person who I now considered to be an expert. I slowly began to understand that successful selling in our industry relies less on traditional sales skills and more on information tracking and organizational skills. I began spending less time teaching my sales persons selling techniques and more time teaching them organizational skills. Without exception, every one of my representatives that embraced this new approach substantially increased his or her sales.

Over the years, I have worked hard and mastered this organized approach to selling. At least once every day or so, I call a client and after listening to my opening remarks, the client will say something like "It's quite a coincidence that you happened to call today" or "How strange that you should contact me at this time." The fact is coincidence has nothing to do with me calling that client at that time. I had more than likely had that call planned for that day for months. I don't believe in luck or ESP, but I do believe in the law of averages. I have found one trait to be common to nearly all unusually successful sales persons. They know how to get and organize information about their clients, and they know how to utilized that information in time management.

You have heard that knowledge (information) is power. Wars are won or lost based on which side can best gather and organize information about the other. I think back to the televised briefings during the Desert Storm US/Iraqi war. Information played a critical role in this campaign. If an Iraqi plane took off, US radar confirmed where it was headed and when it would arrive. If an Iraqi tank moved, US spy satellites took pictures of it and predicted where it was going and when it would get there. Throughout the war, thousands of US soldiers watched monitors listened to headsets and plotted information. I am sure that the Iraqi soldiers were well trained, dedicated and that they worked very hard, but they were no match for the US Service’s information gathering machine. Information gathering plays such an important roll that entire divisions of governments are dedicated to the sole purpose of gathering and assimilating information. Your commission check will directly reflect more than anything else your ability to gather and organize intelligence about your clients.

Most sales professionals have at some point in their careers fantasized about owning a crystal ball that would miraculously tell them each morning which clients and prospects to contact. It would, through some magic, know which contacts in your call list were ready to buy. There would be no more guessing about whom might purchase. It would tell you who was worth your time and who was not each day. Of the hundreds of calls you could make, it would tell you the few that had the best probability of success. If such a crystal ball existed, imagine what it could do for our sales volumes. Unfortunately, no such device exists, but we can create our own sort of crystal ball through organization and information tracking, and it can be amazingly accurate.

The following sections offer no magic solution for increasing sales. They do offer techniques on how to get, track and organize information about your contacts that will statistically increase your probability of being in the right place at the right.

The Company Sales Tool

So how do we create this crystal ball? What practical steps can we take to organize information about our clients to increase our probability of being in the right place at the right time to offer our timely solution? First of all, accept the fact that you must use a computer to organize your sales efforts. Trying to do professional sales in the information age without having and knowing how to use a computer is like going into battle without a gun. Human memory is too frail and paper systems are far too slow to make you successful selling in the information age. If you are a poor typist, take a class or purchase a typing tutorial CBT. If you are shaky on using windows, let me know, and we will pay for your class.

Features

The Contact Database

Our company sales tool is like most sales force automation products on the market today. It is built around a database of contact records. Think of each record as an index card with information about one of your contacts on it. You can enter, delete, modify and browse important information about your contacts. SFA tools usually provide two types of fields for storing information in a record: predefined fields and custom fields sometimes called "*user defined fields*." A field is just a place to type in information or to select information from a drop down menu. The name of the field is called the field *label* and it is generally to the left of the field it names. Predefined fields are used for basic contact information such as company name, client name, address, phone, email address, fax numbers, etc. Predefined fields are generic to all of the contacts in your database. Custom fields, we have created for tracking information that is specific to our clients in our industry.

The Automated Scheduler

Our sales tool is much more than a database. It's most powerful and important feature is its scheduling capabilities. It will allow you to easily schedule, re-schedule and track activities as they relate to a particular contact or account. A good sales person generally is dealing with hundreds if not thousands of clients and prospects simultaneously. Even the best memory is far too inadequate to begin to handle such a task. Franklin Planers and day timers may have been fine tools in years past, but they are primitive by today's standards and they can not begin to track the amount of information, contact scheduling and reporting that we will be utilizing. Your paper calendar can not interrupt you to remind you that it is time to leave for a two o'clock meeting across town? You can not effortlessly ask your file cabinet to add to your call list all of your contacts that use a particular competitor's service, are price sensitive, and located within fifty miles of your office. Your paper system can not sort this list putting the clients that have not been contacted recently at the top of your call list either. Information is power; the power to be in the right place at the right time.

There are two major advantages to an automated scheduler. First of all, it never forgets. My wife says that my memory is so short that I can effectively hide my own Easter eggs. But, I never forget a scheduled call to a client even if it was scheduled a year earlier when I use my automated scheduler. Remember Onasis. Every contact takes time and time is our most precious sales resource. Only with an automated scheduler can we organize our time by clients. It helps us organize when and how often to make each contact so we do not waste time with fruitless sales efforts. The second benefit of the automated scheduler is its ability to prioritize your schedule based on whatever criteria you give it. Top sales persons are usually even busier than the executive decision-makers on which they call. Things come up and tasks need to be re-prioritized regularly. How well and with what criteria you use to prioritize your schedule is the single most important factor that will contribute to your success in sales. It desires the best-automated tools available for the job. We will discuss the automatic scheduler and how to best use it in more detail in future sections.

MS Office Integration

It has been said that the difference between success and failure is often measured in seconds. Most professional sales persons know that they should follow up a sales call with a letter specifically written to the needs of that particular client, but few have the time to do this as well as we should. With our sales tool, you can use Word templates that will automatically paste the information into a letter, fax or email message from the contact database fields. This allows you to quickly produce a customized contacts with the click of the mouse.

Querying

Our sales tool will allow you to search on any field or part of a field in a client record. For example, if you want to know how many of the prospects in our database heard about us through an ad we ran in a particular trade journal, you can filter the database to just show you those clients that have the name of that trade journal in the field called "Advertising". Querying not only helps us to quickly look up a client's information by the client's name or company, it also gives us a valuable big picture to spot trends and to analyze who is interested in our services. We will look into the benefits of querying later.

Reporting

Our sales tool offers you a variety of useful reports such as the number of sales calls and meetings made over a certain period of time, a phone book, a daily agenda, or a detailed history of every contact made with a particular client. Using the querying capabilities along with the reporting abilities of your PIM can produced detailed, powerful and useful reports. Reports are very good for settling commission disputes and for personal goal setting.

Field Descriptions and Uses

Company Name

When entering the company name, it is important to note that an exact spelling must be used. Your computer will consider “IBM”, “I.B.M.”, and ”International Business Machines” to be different companies. Later when you want to look at all of your contacts at IBM, and you do a search on “IBM” you will miss all of the clients you entered under other names. It is best to look up a company name under several possible spellings before inserting a new contact so that the company name will have the same spelling as any existing records. Our sales tool will allow you to paste the basic company information from one card onto a new card so that all of this information does not need to be re-keyed. Inconsistent use of company names is the main cause of duplicate and incorrect data in our database. We will discuss ways to keep our data clean later.

Contact Names

Follow the same protocol when entering client names, as you would company names. Avoid using middle initials, titles, nicknames or training indicators such as III, or Jr. These additional indicators will serve only to corrupt our company data with multiple contact records for this person. Remember that this name will be pasted into formal contracts and letters. Keep track of nicknames, titles, etc. elsewhere.

Spelling is important. If you are not sure how to spell a contact’s name, you should ask. Most decision-makers will see this as a sign of respect. If you do not feel comfortable asking, then call back later and get the correct spelling from a secretary. Put a question mark (?) after a contacts name until you can confirm the correct spelling. When I see the name "Samantha Carr?" I know that I need to confirm whether the spelling of Samantha's last name is Carr or Car before I send out any correspondence. Remember that a misspelled name communicates a lack of respect, an inability to handle important details and a nonchalant concern for the things that are important to the contact. Unfortunately, because the contact's name is automatically put in all letters, mass mailings, labels and faxes, the error will be duplicated many times.

Salutation

The salutation field is how you would like to address this contact in a letter. Most packages will default to the client's first name. I generally do recommend using the first name if you have previously spoken to the client over the phone or in person. If a contact answers the phone saying, "This is Jones" then you can assume that his department is a last name shop and you should address all correspondence accordingly. You may want to address a contact by a title such as Dr. Jones or Director Jones if you feel that the contact desires to maintain a strict level of professionalism. Most of the time, a first name is in order.

Client Type

This field is to track how valuable this contact is to your sales efforts. Here are definitions of the basic types:

Type A This is a very valuable contact worth re-contacting at least once a month. This person may be an existing client of just a very good prospect. When you see a “A”, you know that this is one of your promising stars.

Type B This is a good contact worth re-contacting at least once a quarter.

Type C This is a less valuable contact worth calling on every six months or so.

Type D This contact is not worth much of your time, but should still be contact once a year for intelligence gathering.

Type F This is not the correct decision-maker and nothing can be gained by calling on them again. We have already asked for referrals. We note the type so that we will not waste time calling them again.

Gone This contact is no longer there. We do not delete the record because others may need this information also.

Coach This indicates that the contact is a coach as discussed under large account penetration.

These type ratings are very important for a number of reasons.   We may want to send out invitations to a seminar luncheon or expensive promotion for which we can only seat a limited number of clients. We can quickly search the database for a list of "A" clients. Newsletters might only be sent to "A" or "B" clients in the status field. It is important to note here that this field can change. Every time you talk with a client, you should be determining if he merits a higher or lower status. For example, if you are selling training services, an administrative assistant who has just been given the responsibility of coordinating training or keeping a training vendor list, may go from a status of "D" to "A" in this field. Decision-makers who are given larger budgets for the new year, may go from a status of "B" to "A". The most important reason, however, to track status is for time management. If you get behind in your call list, you can pull up the “A” contacts to be contacted first.

Gatekeeper

This is a character field to hold contact's secretary. This could also be the name of an administrative assistant, co-op student or anyone who plays the role of gatekeeper blocking access to the decision-maker. It will serve you well to track and be able to call this person by name when trying to contact the decision-maker. Remember that an important person would not be important for long if she talked with every person who wanted an audience. The gatekeeper plays an important roll and you will often need to sell the secretary before you can get access to the contact who's name is at the top of the card. This gatekeeper may also be a valuable source for information to sales persons who care enough to remember his or her name. Information such as the best time to call, the problems the decision-maker is dealing with, organizational charts, who influences the decision maker, referrals, etc. can come from the gate keeper.

You may want a separate record with the gatekeeper as the main contact if you feel that he has the authority to purchase or that he may become a coach. Remember that the responsibility to purchase or to set vendor lists is often delegated to a subordinate. If selling training services, you don't want to spend months trying to get an audience with the Director of Training when it is his secretary who makes those purchasing decision.

Price Quotes

It is to good track any pricing information that was given to a contact. This is useful in a number of circumstances. First of all, it is usually best to keep pricing consistent within a given account. You may want to track a dollar range here or a discount percentage. Special volume discounts or terms should be documented in detail in the notes field that we will discuss later.

It is very important to track this field because you have flexibility in your pricing. A sales representative is judged not only by his volume but also by the margins he gets. In fact, anyone could be a great sales person if he gave his product away. Because some clients are more price sensitive than others, it is important to track this information so we know how to bid and to respond to requests for extemporaneous price "guesstaments" over the phone.

Personal

As I said in the beginning of this book, I am not trying to discredit any of the human relations sales approaches. I am only pointing out that good organization is more important to a marketing effort in the information age. The best of all possible approaches would be a well-organized statistical approach that incorporates some of the time proven human relations techniques. It is true that people do buy from people they know and like. It is not the main reason that clients make purchasing decisions, but it is still an important factor.

This field is for tracking any personal information about the decision-maker. Any information that slips out about your client's personal life such as a spouse's name, number of children, where he went to college, hobbies, birth place, etc. should be recorded in this field. People do buy from people they like and people like people who remember things that are important to them. Mentioning or referring to some piece of personal information about the contact will ease the buyer/seller adversarial relationship.

For example, last month a client mentioned that he had taken some logic classes when he was attending Michigan State. I documented that he went to Michigan State in the "Personal" field. When I called him today, I mentioned that I heard that the Michigan State Basketball team was favored to go all the way this year. This immediately broke down all kinds of barriers that I had encountered while talking to him last month.

Objections and Dominant Buying Motivations

This field can also be called the "Buy Button", "Client Goals" or "Concern". It is the dominant reason why this client would be interested in buying your product or service. Different clients make purchasing decisions for different reasons. One may be motivated to sign a PO because of an exceptionally good price while others because of the promise of good service, quality or timely delivery. As you talk to each contact, try to determine their "buy button". If the contact is constantly asking you about our QA program then you know that his dominant motivation is quality. You need to play up our quality control processes every time you call, meet or send a letter to this client. Discuss our QA department, class and project evaluation forms, certification testing, etc. You must track the dominant buying motivations for each prospect in the company database. You might not contact this prospect again for three to six months and you will not likely remember how to prepare your presentation to meet his specific buying concerns.

People make purchasing decisions for many different reasons. Although there may be many benefits of using one of our services, each client will value some benefits more highly than others. If fact, many clients will choose to do business with us because of one specific benefit we offer. The sales person who can identify which benefits are most important to which clients is far more likely to close sales.

How Heard

This were we track how each client hear about our services. Was it a cold call? Did he see one of our advertisements? Did he hear about us (word of mouth) from someone else? We must track these things so that we can measure the effectiveness of our marketing dollars.

Mailer

This field is checked if the person is to be on our company mailing list. If checked, this person will receive our company training flyer and any newsletters we send out. This cost us several dollars each year per contact, so we do not default all contacts to get this information. Only contacts that are good prospects, especially for our Training Services, get put on this list.

Competitors

You should always know who your competitors are for each account. You can ask questions like, "Where are you currently getting contract staffing?" Quickly document the name of this competitor. If you know the services, pricing and selling features offered by this competitor, this information will assist you in selling to this account. Knowing the limitations of this competitor, you can be sure to play up our company's strengths in these areas each time you contact this client. Remember that one third of all ventures will go out of business each year. Other competitors may stop offering a competing service. Every time we read or hear about this happening, we search the database for all contacts that have that competitor listed in the "Competitor" field. When we call the contact offering our services, we often hear, "It's quite a coincidence that you should call me this week." This information is also important for targeting specific marketing promotionals. For example, if we know that a specific competitor does not yet offer a certain new training class that we offer, we will search the database targeting these contacts for a specific mailer discussing the class. This gives us a unique opportunity to gain market share from a competitor.

"…To see your enemy driven before you
And to hear the lamentation of their women"

Conan the Barbarian,
Discussing the greatest pleasures in life!

Database Integrity

It is everyone's job to keep our company database accurate, timely and duplicate free. If it is information that puts us in the right place at the right time, then it is erroneous information that will hinder our success.

The Problem of Duplicates

It is critical to have a record for each contact with which we interact. Multiple records for the same contact will cause many problems such as commission confusion, wasted postage, and inaccurate customer histories. We also share a database to make sure that one contact is not contacted too often or with conflicting messages. When a contact have two records in our database, we can not avoid this problem. This is especially embarrassing for us when discovered by a client because we are suppose to be the "information technology experts".

How to avoid duplicates

- **Search before you add**

Always search for company and contact names under <u>all possible spellings</u> and abbreviations before adding a new record. Check for all reasonable spellings. Beware of names that can be spelled many ways such as "Alan."

- **Do not us Initials**

Spell out International Business Machines rather than IBM. Only use initials if they truly do not represent words.

- **Do not use initial articles**

Do not use initial articles such as "a" and "the" as the first word of a company name. "The Kelton Group Inc." should simple be entered as "Kelton Group Inc.".

- **Use " (state) Department of…"**

State agencies are an especially big problem. One can find "Department of Transportation", "State Department of Transportation", "Dept. of Transportation" and "DOT" in our database. Always begin State Agencies with the initials of the state folled by "Dept. of…" Although we typically do not use abbreviations, Dept. is necessary because most agencies names are too long to fit on the name line. Following are some examples from North Carolina.

STATE DEPARTMENTS/AGENCIES NOMENCLATURE

State Department/Agency	Name As It Should Appear in Goldmine*
Administrative Office of the Courts	
DCI-Department of Justice	NC Dept. of Justice
Department of Administration	NC Dept. of Administration
Department of Agriculture	NC Dept. of Agriculture
Department of Commerce	NC Dept. of Commerce
Department of Community Colleges	NC Dept. of Community Colleges
Department of Correction	NC Dept. of Correction
Department of Crime Control and Public Safety	NC Dept. of Crime Control and Public Safety
Department of Cultural Resources	NC Dept. of Cultural Resources
Department of Environment, Health, and Natural Resources	NC Dept. of Environment, Health and Natural Resources
Department of Human Resources	NC Dept. of Human Resources
Department of Insurance	NC Dept. of Insurance
Department of Labor	NC Dept. of Labor
Department of Public Instruction	NC Dept. of Public Instruction
Department of Revenue	NC Dept. of Revenue
Department of Secretary of State	NC Dept. of Secretary of State
Department of State Treasurer	NC Dept. of State Treasurer
Office of the State Auditor	NC Office of the State Auditor
Department of Transportation	NC Dept. of Transportation
Employment Security Commission	NC Employment Security Commission
Department of Commerce	NC Dept. of Commerce
Legislative Automated Services Division	NC Division of Legislative Automated Services
Office of State Budget and Management	NC Office of State Budget and Management
Office of State Personnel	NC Office of State Personnel
Office of State Planning	NC Office of State Planning
Office of State Controller	NC Office of State Controller
Wildlife Resources Commission	NC Wildlife Resources Commission
Office of the Governor	NC Office of the Governor
State Board of Elections	NC State Board of Elections

State Information Processing Services	NC State Information Processing Services

- **Do not use symbols**

Avoid using symbols. "Jones & Smith, LLC" should be entered as "Jones and Smith, LLC" regardless of what is on their business cards.

- **Less is more when searching**

When searching for a duplicate record try typing less. For example, if you type in "Tharrington", you might conclude that the name is unique and enter a duplicate record. If you had typed in "Thar" only and observed the pull up list, you would have seen the misspelled entry "Tharington".

Pre-Qualifying Prospects

Pre-qualifying a prospect is the art of determining how much of your time and energy that prospect is worth in relation to reaching your sales goals. You can work very hard selling to unqualified prospects and fail to meet your sales goals. How much time should I spend on this prospect? The correct answer to this question will determine how successful you will be in sales.

The Philosophy

Selling in the information age is different in many ways. Whereas the "in person" visit was the main sales vehicle in the past, the telephone call has become the most effective tool today. You may spend two or three days in the office cold calling to set up one onsite sales call. Most sales representatives do not spend enough time pre-qualifying prospects before jumping in their car and driving over for a meeting. In the time it takes to make one sales visit, you can usually make twenty-five sales "phone calls". I'm not suggesting that we should never visit clients. I am saying, make sure that they are worth your time before you give up twenty-five prospecting calls to visit them. With so many leads to follow up on, it is hard to justify the time required to drive across town to visit unqualified prospects. The moral here is to spend your time calling and asking for referrals rather than driving around town on wild goose chases.

Because we are discussing mass quantities of prospects and the time management required to follow up on them, this is as good a place as any to talk about the proper attitude for making sales calls. An important rule for selling in the information age is:

Don't waste time talking to people that don't want to talk to you.

Yes, make your presentation if you can. Yes, send him your information and yes, try to overcome objections. But, never waste time by regularly calling on someone who has expressed little interest in what you are selling no matter how big of an account he represents. If you have given it your best shot and he has heard your presentation and he still shows little or no interest in our services, then it is time to move on to next prospect. Try another door into the account or wait until there is an opportunity created by the development of a particular need that we can fill, but don't keeping knocking on a closed door.

Remember that there are multitudes of contacts out there that have an immediate need for what you are selling and they really want to buy our services. They are like ripe fruit ready to fall from the tree at the slightest touch. It is vastly more profitable to spend your time locating these contacts then it is to try to shake down unripened fruit from a green tree. I know that this philosophy goes against many of the "never give up self help for salesmen" books, but it is the best way to sell to IT managers in the information age. Yes, I have heard the inspiring stories of how after 134 phone attempts and 24 personal sales visits, persistence paid off and the account was sold. However, you never read about the other fifty sales that were lost while wasting time on this guy. If you keep shaking long enough, you may see fruit fall from a green tree, but it is probably not because of your persistence. The fruit most likely ripened with time of its own accord independent of your constant shaking.

> ***"The secret to success is knowing how much time to spend with each client."***
>
> **Aristotle Onasis**

Let me clarify. <u>You should never give up on a contact, just don't waste time on it</u>. If you hit a brick wall, schedule a call out three or six months or even a year from now and don't call that contact again until then even if he is the head purchaser for the plum account in your territory. <u>Never just stop scheduling calls to someone whom you know is the right decision-maker; just let more time elapse between your calls.</u> Remember that people change, retire, get promoted, demoted, switch jobs and responsibilities. If you call back in six months and Mr. Jones is "no longer working in this office", ask who took over his duties.

I am not suggesting that you stop calling on IBM for six months because one purchasing manager expressed no interest in our services. I am just saying to stop calling that one purchaser so often. If you are pumping each contact for names, there are probably a number of ways to get around one stubborn purchaser. Sometimes you can use your leads to approach an account from the bottom up. Remember that often purchasers have to answer to their users and these users are often managers who can dictate the vendors they want to be used to the purchaser. Other times, you can approach a large account from the top down by calling the purchaser's director. If you sell the director, I assure you that the purchaser will get in line. You may think that the purchaser will get upset and feel that you went over his head. So what? He was giving you no business to start with, so what have you got to loose? Make a bold move.

The moral of this story is don't waste time. It is your most precious asset. If a door is closed, try the back door and then a window. But don't keep knocking on the same locked door. Years ago, selling was often compared to trench warfare. In the information age, selling is better compared to gorilla warfare. Stick and move. Stick and move.

Never just stop scheduling calls to someone whom you know is the right decision-maker; just let more time elapse between your calls

Right Time Call Scheduling

Knowing when to contact a decision-maker is the single most important concept presented here. If the database tells us the right place, then it is the scheduler that tells us the right time. Only with the religious use of an automated scheduler can we estimate, track and be reminded of the right time to contact hundreds of clients simultaneously. The most powerful feature of any and all contact tracking software systems is the scheduler.

Once you talk with a contact and determine how much of your time that client is worth, as soon as you hang up the phone you should estimate and schedule the next time you plan to contact that client. It is important to point out here that computers do not track information; people do. Computers just help us to remember where we put the information. All of the hardware and software in the world will be of little use to you if you can not discipline yourself to record the appropriate information before you move on to the next contact. Only sales persons that can discipline themselves to be organized in this way will be able to use this sales methodology successfully.

As you speak with a client, you should be asking yourself the question, "when is the right time to contact this client again?" The answer may be never again if the client is not the decision-maker you seek. You can even ask the contact when would be a good time for you to call again. Here are a few of the typical answers you may hear from contacts and when you would schedule a call based on each response.

Clues When to Call Again

- *"Well, we really won't have any money until we get our new budgets in July"* ---- Obviously, we want to schedule a call to this guy in July. We also want to record when his fiscal budget begins in July.

- *"We are pretty well set for the next couple of months"* ---- Schedule a call to this guy in two months.

- *"We hope that our new building will be completed by November"* ---- If the completion of this building means that attention will be turned to other needs, you'll want to schedule a call to this guy in early October.

- *"You have to be on the vendor list we just set and it is only bid every three years"* --- No problem, schedule a call to this guy in three years minus a month or two. By the way, don't forget to ask who is in charge of the exceptions list.

You get the picture. Once in a while you will get a real jerk who says, "Don't call me, I'll call you." I think that these guys were beat up a lot on the play ground as children. I have noticed though that these harsh types usually become your most loyal customers once you've won them over. In general, over ninety percent of your contacts will recommend a good time for you to contact them again. Remember, these decision-makers are busy and they don't want to waste their or your time. It is in both of your best interests if they tell you when they might need or wanting to know more about your services in the future.

One of the best things about this technique is that after a while you don't have to worry about whom to contact each day. When you turn on your computer in the morning, up comes a list of all of the calls, meetings and to-does for that day. If you finish them all, it is time to go prospecting for new leads. If you don't finish them all, then you have to roll them over to the next day. After you have been using this technique for a few months, you will begin to notice phenomenal success. It will seem like almost every scheduled call is to a person who really is interested in what you are selling. You won’t be wasting a lot of calls on people who don't need or want our services. The longer you strictly follow this pattern, the more efficient you will become and your sales volume will soar.

Timed and Timeless Activities

Timeless activities are scheduled calls or to-does that can be done at any time during the day. Timed activities are ones that need to be done at a certain time. I like to keep all of my sales calls as timeless. If a secretary says that Mr. Jones will be back in his office at 4:00 p.m. and you are having a hard time getting in touch with him, you may want to schedule a timed call to him at 4:00 p.m. and set an alarm. The alarm will beep at you at 4:00 p.m. and remind you to make the call. A word of caution, use the alarm sparingly and only for things that really do have to be done at that critical moment because alarms can really get on your nerves and even lower your productivity with too many interruptions to your train of thought.

Look for reasons to schedule calls. The old bandwagon technique still works in the information age. When you make a sale or get a contract with one department at a large company, search your database for other contacts at that company. Schedule calls to the key decision-makers you find. Disguise the call as a regular follow up "do you need anything call", but casually drop the information that Joe over in building five just purchased... A decision-maker gets really interested when he hears that money is available and being spent by someone else in his organization. He will remember your name and your reference, because you are now a fiscal reality in his “neck of the woods.”

Generic Notes vs. Specific Contact Notes

Notes about a contact can be kept in two places. There is a generic notes section for keeping general notes about a contact or account and there is a specific notes section for each cleared contact (call, meeting or to-do).

Generic Notes Section

Generic notes should include information about the contact that is not tied to a specific conversation or event. This information is general and might include:

- Directions to the contact's office
- Budgeting Information
- Generic Hot buttons or concerns
- Organizational Charts
- Personal Information about the Contact
- Likes and Dislikes
- Etc.

Specific Notes

Specific Notes are kept on a specific cleared activity. They relate to that one call or meeting and are sometimes called "Results". Here is the type information you would put into the specific or results notes.

- He wants me to fax a written proposal to him by Friday
- Bob expressed concerns of the project delays
- Mary mentioned the possibility of another custom class
- Said he may need contractors in the spring.

Another important reason to use this field is because every client likes to think that he is your only client and your biggest concern. If you have not spoken to Mrs. Jones for six months and she suddenly calls you one day, she will be very impressed that you remember her and what you discussed last.

Call Scheduling Notes

When you schedule a call or meeting, take a moment to put in a brief description of what you want to discuss. This note might be very generic such as, “cold call”, “Get information I sent” or “Any business?”. This note on the scheduled contact can also help you warm up a call by reminding you about some common ground you may have with that contact. For example, a while back, I was having difficulty establishing trust with a client. Our company was rather small for the large project we were discussing. One day over the phone, he asked me to call him back early Friday morning because he was leaving work at lunch time to pick up his wife from the hospital. Good sense and common courtesy told me that I should ask about how his wife was the next time we spoke. I genuinely was concerned and wanted to express interest, but that was five days away. I was averaging seventy-five calls a day and would more than likely have conversations with 375 other contacts before I called this client back on Friday. Would I remember to ask about his wife? Of course I did because the notes on the scheduled call said:

>>>>Asked me to call early Friday. Picking up wife at hospital

Document anything you want to remember to say to the contact. Some of these things might be:

- Ask if new budget includes funds for training.
- Ask how is that internal project we discussed coming along.
- Ask if he is still happy with the staffing agency he is using.
- Ask if the new layoffs are going to effect his department.
- Tell her that you saw the article about them in the paper.
- Discuss his pricing concerns.
- Quality sensitive. Remember to push quality button.
- Ask for more referral names.
- Invite to next free seminar.
- Mention that we did work for their Johnston Facility.

People like people who remember things about them. People like people who seem to place importance on things that are important to them. And all things else being equal, people tend to buy from people they like. If a contact mentions that she will be on vacation next week, when you should make a note to ask, “How was your vacation?”. Never trust frail human memory. If you take a few seconds to document your calls, you will never drop the ball. Never trust human memory.

Sales Cycle Example

We have been over a lot of topics like scheduling, cold calling, information tracking and prospecting. An example of using the company sales tool might help to bring everything we have discussed into focus.   The following real life account of how I applied these sales techniques with our company sales tool to close a software development project with Nabisco Foods demonstrates a typical sale.

One Monday morning, I was sitting at my desk looking over the classified ads from the Sunday paper. This particular morning, I spotted an ad for a Visual Basic programmer for Nabisco Foods. I had never contacted Nabisco Foods because I knew that they were a large mainframe shop not as good of a prospect for the particular skills we offered like Visual Basic. I quickly searched my database for Nabisco to see if I had any contacts there. No matches were found, but If Nabisco was hiring Visual Basic people, I reasoned, then they must have Visual Basic programming projects to support. I added a new contact card to the database called Nabisco Foods with no telephone number or address. I knew that I was going to be very busy that day, so I scheduled a timeless call to Nabisco for Tuesday.

Tuesday morning as I was clearing a call I had just completed, the next scheduled call came up. It was to Nabisco. I called information and got a general phone number. I called and asked to speak to someone in the data processing department. After making my pitch about four times, I found out that a Mr. Wike was in charge of application development projects. I decided he was probably the decision-maker I was after and entered his name in the contact field of the Nabisco Foods record. His voice mail said that he was out of the office and would return the following Monday so I scheduled a call to him for Monday and then went on to my next call.

The following Monday the Nabisco record came up again. I tried Mr. Wike twice and could not get through. I dialed zero to speak with his secretary. His secretary said that he had several meetings that day and would be very difficult to reach. I asked her to check his schedule and see if there was a good time for me to call back. She said that he was scheduled to be in his office around 4:00 p.m. I documented the secretary's name before scheduling a timed call to Mr. Wike for 4:00 p.m. and set an alarm.

At 4:00 p.m. that afternoon while I was talking to another client on the phone, my computer beeped and popped up a message that it was time to call Mr. Wike. Because I was busy negotiating payment terms with another client, I hit "Snooze" for ten minutes. Ten minutes later as I was about to call another contact, the message appeared again. This time I called Mr. Wike.

After listening to my opening presentation, Mr. Wike said that Nabisco Foods was experimenting with Visual Basic, but that no big projects were going to be bid for a while. Because it is very difficult to determine how long "a while" is when scheduling, I asked, "When might be a good time for me to contact you again?" He said that I should contact him again in four or five months. While we were talking, I scheduled the call for four months out. It did not sound like Nabisco Foods was going to be a big account for me any time soon, but out of habit, I could not let a contact go without attempting to get at least one referral. I asked, "So do you work closely with any of the other software development managers?" He said, "Yes, I do, but they are all mainframe people except for the marketing department. They kind of do their own thing over there." I asked, "What do they use." Mr. Wike responded, "You know, they might be using Visual Basic."

After getting Mr. Wike's mailing address and sending him a second impression letter, I entered the new contact he gave me in the marketing department. I scheduled a call to Mrs. Adams the Manager of Marketing Information Systems. I now had two good contacts at Nabisco.

Mrs. Adams was not in her office, so I moved my scheduled call to Tuesday. Tuesday after lunch, I selected the next contact on my call list and there was Mrs. Adams. In the "Reference" field, I had put Mr. Wike's name and the "Last Results" field said, "Wike says she might be using Visual Basic". When Mrs. Adams answered the phone, I introduced myself and said that Mr. Wike in Application Development had suggested that I call because he thought that the Marketing Department might be interested in my company as a Visual Basic resource. After selling Mrs. Adams on the concept of outside expertise, she stated that Mr. Nelson, a project leader, was the one spearheading an effort to develop a state-of-the-art quotation system for the marketing department. I got Mr. Nelson's number and as much information as I could about the proposed project along with two other referrals.

It took about a week to get up with Mr. Nelson. By using Mrs. Adams as a referral and acting somewhat knowledgeable of their goals for a quotation system, I had Mr. Nelson’s full attention. After discussing our services and Visual Basic expertise, Mr. Nelson said that he would consider outsourcing this project to a consulting firm like DB Basics. He said that the project had not be funded as of yet and that he would know something in about three weeks. I scheduled a call to him three weeks out.

While talking with Mr. Nelson, he mentioned several times the need for on going support after the quotation systems had been completed. It seemed that his biggest concern in using an outside firm was the question as to whether it would be available in the future to modify, debug and enhance the program once his people had come to rely on it. I recorded "support" as the dominate buying concerning for this contact and selected a letter template called "support.tmp" from by arsenal of over twenty second impression letters.

Three weeks to the day and hundreds of calls later, my scheduler reminded me to call Mr. Nelson. In the note field, I had documented the high lights of our last conversation. I took a moment to remind myself of who Mr. Nelson was and what his concerns were and then I dialed the number. I briefly reminded him of who I was and asked if he had received the information I had sent. After answering a few questions about our services, Mr. Nelson said that he had received funding for his project and asked if we could meet to discuss how my company would approach such a project. I pulled up my calendar for the month and negotiated a good day.

A week later, my scheduler beeped, reminding me that it was time to leave for my meeting with Mr. Nelson. I set the alarm to go off forty minutes before the meeting hour, to give me enough time for the drive. I printed out Mr. Nelson's record and took it with me in the car. I had gotten directions from Mr. Nelson's secretary and typed them into the generic note field.

After an hour meeting, a faxed proposal and three more telephone calls, DB Basics had its first major project with Nabisco Foods. The day I received the PO number, I searched my database for of the Nabisco contacts I had gathered along the way. I found that I had accumulated seventeen names of IT decision-makers there. I called them all to tell them about the project we were doing for Mr. Nelson. I thanked Mr. Wike for the lead. He seemed especially interested that my company was now an official vendor for Nabisco. He asked me to call him in a month concerning his conversion to Visual Basic. While we were speaking, I moved his scheduled call up to one month out and recorded his increased interest.

Professionally working an account is very much like putting a puzzle together. Each piece you fit in gives you clues as to where other pieces might go. Sometimes I feel like a detective solving a mystery. The clues are there if you listen and do your follow up work. The automated scheduler will allow you to work a hundred puzzles like Nabisco Foods simultaneously. No call is forgotten because they are all scheduled. No clue is lost because they are all documented.

We have said that the secret to successful marketing is in being in the right place at the right time. Organization is the required skill and contact-scheduling software is the required tool. Together, these two assets allow us to statistically increase the probability of being in the right place at the right time. For every Nabisco success story, I could tell you fifty XYZ Company failure stories. The secret is in the numbers. Because I am working so many accounts at once, there are always successes brewing somewhere. And, I never write off contact companies as failures, I just let more time elapse between my scheduled calls to them.

"Every market sector has its gems.
The secret…is a widely held portfolio."

Peter Lynch

Basic Sales Skills

Let's assume that you have done a good job or prospecting and your cold calls have led to an opportunity to enter into a sales dialogue. This dialogue could be over the phone or in person. This is where your skills really get put to the test. Selling is one of the most difficult and rewarding careers available. You are a communicator who must be able to size up opportunities, manage time effectively, control your emotions, organize religiously and think on your feet. In my experience, sales are most often lost do to forgetting to apply some rather basic sales principles. Most often, success in sales is the result of consistently applying the basic techniques. Here are some of those basic principles.

Fact / Benefits

Every product or services has both <u>facts</u> about it and possible <u>benefits</u> that may be derived from those facts for the consumer. Successful salesmanship involves effectively bridging the gap between the facts and the benefits. Facts are indisputable. They can be proven and are not subject to interpretation. Benefits are subjective and more open to interpretation, but based on the facts that support them.

Examples:

Fact: **We add 1000 new resumes a week to our database.**

Benefits: **You will receive excellent candidates from us because we have such a large database of recent resumes from which to draw.**

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Fact: **All of our developers hold at least one technical certification.**

Benefits: **Your project will be delivered successfully because our developers have the necessary skills.**

t of

Most Common Sales Errors

Using or stating an opinion as a fact

Your facts must be indisputable before they will give credibility to your benefits statement. Make sure that your client will recognize your supportive facts as facts and not as opinions. If they are viewed as opinions, but presented as facts, you will not only fail to prove the benefit, but also lose credibility.

Example:

Opinion: Our developers are the best-trained technicians in the industry.
Fact: We require our developers to gain new certifications and take Internal training classes each year.

Opinion: Our VB courseware is better than Microsoft's ATEC courseware.
Fact: Our VB courseware has 156 real world programming examples whereas the ATEC courseware has less than 100.

Opinion: DB Basics is a financially sound and stable company.
Fact: DB Basics has nearly doubles in size each year and has never had an unprofitable quarter.

Opinion: We have a lot of VB expertise at DB Basics.
Fact: We have over fifty certified VB developers in house at DB Basics.

Failing to Connect a Fact to a Benefit

Many, even seasoned sales professionals, assume that the client will automatically make the connection between a fact and a benefit. They have often used the same facts so many times that they fail to mention the associated benefit assuming that the connection is obvious and the client will see the benefit automatically. Make sure you state the connection or your biggest guns may not hit the desired target. Remember that many facts can be associated with multiple benefits and the client may mentally attach a given fact to a unintended (none issue) benefit.

For example, a sales person may say "this chair is made out of solid oak" assuming that the client will associate this fact with the intended benefit of longevity. But, the client may associate the benefit with the product's strength only. Since the client is a ninety-pound woman, the product's ability to support her weight was never an issue and the power of the fact is lost to her real buying concern of longevity.

Another example; a client has expressed concerns about our ability to complete a project by the given deadline. The sales representative states the fact that our developers are paid overtime for billable work, but states no associated benefit. The sales person assumes that the client will know that this policy encourages our developers to work overtime when necessary to meet a client's deadlines. The client, however, may not make this connection assuming instead that the benefit from this fact is merely in our ability to attract and keep good developers. If this was not a concern for the client, the fact does not promote the sale.

<u>Spell it out.</u> Remember that clients are hearing this for the first time and that they do not eat and live this stuff the way we do. Use connector phrases such as "*now what this means to you is…*" or "*the benefit here is…*". <u>Always, put a</u> <u>connector phrase</u> between your fact and the benefit that you want it to support.

Fact:	***Our instructors are project leaders who teach no more than 50% of the time.***
Connector:	***The benefit of this is***
Benefit:	***They have practical insights and real world examples to add interest and value to the classes they teach.***

Check your pitch regularly to make sure that your facts are not dangling. Any fact left hanging with no benefit to anchor it may totally loose its power. Positive facts about your product or service are precious things. Don't waste them. If you use a fact, make sure your client is going to associate the full benefit you want attached to it.

> *"I shot a fact into the air.*
> *Where it landed I know not where."*
>
> ***Ex-sale person***

Connecting Facts to the Wrong Benefit

Another elementary mistake sales persons often make, especially new sales persons eager to close a deal, is connecting facts to a non-issue benefit. Facts/benefits statements must be targeted to a specific client concern or objection in order to have an effect. A deal breaking benefit to one client may be totally inconsequential to another. Most facts can be connected to multiple benefits. Shooting off your facts with random benefit connections before knowing what your client's real issues and concerns are is like a battleship commander who fires all of his missiles before selecting targets.

Follow this outline to target your facts/benefits statements

- Determine your clients major concerns (hot buttons). Do this by listening to objections, horror stories or simply by asking, "what is most important to you when selecting a vendor for…?"
- Restate the client's concern. This will let the client know that you heard and understand it. It will also give the client a chance to correct you if you are wrong.
- Once you know what the main issues are for this client, mentally formulate a benefit statement that will have the biggest impact.
- Now, select the facts that will best support the benefit you have selected.
- Verbalize your facts/benefit statements

Example of Targeting Facts to Benefits

1. **Determine the Client's Concerns**

You are talking to a client about our training services. The client goes on about how he is tired of sitting through slow moving, boring training classes. He keeps stating that his time is important and talking of all the things he has to get done. You think that the issue to target for him is to demonstrate that our training is challenging and fast paced and that it will minimize his down time.

2. **Restate the Client's Concerns**

You say, "It sounds to me like you are looking for fast paced systematic training that gets you up to speed with a new technology quickly and efficiently". The client agrees.

3. **Formulate a benefits statement**

In order to win this business, you must prove to the client that our training is fast paced and a good use of his time. A good benefits statement might be, "which means to you that you will not be bored or wasting time in our classes."

4. **Select the facts to support the benefit**

Possible facts to support the selected benefit:

- Our training is built around a five-day format rather than the typical eight-day format.
- Most of our courseware exercises are already completed up to the point being studied.
- Our Oracle Courseware is over 700 pages long
- Our VB EE class has 156 programming samples.
- Our instructors are real world project leaders who teach only 50% of the time.
- We do not teach application classes.
- We are a real world project shop ourselves.

5. **Verbalize the complete Facts/benefits statements:**

- Our training is built around a five-day format rather than an eight-day format. This means less down time for you because we cover more material in a shorter period of time.

- Most of our courseware exercises are already completed up to the point being studied. This means that you will not waste precious class time filling in the redundant portions of labs.

- Our Oracle Courseware is over 700 pages long. Our courseware is detailed. Our classes have to move along so that we can cover all of the information.

- Our VB EE class has 156 programming samples. What this means to you is that you will have a lot to analyze during the class.

- Our instructors are real world project leaders who teach only 50% of the time. This means that they know the value of time management and deadlines. They are not talking heads who will waste your time with non-relevant information.

- We do not teach application classes. Because we only teach IT professionals, our training format is designed to be fast paced and hard hitting.

- We are a real world project shop ourselves. With over seven hundred projects behind us, we know how costly downtime can be. Our developers take our training, so we design our classes to efficiently cover the most material possible as quickly as possible to minimize your down time as well as ours.

For example, let's say that the client's primary concern in the above case study was that the class might move too quickly and that he might find it difficult to keep up. We could use many of the same facts, but connect them to different benefits. Each example below uses the same facts to target this very different client concern.

- Most of our courseware exercises are already completed up to the point being studied. This means that you will have more time to concentrate on what you are learning and not filling in redundant labs.

- Our Oracle Courseware is over 700 pages long. Our courseware is detailed. This means that you will have detailed notes to review after the class to make sure that you are up to speed and ready for the next day's lesson.

- Our VB EE class has 156 programming samples. You can take all of this with you to review after class at your leisure.

- Our instructors are real world project leaders who teach only 50% of the time. This means that they know the importance of thoroughly and systematically instructing students so that they will be able to do their job back at the office.

Before you leave, fire all missiles

One important point here is that if you are meeting with a client who has expressed no objections and you have probed and feel that there are no hidden objections, go ahead and use your best fact/benefit statements. Always put you best foot forward. Make sure every client hears what is best about our services even if they express no objections.

Objection Handling

Good objection handling is critical to sales success. Objections are any issues that must be overcome before the client will feel comfortable purchasing from us. When a client states an objection, you should be glad because now at least you know what the client's objections are. The objections that you do not know about are the ones that will cost you the sale. Ask probing questions, like "what concerns do have about outsourcing this project" or "what kinds of problems have you had in the past using contract staffing?"

Case study: Unskilled sales person losing a customer

Sales Person:	That's why it is often more cost effective to let us do your software development work.
Client:	I don't think so. Your hourly rate is twice as high as what we can do the work for internally.
Sales Person:	You are obviously not counting all of your internal costs.
Client:	I know exactly what my internal costs are.
Sales Person:	How about recruiting costs, HR costs, benefits…
Client:	Look, I don't need a lesson in cost accounting.

Adversarial Rolls

Our typical client will usually be well educated, intelligent and successful. This often means that we will work with clients who have healthy egos and are strongly opinionated. It is very easy to slip into an adversarial role while overcoming objections. Winning the argument and losing the customer is not a good trade off. Be careful not to tell clients that they are wrong or misinformed especially when around others. Never bluntly say, "that is incorrect". Never criticize their current systems or way of doing things. Our only role is to offer suggestions to be considered. More deals are lost from ego clashes than technical inability. Consider the following dialogue.

Another example of poor objection handling

One more relationship going bad

Sales Person:	I think this contractor has all of the skills you need.
Client:	He doesn't have any Delphi experience.
Sales Person:	He doesn't need it. He has related skills.
Client:	But I said I required Delphi expertise.
Sales Person:	Other visual tool expertise will do fine.

Disagreeing with Clients

When you must disagree with a client or take exception to something that has been said, do it using this cushioning technique.

- **Agree with them on something.**
- **Use a gentle transition phrase.**
- **State your suggestion**

When a client hits you with a strong objection statement, your natural tendency will be to counter directly defending your position. This will make the client want to defend his position against what you said and thus you find yourselves arguing. The only way to win an argument with a client is to keep it from happening. Remember that our goal is not to win arguments, but to sell our services. Keep focused on your ultimate goal. Professional sales persons must have a strong sense of self-esteem; strong enough to not have to prove the point when they know they are right. We let others win argument. You can cry all the way to the bank over the argument you lost!

Begin by finding some part of what was said that you could agree with and state it before your rebuttal. If you can not honestly agree with any part of what was said, at least agree that they have the right to feel that way or that you understand why they might think such a thing. Then use a cushioning, non-offensive transition word or phrase like, “however”, or “you may want to consider”.

This skill is best learned through examples. Consider how a more skilled representative would have avoided the adversarial path in the previous examples.

Examples of Defusing Dialogue

Sales Person:	I think this contractor has all of the skills you need.
Client:	He doesn't have any Delphi experience.
Sales Person:	That is true and I also started to rule him out. But when I interviewed him, I discovered that he had other strong visual tool experience similar to Delphi.

Notice that in each of these examples, the sales person begins by agreeing with the client. This defuses a possible adversarial slide. The sales person shows respect for the client's beliefs. No dogmatic statements are made. Subjective terms such as "may" and "might" are used to cushion the counter. Keep in mind that a client may counter again with more objections. Each objection must be dealt with using the same format. When all objections have been successfully dealt with, a sale will happen.

"The only way to win an argument With a client is to avoid it."

Letters and Sales Collateral

Impressions and Dominant Positions in the Mindset

We have discussed a lot of ways to make sales or rather to be in the right place at the right time when the conditions are favorable for a sale to happen. But, by far the easiest way to make a sale is when a client just calls you up one day out of the blue and asks to buy your service. After working hard all day with little immediate results, I love to get a call at 4:45 from a client who is just dying to buy something. When that happens we all smile to ourselves and think, "Gee, that was an easy sale--- there's got to be a way to make this happen more often." There is.

Several years ago, I was responsible for a mass media campaign that involved producing television commercials, radio spots and display advertising. I learned some valuable lessons about advertising that can really be applied to sales in general.

Any advertising executive understands the importance of making multiple impressions on an audience. Very compelling research in this area has led most media buyers to the consensus that <u>at least three impressions in a short period of time are required in order for a majority of an audience to remember the message you are communicating</u>. If you hear an ad for a product on your favorite radio station once, you will more than likely hear that same ad three times again in the course of a week. They plan it that way. The first time you hear the ad for a product or service you might be interested in purchasing, it is just background chatter you put up with while you are driving. The second time you hear that ad, you tend to listen more because it is somehow familiar to you and you think to yourself, "what I heard of that, sounded like something I could use." And, the third time you hear it, you are really prepared to listen and you are even ready to write down phone numbers.

Just as radio time is purchased in "flights" to statistically increase the probability of three impressions per listener in a short period of time, television commercials are purchased in "runs" to accomplish the same goal. If you see a TV commercial on Monday, you will probably see it at least three more times within a week or two. Some advertisers have even started running the exact same commercial immediately behind itself or back to back. This technique guarantees two impressions per watcher in a very short time frame.

A dominate position in a consumer's mind set is the company name or service a customer thinks of first when he discovers that he wants or needs such a service. Kleenex is one company that has certainly earned such a dominant position in the mindset of most tissue users. If you are like me, you probably refer to all tissues regardless of the manufacturer as "Kleenexes". I over heard a woman in a grocery

store once ask her husband to get her a box of tissues. The husband asked, "Which box of Kleenexes do you want?" She responded, "Puffs".
If you think about it, we don't buy aspirin, we buy Excedrin. We don't buy toothpaste. We buy Crest. We ask our spouse to pick up Charmin on the way home, not toilet paper. By repeatedly putting the name of their product before us, these products have gained a dominant position in our mindset.

OK, how does all this relate to my commission check this week? Advertisers and direct sales persons are alike in that we both are competing with our competitors for a dominant position in our client's mindset. If you sell voice mail and one day a client decides that he needs voice mail for his office, you want him to think of your company's name and more specifically, your name first. If he picks up the phone and calls you, then you have been successful in gaining a dominant position in his mindset.

If you want a contact to remember you, make at least three impressions over a two-week period.

The way to gain a dominant position in your client's mindset is by making multiple impressions in a short period of time. This may sound contrary to the "stick and move" philosophy we discussed earlier, but hear me out. The "stick and move", "don't waste time on people who don't want to talk to you" attitude is for lead qualification only. Once your cold calls have identified a decision-maker who seems to be interested in your product or service, the next goal, is to attempt to gain a dominate position in her mindset, so when she is ready to purchase, she will call you first. We do this by making at least three impressions in a short period of time just like professional advertisers do.

- **First Impression:** We cold call a contact and discover that he is at least somewhat interested in what we are selling. We make a positive sales presentation discussing how our product or service can meet his needs. We promise to send company literature.

- **Second Impression:** We follow up this conversation with correspondence reiterating the benefits we discussed during the first impression phone call. This letter is specific to the needs of this particular client. We will discuss this letter in detail in the next section. This correspondence should also include any nice marketing material we have on our company or services, our business card, and maybe even some references. The contact should receive this impression within three or four days of the first impression.

- **Third Impression:** We call the client back a few days after he should have received the correspondence. Give him a few days to make sure that he has had time to review the information. State that your reason for calling is to make sure that he received the information you sent and to see if he has any questions or concerns. If the contact has not yet read the information then tell him that you will call back after he has had time to look it over. The third impression is very important in gaining a dominant position in this client's mindset because it involves more of the client's senses. The first impression involves only the sense of hearing and the second impression involves only the sense of sight. Memory experts tell us that the more senses we use, the greater our ability is to remember something. During the third impression, the client is most often looking at your materials, touching your business card and listening to you tell him about the benefits of using our services at the same time. <u>It is this third critical impression that is most effective in gaining mind set dominance.</u> This client will more than likely remember you for a while. During this call, always ask the client to file the information away so that he will be able to locate it the next time he has a need for any of the services we offer.

All of the other techniques we have discussed still apply. You will still need to determine how important this contact is to you based on your estimate of how much and how often he will purchase from you. You will still need to schedule periodic follow up calls. You will still want to track important information about this contact, listen for clues and try to get leads. But, if you follow the three-impression rule, you will start getting a lot more calls from clients ready to purchase. Remember, anytime a client calls you, it is the right place and the right time.

***"One of the most tragic things that can
Happen to a sales person is to be forgotten."***

I forgot who said this

The Second Impression Letter

The second impression is usually a letter and company information sent to a contact after an initial phone call presentation. The mere thought of having to follow up calls with a letter is troublesome to most sales persons. In general we are talkers by nature and have a more difficult time communicating in script. We are also very busy and this letter thing sounds time consuming. But, the follow up letter is crucial because it is the only thing a client can file and reference later. It gets the client's visual senses involved increasing the length of time that you will remain in the dominant position of his mindset. It allows us to make a second impression that is not offensive to the contact. Most contacts would consider a sales person to be a pest if he made three phone calls within a two week period. The letter allows us to make a non-offending second impression and a good excuse to make the third impression to see if the promised information arrived.

Following up the first impression with a letter plays a crucial role in the psychology of the sale. When we promise a contact that we will send information and it arrives just like we said it would, we have begun the process of building trust with that client. When we call later to make sure that the information has arrived, we begin to communicate to our client that we will offer good customer support and follow up. The little things we communicate to our clients create the emotions that drive their purchasing decisions. Anytime you can make a promise to a contact and fulfill that promise, you will be miles ahead in their trust category. When a customer asks you to do something, try not to see it as a burden, but as an opportunity to build trust.

Every contact you make does not need a follow up letter. You only need to be concerned about three impressions if you have determined that this person is a decision-maker or influences a decision-maker concerning our services. If you decide that a contact is an A or B client then you will probably benefit by sending out a letter and scheduling a third impression phone call or visit.

Follow these rules when creating a second impression letter.

1. ***Mention all of the services we offer.***
2. ***Customize the template in some small way to make it unique to that contact.***
3. ***Promise to follow up within a week.***
4. ***Target the specific customer's concerns if possible.***

Sample Letter Templates

Following are some sample sales letter template we use for Client that are primarily interested in our Staffing Services.

Date

Name
Company
Address
Address

Dear Mr. Jones:

Thank you for your interest in the resources we provide at DB Basics Inc. Enclosed, you will find our company brochure describing the four services we offer; contract staffing, project outsourcing, and network and training services. I have also included a schedule of our upcoming training classes and my business card. For over a decade, we have been a valuable resource to hundreds of information technology mangers in all of our core competencies. Perhaps we could also be a resource for you.

The staffing division at DB Basics is designed for client's who want to maintain internal control and management of their projects but need additional resources to meet deadlines or to overcome technical hurdles. We offer tremendous expertise in locating, pre-qualifying and pay rolling technical employees for permanent, contract and temporary to permanent hires. Because DB Basics is a project solutions company, we know how to recruit and qualify technical candidates for our clients. Our recruiters will save you both time and money by conducting hundreds of phone interviews, certification testing and reference checking to find the right candidate for each position. We offer free certification training for our contractors and excellent benefits. Our resume database contains thousands of qualified candidates. It is constantly being refreshed through our national advertising campaigns and our internally developed web and news group crawlers that return hundreds of new candidates every week.

I will be following up with you in a few days. Please keep my card on file. If you have any questions or would like to know more about how DB Basics can assist you in reaching your information technology goals, give me a call. I would be happy to work with you or to direct you to the appropriate person to assist you here at DB Basics.

Sincerely

Elements of the Introduction Letters

Notice how this letter has three paragraphs. The first paragraph is a general introduction of the company and services we offer. The middle section is information about the specific service of interest and the last paragraph is a general closing. The second impression letter should follow this outline. This first and last paragraphs are always pretty much the same. The middle section is where you go into more detail about the service for which your contact has the most immediate interest.

Sample Middle Section for a Training Oriented Second Impression Letter

> DB Basics has become the area's real world training center for software developers and system administrators. Our certified trainers are not only professional educators, they are also active industry developers. Besides our regularly scheduled public classes at our training center, we also offer custom classes here or at our clients' facilities. These classes are tailored to meet your specific needs. We also offer a mentoring program to assist students with the real life implementation of the skills they learn in class. Our instructors teach students how to work with and around a language to get the job done.

Sample Middle Section for a Project Solution Oriented Second Impression Letter

> Here at DB Basics, we are proud of our reputation for successfully delivering projects on time and on budget. We have successfully completed over 700 projects for our clients. Our time proven application framework allows us to consistently deliver complex projects through the stages of GUI design, data modeling, performance tuning and quality assurance. All of our internal developers hold at least one technical certification and are required to gain new certifications each year. Our large reusable code library allows us to offer cost effective custom solutions for our clients.

Sample Middle Section for a Network Services Oriented Second Impression Letter

The Network Services Division of DB Basics provides network solutions to support our custom software services. Network Services also offers strategic network planning, installation, configuration, performance tuning, and support services to companies throughout the Carolinas.

The Network Services Division provides solutions for requirements such as:

- Designing and integrating local and wide area networks.
- Designing and implementing client/server networks.
- Stabilizing and managing single and multiple network environments.

Network Services helps our clients take the most favorable path to implementing and managing network solutions. Because we do not force-fit a predetermined network solution into your environment, we help you to support long term networking requirements more cost effectively. We work with you to present the pros and cons of various options, cost implications, and final recommendations. We then assist you with network implementation and ongoing support as required.

Customization of Templates

Try to customize templates to address the specific needs of each client. Use your sales skills especially objection handling. Repeat your customer's concerns so that he or she knows that you heard them and that you take them seriously. Vendors who really listen are rare and will be valued highly. Discuss specific technology that is of interest to the client. Let's say that you have made the first impression via phone with a contact. While asking probing questions, you learn that they are interested in possibly using Visual InterDev to deliver some Intranet applications. The client has expressed some concerns about working with a 1.0 version of this tool. He has also mentioned that he feels that he did not get his money's worth from a previous vendor who gave him a "black box" solution. Here is a sample of a middle section that has been customized for this client.

> As you have accurately pointed out, there are a lot of pitfalls working with leading edge technologies like VI. There can also be great returns on your investment. We have had good success recently delivering robust enterprise web-based solutions for several of our clients utilizing VI. There are a number of ways that we could assist you in building your VI strengths while minimizing the risk. Next week will be conducting an Introduction to VI public class in our training facility. I would like to invite you to attend a day or two of this week -long class at no charge. Perhaps we could meet for lunch that day to discuss our web-development application framework or partnering on a pilot VI project. As you know, the problem with complete outsourcing is that it does not facilitate a transfer of knowledge to your organization. Being a training company at heart, these issues are very important to us. I have a number of ideas on ways that we might be able to assist you in reaching these goals.

Notice in the above customization that we reiterated the client's concerns letting him know that we heard them. We not only agreed with the client, but we began the process of formulating possible solutions. There was a timely offer of a class creating a sense of urgency and a proposed next step. The sales representative has begun painting a picture of himself as a consultant rather than a sales person. The hint of "ideas to help you reach these goals" is very powerful. Good advice is hard to come by and this representative is dangling it like a carrot if the client will put forth the time to meet with him. The sales representative has skillfully positioned DB Basics as a company dedicated to the transfer of knowledge to clients. This positioning puts the company diametrically opposite of the previous vendor in the client's mind. The sales person here knows that unless he can successfully differentiate us from the client's previous bad experience, he will not sell anything. Use customizations to second impression letters to lay a foundation for how you will approach the account.

Envelopes

If your company has marketing materials that you will be including with your letter, I recommend using large white envelopes for several reasons. A large envelope will allow you to send your letter without folding it. Fan folds make if more difficult for your clients to read and file this information. The large white envelops are not much more expensive to use than little envelopes and they make a much more professional impression. Most IT decision-makers receive dozens of pieces of mail each day. The larger envelopes are more likely to be seen and opened because they do not look like junk or mass mail. A professional label on a large white envelop looks like something important and therefore is more likely to get opened and dealt with promptly.

Specific Templates

Special letter templates can also be used to target specific objections that you hear regularly from clients. These can be stand alone letters are just a serious of middle section paragraphs that you cut and past into your standard second impression letter template. You may want such templates addressing "why we are not an ATEC training center" or "why we do not do fixed price projects". If you hear an objection regularly, be prepared to respond. If you take the time to automate your written response to common scenarios, you will save huge amounts of time and mental energy in the future.

Special letter templates can also be created for common dominant buying motivations or specific approaches to selling a particular service. Our staffing service for example, can have two very different second impression letters depending on the mindset of the client being targeted. If a prospect company has never used contract programmers, a template letter can be sent discussing how using contact programmers could save them a lot of money over adding permanent staff for temporary bubbles in their work load. If the prospect company is already using contract programmers, then we should send out a letter template that discussed how adding agencies to your vendor list increases the likelihood of getting a contract programmer with the skills and rate you want. Similar templates can be developed for companies who have never outsourced projects verses ones who already know the value of outsourcing but do not know the benefits of outsourcing to DB Basics.

Build a pattern for success,
Automated it and then
Systematically utilize it.

Letter Mines

Sales and marketing is often compared to war games. We gather intelligence, vie for positioning and execute strategies. Using this analogy, second impression letters and company information kits can be compared to landmines. They can sit around for months on a desk or in a drawer and when you least expect it, they get stepped on and prospect calls you up for more information.

On many occasions, I have decided that a decision-maker should have a "D" status and that I would not call him again for a year. Six months later he has a need, locates my information and second impression letter in his file cabinet and calls me up to place an order worth thousands of dollars. On other occasions, I have had purchasers call me that I have never contacted. They found the information I sent out to someone else in that building a year earlier. One of the best clients I have made first contact with me after finding in her desk the second impression letter I had sent to her predecessor months before she moved into that office.

Anytime a prospect contacts you it is the right time and place to make a sale. This is the easiest sale you will every make. Many times a technical manager who has an immediate need for one of the services we offer will ask a fellow manager for a referral. If the fellow manager vaguely remember your call months earlier, he will search his file for the literature you sent and pass it on to his co-worker. A major benefit of sending literature out is that it sets around waiting to go off at the appropriate time.

> ***"You don't have to fight every battle***
> ***Hand to hand if you leave a lot of***
> ***well-placed mines."***
>
> **General Patton or someone**

References

Compensate Them

Good references are precious things. Keep your references happy. It takes time and energy to be a reference for a vendor. People keep calling them up and asking questions. They tell the same story over and over. After a while they start to feel used. Compensate your references for this. Do something for them every quarter or so to let them know how much you appreciate their efforts. Send them a thank you card. Give them a free DB Basics' shirt. At Christmas, send them a gift certificate for dinner out.

Check your References Regularly

Don't assume that a good reference will always be a good reference. <u>You need to re-qualify the reference regularly</u>. Sometimes, references get upset about being called so often and start to sound frustrated when contacted by a potential new client. There may have been an invoicing problem that has not been resolved yet so they are hesitant when asked for a reference. Maybe someone in the group had a less than perfect experience with some other division of our company. For whatever reason, you must re-qualify reference on a regular basis. They best way to do this is to call them up thanking them for being a reference and asking them if they would continue to be a reference for us. They will tell you if they have any concerns. Another way to check out reference is to ask the potential client what the references you gave out had to say. They will usually tell you. If a reference becomes less than stellar and you continue to use it, it will eventually cost you business.

Good Quotes

Try to keep a list of good quotes from your clients. An excellent way to build an arsenal of good quotes from current clients is to call them and ask them why they buy from you. After they say a few good things, ask them if you could quote them on that. You can even prime them for the quotes you want. For example, if you need a good quote concerning the quality of one of our instructors, asked the client what she liked about this instructor. It's easy to get great quotes from happy customers. These quotes can later be used to target specific client concerns.

Project Solutions

Once it has been decided that a project should be outsourced, a MAR must be able to effectively win the business for DB Basics, Inc. Other account representatives should know enough about our projects division to create an opportunity for a MAR to meet with the client and discuss project outsourcing or staffing.

The Importance of Trust

Totally outsourcing a deliverable requires a greater degree of trust in a vendor than utilizing the other services we offer. Project solutions usually have a longer sales cycle as various decision-makers in the process struggle to gain a feeling of trust with us. Once a project has been outsourced, the client has few options but to stay with that vendor. Switching vendors is time consuming and very costly, so most clients want strong warm fuzzy feelings before any PO's get signed. Trust is built by consistently doing what you say you are going to do. Look for opportunities to build trust. Tell a client that you will fax something over within the hour and do it. Tell a client that you will call at 10:00 on Monday and then make the call precisely at 10:00. If you promise an estimate by Friday, have it there on Thursday. These little things are very important as you begin to build the trust process. Look for opportunities to obligate yourself and then meet the obligation precisely as promised. If a client asks you to do something, do not look upon the obligation as a burdensome task, but rather a wonderful opportunity to prove trustworthiness. Dale Carnegie said it best,

> ***"Little things don't mean a lot…***
> ***They mean everything."***
> **Dale Carnegie**

When obligations cannot be met as promised, let the client know as soon as possible and let the client feel your frustration in not being able me meet the obligation. If I tell a client that I'm sending over a fax right now, and then discover that someone in my office is sending a forty page fax out ahead of me, I call the client back and let him know that there will be a short delay. Building trust is important for all of the types of sales we produce, but especially so for project solutions.

Project Sales Objection Handling

Every decision-maker has hot buttons or areas of concern when it comes to outsourcing. Remember that all objections are serious to the client and must be dealt with even if they seem silly or trivial to us. Make a note of a clients objections or areas of concerns in your contact management system. Each time you have contact with this client, it will remind you to reinforce this area of concern. Here are a few of the major objections you will face and how to overcome them. Memorize the phrases in *Italics*.

Objection: Is your company stable, financially sound and in business for the long haul?

Cues: When a client starts to tell you a war story about a vendor who did not deliver or who went out of business, you know that company trust is the hot button you will have to deal with before winning this business. Clients may ask questions about how long we've been in business, how large we are or who we've worked for in the past. We are not IBM, Anderson or Keene. Many clients will have never head about us. Do not assume that they know our size or history. These questions are all indicators that the client needs a feeling of security about the company in general.

Response:

- *We have been successfully delivering custom software development projects for nearly a decade.*
- *We have successfully completed over 700 projects.*
- *We have perfected our own application framework over the years.*
- *We were founded as a client/server consulting firm specializing in Ingres because it was the only client/server tool available in those days.*
- *We have nearly doubled in size every year for the last four years.*
- *We have over one hundred employees, mostly developers.*
- *We are organized into groups. Developers report to project leaders who report to group leaders who report to the division directors.*
- *We purchased a 34K square foot building in Raleigh.*
- *We have never had an unprofitable year.*

- *Each year we win the NC Tech 50 and Triangle Fast 50 awards for growth and profitability.*

- *We are rated nationally as a top 500-technology company.*

Objection: Do you have the necessary technical expertise?

Cues: Many vendors say they can do anything just to win the work. Most clients have been burned at least once by vendors who did not have the expertise they claimed to have. Clients do not like to fund their vendor's learning curves. They want seasoned expertise if they are going to pay top rates. You will recognize this as a hot topic when clients start to ask questions like, "How do you find good developers?" Other tell tale questions might be, how do you keep up with changing technologies or how much experience do you have with…?

Response:

- *All of our developers hold at least one technical certification and regularly must earn additional certifications. The company sponsors this program.*

- *A candidate must do well on our certification tests to get into our five-stage interview process.*

- *Our policies, training and exciting R&D work help us attract and keep some of the best talent available.*

- *Having our own in-house training division gives us a tremendous edge in both recruiting and in cost effectively providing regular and systematic training for our technical employees. We stay ahead of the curve. For example, we had developed VI courseware, trained several of our developers and bid solutions with this tool before it was even in common use.*

- *We are a Microsoft Partner and beta test site.*

- *Specific Technologies*

- *We have over sixty Visual Basic Certified developers in house.*

- *We have four certified SQL Server DBA's on staff.*

- *We are an Oracle training partner offering over a dozen certified Oracle training classes in central NC.*

- *We use Erwin as our CASE tool.*

- *We have developed and perfected our own courseware over the years for VB, VI, Oracle, VF, Access and others technologies.*

- *Our systems group consists of DBA's, NT administrators, communication specialists, etc. They are a floating resource to all development teams.*

- *<u>Specific References</u>*

- *We have used this tool mix on a number of projects such as…*

- *We have developed our own time proven application framework for best utilizing this tool and it is constantly being updated.*

- *Many new applications we develop now utilize a thin client and centralized processing in anticipation of becoming an Intranet application.*

Objection: How do I know that you will not waste my budget or run up the hours?

Cues: Here again the trust issue is important. You will see this issue arise when clients start asking questions about time tracking, or internal controls. This may be the main issue behind pricing or high estimate concerns. This objection can also be seen when clients insist on fixed cost projects. Almost all clients have this fear.

Response:

- *We set milestones and agree on deliverables up front.*

- *You will get weekly progress reports.*

- *Every project has assigned tasks with approved deadlines. Developers who consistently miss deadlines are dismissed.*

- *Our accounting system tracks percentage to complete on all projects and gives management and the project leader a weekly status report.*

- *A developer found padding his hours would be dismissed instantly.*

Objection: Your hourly rate is too high.

Cues: Most clients will ask for a lower hourly rate in some form or another. Remember our goal is not to sell projects as much as it is to make margin. Anyone can sell based on lowest price. The art is in making a reasonable margin for our services. Here are a few ways to justify our project rates.

Response:

- *We are a RAD shop. Our goal is not to reinvent the wheel.*

- *We make our project managers justify why they are writing code versus using pre-existing objects. You will benefit from projects we have completed in the past.*

- *We know which third party controls to use and which ones to avoid.*

- *We have a large library of reusable code including 3rd party Active X controls and base class objects.*

- *Our hourly rate may seem high, but the overall price of the entire project is were we add value and save you money.*

Objection: Your estimates are too high or I have a lower estimate from another vendor.

Cues: Clients almost always think that the number of hours we have estimated to complete a project is over estimated. They often do not account for change orders, scope creep, QA and unanticipated problems.

Response:

- *We would rather give you a conservative estimate than an optimistic one.*

- *Our estimates include QA time and some change orders tasks.*

- *Many of the systems we develop are critical to the enterprise like the heart is to the body. If you needed a heart transplant, would you shop around for the cheapest doctor?*

- *We have a lot of experience estimating these types of systems. When it is all said and done, this is how much time it will take any vendor to do a good job on this* *project. The only question is which vendor is going to be honest and tell you that up front.*

- *Nearly 80% of our projects come from companies we have worked with before.*

- *Every beta must get through our QA department before it goes to the client.*

Objection: Will I lose control of the process?

Cues: Many clients, especially less technical ones, have a great fear of losing control of a process that it outsourced. You must reassure the client that they will stay in control and that we will not go off on a tangent spending their money. A dark black box is a scary thing especially to glass house mindsets.

Response:

- *Before we begin coding, our client reviews our GUI design and approves all screens. You will basically know what the final product will look like before we do any real coding.*

- *We will have regular milestone meetings and reviews.*

- *The golden rule we teach our project leaders is to "never let a client be surprised."*

- *We expect change orders. It's part of the process. We encourage a flexible atmosphere where good ideas can happen.*

- *Our job is to faithfully lay out functionality and its associated cost like a buffet and then let our clients utilize that information to determine what we should develop.*

Objection: Will you hold my hand?

Cues: Less technical clients often have huge budgets for departmental business systems. Their main concern is that we will help them decide what to write. Whereas a IT manager may give us a detailed set of specifications, an end user manager may want business analysis as a part of the project.

Response:

- *We have a lady with a Ph D in Graphical User Interfaces, a human factors degree. She counts keystrokes for efficiencies and utilizes time and motion analysis. We use wizards etc. for ease of use.*

- *We partner to help our clients decide what to automate. If you automate the wrong things, you'll do them faster all day long.*

- *We are set up to not only develop your application, but also to develop user and training manuals and online help. We even have the capability to bring your users in house for training.*

Objection: Do you understand my business?

Cues: The client here feels that application experience is critical to the success of the project. They ask questions like, "So have you worked for a paper mill before?" or "What do you know about claims processing systems?" You need to give the client a comfort level that we will understand their requirements. Give them references. If we do not have an exact reference, then give them a close fit. "No, we have not worked with a university admission system, but we have done a lot of systems that involved case management and scheduling".

Response:

- *This project looks pretty straightforward. We have completed a number of similar applications.*

- *We are not enamored with the technology; we provide solutions for business.*

- *We focus on ROI. If the ROI is not good, then it is not worth automating.*

- *<u>Application Experience:</u> SFA, Inventory Control, HR systems, On-line order systems, Internet commerce, Manufacturing, Accounting, Case Management, Expert Systems, Data Mining, Survey Automation, Language Conversion, Database Conversion, Cross Platform Connectivity, Screen Scrapping, Mainframe Connectivity, etc.*

Objection: Will you meet my deadline?

Cues: Drop dead deadlines are a common occurrence in project outsourcing. A strong sense of urgency is wonderful for collapsing sales cycles, but you have to get over the deadline issue to close the sale. If you have a start date and estimates approved, the client may still not trust that we will meet the deadlines. Remember that your main contact's job may be at stake here.

Response:

- *We are large enough to move resources around to assist projects that may be falling behind.*

- *When we have missed deadlines in the past, it was most often because we were waiting to get information from a client.*

- *We have an extremely low turnover rate, which means we typically do not lose developers during a project. It also means that our developers are typically still around a year from now when you need support or additional functionality.*

- *We pay our developers overtime for billable work which means that they are more willing to work over time during a crunch period if required.*

- *There is a real worldliness about DB Basics. Everything we write will be used by real people, really soon. We are where the rubber meets the road. This is common place to us.*

Project References to Memorize

There is a specific project board for discussing each of the following projects complete with a description of the project and screen grabs. You must be familiar with our references so that you can drop names and application experience while in casual conversation with prospects. We like to hang project boards where students who are breaking from their class can see them. You can also take prospects on a tour past the project board wall when they visit your location. Pause at each board and give the client a brief description of the project. The client will get warm fuzzy feelings that we have a lot of expertise delivering a variety of project solutions.

- *Memorex Telex SFA System*

- *Duke University Admissions System for the Medical School*
- *Solomon Accounting Internet Commerce Module*
- *IRIS Web Crawler/Recruiting Technology*
- *We developed core systems for Ligget.*
- *We have completed over 20 systems for Glaxo Wellcome.*
- *NonDoc System for GE Aircraft Engines*
- *Emco Wheaton Bid Automation System*
- *Center for Creative Leadership Systems*
- *John Deere Dealer Net System*
- *Encompass Screen Scrap*
- *MJM Investigations*
- *Emco Electronics Japanese Interface*
- *NCASI Mill Profile and Library Projects*
- *SimShop*
- *Columbia Glass Expense Web Reporting*
- *ACGME Residency Tracking*
- *PAO – Medical Claims Processing*
- *PPG – Manufacturing Systems*
- *Ziff Davis – CD mailer*

The Power of Understatement

The power of understating your strengths or admitting to weaknesses is that you gain integrity points with the client. If trust is of primary importance and you trust who you believe, then expressing honesty before a client is very helpful. Present the company as having made mistakes in the past, but having learned from them. Express shortcomings that are not critical. For example:

Client: How have you learned to hire good people?
Sales Person: By making a lot of bad hires over the years!

This is said tongue in cheek, but rings of complete honesty. Client's like that. You must go on to say that we have since put in hiring controls and have a very good success rate with new hires. This is much more powerful and believable than simply saying, "We hire good people." Tell a story. Do not just tell a client that we are good; tell them how we got to be good. Tell them about mistakes we have made and how we learned from them. People trust companies they know about. By sharing our story, you are building on that trust relationship. Other examples:

Client: When did you develop your application framework?
Sales Person: Not soon enough! Several years ago, we had some clients complain that there was little continuity between the various projects we did for them. Each application had a different "look and feel". We wanted a way to share the individual knowledge each developer had with the company as a whole. We also wanted a way to more consistently deliver projects…

Client: How do you manage a company that doubles in size each year?
Sales Person: By making a lot of mistakes, and learning from them. We are pretty good at not making the same mistakes twice.

Client: We may need you guys to help us with our year 2000 problem as well.

Sales Person: We have not really developed that as a core competency. We tend to specialize in internet and client/server applications and have little Cobol expertise. We realize that we cannot be experts at everything.

New sales persons are often so eager to sell something that they sometimes overstate our abilities. Look for opportunities to use understatements or to admit weaknesses. A trust filled relationship with a client is more important in the long run than winning a project that we may have difficulty delivering.

Project Evaluation Forms

After every project, we send out a project evaluation form like the one below. Show it to clients. We tend to get very good scores on these, but learn some things from almost every one we get back. Our developers know that they will be evaluated by their clients and that management at DB Basics, Inc. uses these evaluation when promoting and during salary reviews. Use the form as a fact to support the benefit that we listen to our customers to constantly better our services.

Project Evaluation Form

Thank you for choosing DB Basics, Inc. Please take a moment to complete this survey after your software development project with us has been completed. Your feedback is very important in helping us to better our services. These forms are confidential; we request your complete candor. Please circle one response that best describes how you feel about each statement:

Project Name: ____________________ Company ________________________

Evaluating Client: ____________________ Title ________________________

Date Sent to Client: ____________________ Project Size ________________________

****

Part 1 - Our Project Manager

Name: ____

1=Strongly Disagree, 2=Somewhat disagree, 3=Not Sure, 4=Agree, 5 = Strongly Agree

1. My Project Manager was a quick study. He/she understood our business and technical requirements in a reasonable amount of time.	1	2	3	4	5
134654928. My Project Manager was attentive. He/she listened carefully to what I wanted. I did not have to repeat instructions very often.	1	2	3	4	5
134654976. My Project Manager was responsive. He/she was punctual for meetings and prompt in returning my calls, e-mail messages, etc.	1	2	3	4	5
134655016. My Project Manager was organized. He/she systematically dealt with issues as they arose and did not leave things hanging. He/she had agendas for our meeting and used punch lists.	1	2	3	4	5
134655056. My Project Manager had the technical skill necessary for this project.	1	2	3	4	5
134655144. My Project Manager was a good communicator. He/she could convey questions, concerns and technical issues in a clear and concise manner.	1	2	3	4	5
134655184. My Project Manager kept me informed. He/she helped me set milestones	1	2	3	4	5

and sent me progress reports. He/she documented change orders and kept me abreast of how things were coming along.					
134655232. My Project Manager was a helpful consultant. He/she let me know how my decisions would affect the ultimate deadline and cost of my project He/she was faithful at pointing out cost verses functionality issues and then letting me decide what functionality was worth the cost.	1	2	3	4	5
134655272. My Project Manager was friendly. I felt comfortable telling him/her what I liked and did not like about the work being done. He/she was not defensive or arrogant. He/she did not "talk down to me". I felt in control of my project.	1	2	3	4	5
134655312. If I have DB Basics, Inc. complete another project for my organization, I would like for my Project Manager to be the same.	1	2	3	4	5

Overall Rating for Project manager
Considering all factors, I would give my Project Manager an overall score of:

Please write any additional comments about your Project Manager below. Use additional paper if needed.

Part 2 - Your Account Representative

Account Representative
Name: ______________________________

1=Strongly Disagree, 2=Somewhat disagree, 3=Not Sure, 4=Agree, 5 = Strongly Agree

1. My Account Representative was helpful and professional. He/she was quick to respond to my request and to answer any questions I had. I was not made to feel pressured or uncomfortable by my Account Representative.	1	2	3	4	5
134655360. My Account Representative accurately described to me the capabilities of DB Basics, Inc. prior to beginning my project.	1	2	3	4	5
134655400. My Account Representative stayed in touch with me from time to time to make sure	1	2	3	4	5

that I was satisfied with my Project Manager and the progress being made on my project.					
134655440. If I have DB Basics, Inc. estimate another project for my organization, I would like to work with the same Account Representative.	1	2	3	4	5

Overall Rating for Account Representative

Considering all factors, I would give my Account Representative an overall score of:

Part 3 - DB Basics Company Evaluation

1=Strongly Disagree, 2=Somewhat disagree, 3=Not Sure, 4=Agree, 5 = Strongly Agree

1. The hourly rate that I was charged for this work was fair and reasonable. The hourly rate was an accurate reflection of the skill level DB Basics provided. I feel that the rate was in line for this type of work in my geographic area.	1	2	3	4	5
134655488. The total price I paid for this completed project was fair and reasonable. I feel that I received good value for my money and that DB Basics did not charge me for more hours than were absolutely required for the successful completion of my project.	1	2	3	4	5
3. I would use DB Basics, Inc. again to complete a similar project for my company. I would recommend DB Basics, Inc. to others.	1	2	3	4	5
4. The estimates DB Basics gave me concerning how long it would take and what it would cost to complete my project were relatively accurate based on the information I provided prior to starting the project.	1	2	3	4	5

Please attach any additional comments that you feel might help us to better our service.

Part 4 - You as a client.

1=Strongly Disagree, 2=Somewhat disagree, 3=Not Sure, 4=Agree, 5 = Strongly Agree

1. I feel that I accurately described the scope and functionality of the final project before the work began. I communicated the details necessary to accurately estimate this project.	1	2	3	4	5
134655528. I feel that I was prompt and diligent in getting the Project Manager the	1	2	3	4	5

information that he/she needed to complete my project on schedule.					
134655568. I have personally overseen at least two software development projects prior to working with DB Basics on this project.	1	2	3	4	5

Overall

Considering all components including price, quality of work, timeliness, the caliber of the project manager, programmers, team leader and account representative, the user friendliness of the final product, support, etc., would give DB Basics, Inc. an overall score on my project of:

Avoiding a Fixed Price Situation

Every client wants a fixed or "guaranteed not to exceed" price for software development work. We will only do work on a "time and materials" basis. Following are things you can say to clients to help them understand why we insist on time and material billing.

- *A fixed price will put us into an adversarial roll. Now you want X, but we only agreed to Y. We will both spend a lot of time arguing over what is and is not a change order. It is not productive. It breeds misunderstanding.*

- *In the process, your people will have good ideas and need the flexibility to modify the plan within a given budget. Both the vendor and the customer must work together as a team to manage functionality to budget issues.*

- *Users will only limit their functionality request when they know that each request is limiting the funds available for other requests.*

- *A fixed price predicates a winner and a loser. Either we do not get paid for work we have done, or we get paid for work we have not done. I don't feel good about either of these scenarios.*

- *Even if we did a fixed price, you will end up paying more under such an agreement because we will bid the worst possible scenario and your users will go hog wild under the assumption that new functionality costs nothing.*

- *We are building a house and the blue print for the house at the same time. We have done enough of these projects to know that you will have good ideas through out the process and will want to implement some of them.*

- *Our responsibility is to be faithful to lay out the functionality options and their associated costs like a buffet. Your responsibility is to make the tough calls as to what functionality is worth the price and what is not. What should be moved to a* *later phase and what should be done now. It takes a team to bring a project in on budget. Neither party can take responsibility for this alone.*

- *At X percentage over budget we may be willing to drop our rate so that you will know that we have no incentive to run up the time.*

- *A developer caught padding his hours is a serious offense at DB Basics. It would be grounds for immediate dismissal.*

- *We always have projects waiting to begin. We have no reason to dally and stretch out your project. Our developers would rather be busy creating something than wasting time.*

- *Check our references.*

- *No matter who does this work, it will take at least 800 hours. The only question is which vender is going to be honest and tell you this up front.*

- *Maybe we should work backwards. If you tell me your budget constraints, we can estimate how much of this we can get done within that budget. We will manage to your budget.*

- *I can tell you several stories of developers who promised whatever they needed in order to win the work. When they cannot deliver, they walk or hit you up for more money. You have usually put so much money into them that you cannot back out and you cannot win if you sue them. You are at their mercy.*

- *Our estimates start with a ball park (broad) range. As we get a few weeks into the project, we will be able to more precisely predict the total cost. You can fund a study if you need a more precise estimate.*

- *The bottom line is who do you trust. Look at our references. We would not have a 80% repeat business ratio if we betrayed our client's trust.*

- *Let's play a game that will illustrate our predicament. Let's say I want you to build me a house. How much will it cost? OK, I'll tell you about it. It will be white with 4 bedrooms. How much does it cost? Even with a lot of details, the price could still vary $100K.*

- *We have done three or four fixed price bids in the last few years. All of them turned out to be bad experiences for us and for the client.*

- *Software development is not an exact science. We may discover a new Active tool that takes a month off of the project, or we may discover that a library object we had* *been planning to use is not up to the task and we now must write this code from scratch adding a month to the project.*

- *You control the budget and functionality. We will make you aware of all of your options and you will ultimately decide how much this project will cost.*

Audience Types

Decision-Makers come in many flavors. Each DM has his or her own goals, objections and perspectives. To win business, you will have to be able to sell effectively to all types of DM's. On large account sales, you may find that there are several types of DM's in the critical decision making path. You may have to sell to each type of DM differently. In general, we categorize them like this:

Technical Decision Maker (TDM's)

These are your MIS Directors, DP managers, CIO's, etc. They understand the technology and the deal in general when it comes to project outsourcing. They are not as concerned about application experience because they know that when it comes right down to it, data is data regardless of what it represents. They will be most interested in our technical expertise. You will win them over by discussing our hiring controls, application framework, certification program, QA process and delivery battle scars.

Business Decision Makers (BDM's)

These are your general managers, marketing directors, CEO's, COO's, and business task force leaders. They are more interested in our business analysis skills and understanding of ROI. They want to hear about our industry experience and similar references. Talk process, not technology with a BDM. Concentrate on how to do it better, faster, or cheaper.

Influential End User (IEU's)

These are application experts who will actually be using the software once written. They do not care about our technical expertise. They assume that any vendor can do the job technically. What they really want to know is that you understand their concerns about usability. They want to know that you will listen to them and give them what they need to do their jobs. Talk about GUI design, performance, wizards that cut down on entry time, robustness, online help, training and ease of use issues. Let them know that we will give them the power they need to get what they want throughout the development process. Talk about functionality, not ROI. Act disgusted when they tell you about a problem they have with their current system. Say, "that's totally unacceptable… how can you get your job done with a tool like that?" Be an advocate for their cause. Remember that these people are usually the one's putting pressure on management to do the project. They may ultimately push the BDM to a vendor of their choice.

Project Proposal Template

Following is a sample of some topics addressed in our project's proposal template.

Time and Cost Estimates for Primary Functionality
The following table shows a summary of the tasks required to complete the primary functionality requirements and the estimated billable hours for each task.

Time and Cost Estimates for Secondary Functionality
These items are not part of the core functionality of the system and should included only if budget allows.

Other Issues

Staffing
We would staff this project with one to two developers depending on the number of options selected…

Location of Work
Except for installs and testing, the work on this project will be done at DB Basics Inc.

Miscellaneous Tool Costs
If we discover that a project can benefit by incorporating one or more third party tools such as an ActiveX control, etc., that is not currently a part of the DB Basics' code library, we reserve the right to purchase the tool. These tools usually cost no more than a few hundred dollars and they often reduce the overall billable hours required to complete the project significantly.

Long Term Support
DB Basics Inc. will provide on-going support and modifications for this application at the client's request. This support will be available at whatever our current bill rate is at the time the additional work is requested.

Travel Expenses
If the successful implementation of this project requires travel or overnight lodging expenses to be incurred, these expenses will be passed through to the client without mark up. Travel expenses will be incurred at the client's request only.

Project Estimates Disclaimer

The time and cost estimates given in this proposal are good faith estimates based on our previous experience developing custom software for clients. All project work is done on a time and materials basis only. Estimates in this document are to be used for budgetary and planning purposes only, and not treated as a fixed cost proposal. Previous projects completed by DB Basics Inc. have been significantly over or under the original estimates.

The final cost of a given project can vary dramatically based on the level of detail required by a given client, and when functionality change request are made in the development process. DB Basics Inc. takes responsibility for making our clients aware of how these changes will effect the ultimate cost of the project. Our clients take accountability for using this information to keep the functionality of the project within their acceptable budget parameters.

Why DB Basics Inc. is a good choice for this project.

Previous experience with applications like this one
Previous experience with the preferred tools (certifications etc.)
Long history of successfully completed projects
Our application framework
People on staff who specialize in GUI design, data modeling, technical writing, etc.
Our cost effective reusable (don't reinvent the wheel) philosophy
Hundreds of reusable objects in our library
Our reputation and awards

Bid Preparation

This above section is especially important if you are not going to get to present to the ultimate decision-maker. You must prepare the person who will make your case within the organization. When he or she makes argues for the selection of DB Basics, they will need a list of good reasons why they selected us for the work. Spell it out for them. Give them a list from which to read. Make it easy for them to sell for you by making them look like they did their homework on vendor selection.

Technology and Education Division

Marketing Objective

The primary directive for the Technology and Education Division is new technology acquisition and transfer. It is the goal of this division to learn, teach and help both DB Basics and our clients implement new technologies into our organizations. Our goal as resource consultants here is to partner with our clients to assist them in:

- **Identifying and crystallizing the technical vision for their organization**
- **Developing and delivering training that will allow them to support that vision**
- **Mentoring them through the actual implementation of their technical vision including rollouts, trouble shooting, integration, strategic planning and on-going support**

Ultimately, any organization must invest in the acquisition and development of new technologies and the skills to support those technologies to survive in an ever advancing IT world. Unlike our other division at DB Basics which provide clients with a specific solution to an immediate problem, the Technology and Education Division partners with our clients helping them to invest in themselves. Our goal is to sell these services as a group rather than as individual services. We want to partner with our clients to help them accomplish comprehensive long-range goals and not just to sell a seat in a particular training class. We want to be a partner in every step of new technology acquisition with our customers from the evaluation process down to the training and implementation.

"You might say that our other divisions at DB Basics sell fish while the Technology and Education Division teaches people how to fish for themselves."

Services Offered by Technology and Education Division

Services offered by the Technology and Education Division fall into three categories.

- Consulting Services
- Training Services
- Courseware Sales

Consulting Services

Whereas our Training Services are sold by the seat or by the class, our Consulting Services are sold by the hour. Our Staff in both the Developer and Network Services Groups of our Technology and Education Division are both tasks with helping clients select and implement new technologies. They assist clients in evaluating the pros and cons of various tools and techniques. They consult on implementation and integration issues with legacy systems. They help clients determine *"best path" solutions* while considering benefits, costs and current skill base perspectives. They are focused on *knowledge transfer* rather than on providing a black box solution. They focus on empowering clients and helping to make clients more *self-sufficient.* For our consultants in the Technology and Education Division, every implementation of a new technology is an opportunity to continually educate and invest in our clients. Following are some the specific services we offer:

<u>Evaluation of New Technology</u> We can help clients evaluate new technologies such as development tools, databases, hardware, network operating systems, etc. Because we do not sell specific hardware or software like most of our competitors, our clients can be *assured of our objectivity*. When evaluating new technology and tools, it is important to remain *unbiased*. It is also important to consider the total cost of new technology implementation including the organizations' *learning curve* and long term maintenance costs. Our organization and consultants are especially well qualified for this task.

<u>Implementation</u> We can do much more than hold a training class on new technology. We can follow our students right back to their perspective companies and work with them through the installation and implementation phases. We view this as an *extension of the learning process* where the theory of the classroom and the realities of their specific situation merge. Combining training with consulting is a powerful vehicle for knowledge transfer. In fact, we believe that implementation consulting should be

conducted by an education-focused individual or a valuable *teachable moment* will be lost.

DBA Services Besides teaching database technology like Oracle and SQL Server, we can also help our clients with the hands-on installation, version upgrades, data migration, performance and tuning and disaster recovery plans for these technologies. Our Data Base Administrators' goals are the transfer of knowledge to our clients. Unlike many DBA consulting services, our company comes from a long history to application development. We have the internal expertise and experience to consult in area of database design and the associated application development issues.

Maintenance and Support Our group also offers on-going support as needed. Sometimes our clients will need network stabilization or assistance solving a specific software or networking problem. It may not be cost effective for our smaller clients to keep a high caliber MCSE or DBA on their payroll full time when they only need occasional support. For these clients we offer "*just in time*" IT services. Clients may purchase one week a month, two days per week, are any regular amount of our consulting services.

Skills Assessment This hourly consulting work is designed to help our clients decide how best to retool their IT staff with new technologies. It may include skill testing of their current staff, curriculum development and training rollout implementation plans. For example, Cobol mainframe developers may need to start out with an OOP overview class followed by a GUI design or RAD Concepts class. If they are not familiar with relational databases, an introduction to MS Access class might be appropriate. Their visual tool of choice might come next such as VB, VF or Powerbuilder. This training might be followed by classes in their chosen database such as SQL Server or Oracle. Depending on their development strategies, a class in web development such as VI or Java could follow. All of this might be topped off with a custom designed class on their new application framework. We might propose project partnering for a time. We might also design testing to certify the newly retooled developers. Selling this service is a great way to sell all of our additional Technology and Education Services.

Benefits of our Consulting Services

Our Consulting is Education Oriented

Most VARs offering consulting services provide *black box* solutions only. Their typical procedure is to sell you a tangible good, make it work and leave. The philosophy upon which our Technology and Education Division is built upon is very different. We view the implementation consulting as a continuation of the learning and knowledge transfer process. Everything we do and they way we do it is designed to make our customers more self-supporting. The educator's mindset is totally different from that of the typical tight- lipped, "keeper of the trade secrets" contractor's mentality. In general, clients will get more for their money in the long run utilizing our consulting approach than they will from most of our competitors offering non-education oriented service.

Our Consulting is Unbiased

Most companies that are offering technology evaluation and implementation services have closely aligned themselves with certain hardware and software vendors. They tend to be what is known in the industry as Value Added Resellers (VARs). They may be a "Novell Gold Reseller" or a distributor for a particular hardware manufacturer. *Most VARs are focused on the sell of product and use services to facilitate that end.* It is very difficult for these vendors to recommend solutions for which they will not benefit through the sale of additional product. Their main focus and profits come from the sale of product. *"If all you have is a hammer, than everything looks like a nail"* or in this case, "If you get paid for nails, then all your recommendations will require nailing." We differentiate consulting services at DB Basics by resisting the urge to resell product and by refusing to align ourselves with any particular vendor for the purpose of reselling their goods. While it is true that we are a Microsoft Partner, Oracle Training Center, Solomon Development Center, etc., these are technical alliances only. We do not resell any software or hardware from any of these vendors. *This allows us to be unbiased in making recommendations to our clients.* Often, clients will utilize us to analyze what hardware and software they need or even to write an RFP because of this built in objectivity.

Our Consulting is Heterogeneous in Nature

Along the same lines, our networking engineers are not biased towards a particular environment. We support NT, Novell, UNIX, etc. Most of our network services competitors specialize in one solution only; the one they happen to sell. Our goal is not to sell our clients more hardware or software. *Our goal is to help our clients leverage existing investments when possible.* Most of our clients will have legacy systems that they have invested heavily in over the years. A VAR has much to gain in unseating these systems and promoting the sell of new hardware and software. Our consultants have no such motivation. They realize that new technologies need to be implemented where it makes business sense to do so. We work with our clients to leverage their previous investments integrating with them where possible. We consult across multiple platforms with no ulterior motives providing a more comprehensive solution for clients with heterogeneous infrastructures.

Our Consulting is Software Oriented

Unlike most VARs offering network services or system integrator work, DB Basic has tremendous software development expertise. Infrastructure, after all, is there to support the application software we need. There are many benefits to having a company that really understand the development of custom application software to analyze the foundations supporting it.

We are Total Solution Oriented

As with any of our divisions, we can offer our clients lots of creative cross-division solutions. For example, on of our MCSE trainers/consultants may determine that a client needs a full time administrator for a system. He or she can get our staffing division involved to locate such an administrator for the client. We may discover that the infrastructure is fine, but the software applications need tuning. Again, we can off a complete solution even if that solution is just training our clients to do the work for themselves.

Our Consultants are Certified Professionals

As with all of our technical staff, new certification each year is mandatory. We encourage this by offering our consultants and trainers paid training, paid study time, paid certification testing and bonuses upon completion. It is unusual to find so many diverse new certifications within the same company. Our commitment to the systematic acquisition of new technology means that our clients will get the most accurate and latest technical information available from our consultants.

Training Services

Unlike our billable hours consulting services, our training services are sold by the seat, by the class or through one of our special discount programs. These are the types of training services we offer.

Public Training

These are the regularly scheduled classes held at DB Basics, Inc. facilities. They follow a set outline and usually cannot be customized to meet the needs of a particular student. These classes are best for clients with generic training needs and less than five students to be trained. Public classes are also well suited for decision-makers evaluating the capabilities of new products. After custom training, public training can be utilized for training new hires or stragglers. A five-day class generally costs around $1700 and includes courseware and a light breakfast. The classes are generally broken into a two or three-day "introduction" followed by a two or three day "application development" class. Most students take the full five days. This format, however, allows students that are already somewhat familiar with a tool to skip the basic topics. Logically breaking the classes into two sets each week also makes it possible for developers to minimize their time away from the office by taking one half of the class one month and the second half of the class the following month. Per student, public classes are the most profitable training we sell.

Custom Training

Custom Training is a class designed for a specific client. It can be conducted at DB Basics, but usually it is held at the client site. In addition to the price of the class, clients typically pay for the instructor's travel and lodging expenses. Custom classes are not listed on our public class schedule. They are arranged on the fly subject to our instructor's availability and the client's timeframe. The are some advantages to custom training. Custom classes can be taught when and where the client prefers. These classes can be customized to cover specific topics or tailored for a particular audience. This greatly maximizes the amount of benefit from the "down time" training creates. Instructors also have greater flexibility to spend time answering students' specific questions. The down side to on-site training is that students are often called away to perform work functions and their training time is compromised.

Training Type Terminology

- **Developer Training:**

  This is training designed for application developers such as Visual Basic, C++, Foxpro, etc. Programmers take this kind of training. Microsoft offers a certification track called the Microsoft Certified Software Developer or MCSD. We offer all of the training required for this certification track.

- **System Training:**

  This is training designed for system engineers and administrators such as NT, TCP/IP, Oracle DBA I, SQL Server Administration, etc. These students typically do not write software, but rather specialize in pre-written applications such as operating systems and database management systems. The Microsoft Certified Systems Engineer, MCSE, is a Systems certification offered by Microsoft. We offer all of the classes required for this certification.

- **Application Training:**

  Training designed for end users such as Word, Excel, Introduction to Windows 95, Power point, etc. We currently do not offer public Application classes, however we do offer such training on a custom basis.

Benefits of DB Basics Training

For over a decade, DB Basics, Inc. has been providing training in the latest tools and techniques for professional software developers and system engineers. When selling our training services keep one phrase in mind.

"Real World Training"

This is how we differentiate our training from that of our competitors. Most of our competitors only offer training. They do not specialize in delivering "real world" software development projects or in the implementation of the networking tools they teach. *We believe and have built our training services on the premise that only actively involved developers and system engineers are qualified to teach our classes*. There is a big difference between a *"talking head"* instructor and a real combat veteran. Most of the sales points discussed below center around the real world nature of our training. Use this phrase over and over again while differentiating us from other training companies and while selling our training services.

Training Account Representatives should memorize the following sales point and be able to communicate them with conviction at the drop of a hat. Try to memorize, word for word, the first few paragraphs.

1. Our Instructors have real world hands-on expertise

We require our instructors to have project management experience in addition to a professional training background. *Most of our trainers teach no more than 50% of the time.* They are continuously working with or managing real world implementations. They use these real world examples to add interest and practical insight to the classes that they instruct. You will not get an academic or talking head instructor at DB Basics.

Our trainers have on average thousands of hours of real technical combat experience using the tools they teach. They can identify bugs in the products, new patches, and work-around-fixes. They can discuss application framework issues, pitfalls and best practices in relation to a particular tool.

Our instructors are our best training sales tools. Get them on the line with a training decision-maker whenever possible. Tell your prospect that she can discuss the course outline or possible customizations directly with an instructor. Fax over the instructor's resume and maybe a few really good evaluations from a recent class. Everyone knows that the quality of the instructor makes or breaks the class.

2. We have Hundreds of Excellent References

Over 500 different companies have chosen DB Basics to provide their IT training. Most of these companies are fortune 1000. Drop some big names of clients for which we do training. Check out our customer list in Raleigh and see if any of those accounts have a presence in your territory. Utilize our good name and reputation in the Triangle. Try to get your client to talk to some of the students that have attended our classes. Tell your prospects with confidence,

"If you have any concerns, I strongly encourage you to talk to some of the students who have taking training with us."

3. Our classes are Cost Effective

Although our classes are among the most cost effective in the nation, the most expensive part of training is not the price of the class. The most costly part of training is the nonproductive "down time" companies endure while their developers come up to speed with a new tool. *IT professionals are very expensive these days and slow learning curves can cost thousands of dollars in lost productivity per student*. *In fact, the cost of the class is insignificant when compared to the real cost of learning a new tool. Developers and System Engineers must be thoroughly and systematically taught new tools in order to shorten these expensive learning curves.* Many IT professionals have taken a class with one of our competitors only to retake it with us. Their employers know that the cost of an additional class is insignificant in comparison to the cost of a prolonged learning curve do to poor training. Our training is cost effective up front, but even more important, it is cost effective after the class where it counts the most.

4. Real World Emphasis

Built around our real-time courseware, our custom classes are designed to make IT professionals productive with a new technology as quickly as possible. We teach much more than what buttons to click. *We focus on how the tool is used in industry. Both the strengths and weaknesses of a tool are discussed and how real IT professionals work with and around that new tool to get the job done*. Unlike most "survey style" classes, our courses focus on how the technology is used the majority of the time in real world situations. For example, rather than learning a dozen different ways a particular language may allow you to implement a task, our materials focus on the two ways that are used nearly all of the time. *This emphasis on the practical uses of a language assists students in quickly becoming productive with a new tool by covering more material faster.*

5. Our Training is Continuously Evaluated and Time Proven

Our classes, courseware and instructors have been evaluated by thousands of students over the years. Only certified instructors who consistently average the highest student evaluation scores teach for DB Basics. In fact, our instructors are financially penalized for less than outstanding scores. They must have excellent communication skills as well as the technical skills. *Our classes and trainers have been perfected over the years through these evaluations.* Our on-going quality assurance practices insure that our new classes maintain the same excellent level of consistence as our older courses.

6. Our Training is Flexible

Our training services provide flexible options to meet client's specific needs. Our public classes are offered regularly and they are inexpensive for training small numbers of developers on an ad hoc basis. Our customized classes can cover topics that may be unique or of special interest to a particular organization. Specific tool kits, ActiveX controls, ODBC drivers, database issues, application framework, etc. can be incorporated into a class. Our instructors will work with our clients to develop the class outline that best fits their needs. Remember that the lower productivity caused by the learning curve after a class is the most expensive part of retooling. *Customized classes are great at targeting specific needs and minimizing this costly learning curve.*

7. Our Training is Hands On

Our classes are designed for each student to have his or her own PC. Our training manuals are tightly integrated with the software solutions and examples disks. *Because programmers learn best by doing, our classes provide immediate "hands on" opportunities for students to apply each new technique as it is presented.* Our classes have been meticulously tailored to spend just the right amount of time on each topic. As new topics are presented, they are related to previously learned skills.

8. Our Facilities are Excellent

From the large roomy classrooms, to the high back tilt and rock chairs to the state-of-the art InFocus projector units, our training experience is top notch. Each room has its own climate control unit. Students enjoy all of the goodies they want during our classes.

9. Our Training Materials of Better

At DB Basics, Inc. we develop much of our own courseware and supplement the ATEC courseware we use. Unlike “survey style” training materials, our courseware it tightly integrated with our real world approach and training philosophy. Our courseware is supplemented with dozens of complete code examples and in some cases an entire application framework. For example, our Advanced Visual Basic courseware includes over 160 code samples. Although our courseware is designed specifically for our instructor-lead classes, it is not in a simplistic or outline form. Our courseware is detailed and can be used as an independent learning or reference tool. Our Oracle Boot Camp, for example, has over 700 pages of materials supplementing the courseware disk. We have completed most of the redundant portions of each new exercise on the disks so students can focus on the topic at hand without wasting precious class time. *The best thing about our courseware is that it is dynamic.* Whenever new bugs or incompatibilities are discovered or work-around solutions published on the web, technical magazines or email forums, we integrate them into our courseware before the next class. *Unlike most training companies that use pre-published literature exclusively, our courseware is literally and extension of our on “real world” experience with the tool.* It is also available long before traditional published materials and because it is written and printed in house, our courseware and courseware supplements can be kept up to date as new information is gathered about a tool or newly released product.

Training Discount Programs

Passports

Passports are passes that allow the holder to take any class we offer for a year for a flat rate. If a student is planning on taking several classes, the passport is a great value over the cost of paying the full public price for class. Recommend passports to clients who are signing up for a second class. Tell them that we will credit some of the price they paid for the first class towards the price of the passport. Passports are a great way to lock your best clients into taking all of their training with us. Current passport pricing is available in our most recent training mailer. Passports are non-transferable. Passports are void if the passport holder leaves the company that purchased the passport.

Blocks

Blocks amount to prepaid volume discounts. A Block is a pre-purchased group of days of training. Blocks are purchased at a significant discount depending on the number of days purchased. Any person in the purchasing organization can use the pre-paid days to register for training if the block administrator at their company approves them. A Block is good for two years before it expires. Again, this is a great way to lock your best accounts into taking all of their training with us. Special agreements with other application training companies allow our clients to use their block days for application training as well. Following are some benefits of purchasing blocks:

- **They save you money.** Call up your favorite training coordinator and say, *"I know of a way for you to knock up to 40% off the cost of your developer and system training this year."*

- **They save you time.**
  Clients do not have to get a new PO for every class. One PO takes care of everything.

- **They lock in your rate.**
  Our prices go up every year. Blocks allow a client to purchase training than can be used for up to two years at today's prices.

- **They do not limit your options.**
  Blocks include classes we do not even offer yet. Any new classes we offer next year can be purchased using this year's blocks.

MCSE Certification Tracks

There will be primarily two types of clients interested in our MCSE Track (Systems Training):

- **An IT manager seeking training for his staff**
- **An individual who is seeking to advance his or her technical career by obtaining more marketable skills.**

These two types of clients are very different and will need to be sold differently. Each type of decision-maker has different motivations and goals for from our training.

I. Individual MCSE Candidate

This person wants to get an MCSE certification and may be paying for the class personally. This decision-maker is more price-sensitive. Passing certification tests is a predominate concern. This person may mention the desire for night classes or that they are considering a cheaper community college course. In order to sell this person on our training, you must convince him or her that we are very *certification focused*. We will teach what they need to know to pass certification tests. *This person knows that if they do not get the desired certification then all of their hard efforts and money will have been wasted.* We need to let the MCSE certification candidates know that we are going to do everything we can to get them certified. This is the single most important way that we will differentiate our training from our competitors: by being more certification focused.

How we will communicate that we are certification focused:

a. We offer free monthly certification study groups facilitated by a MCSE
b. We are a Sylvan Testing center and actually administer the tests.
c. We provide a lab where students and practice on Transender tests.
d. We will Host and speaking at local SIG groups
e. We offer a certification guarantee basically stating that one can retake classes at no charge and utilize other services until certified.
h. We will post a wall of fame with the names and pictures of our students and employees who have attained MCSE status.
i. We will consider broader media to the general public such as radio.
j. We will offer referral prizes to students for recommending our services.
k. We will list our free classes, seminars and study sessions on our web site and published schedules.

II. IT manager doing roll out of new technology

This type of client may not be as price sensitive or as focused on the entire certification track, but rather wants training for workers in a specific technology or product to prepare them to accomplish a specific task such as a new product roll outs.

How we want to sell to this market

a. Offer a wide choice of enterprise classes
b. Increase the use of loss leaders (give away a free class to evaluate)
c. Offer and promote free seminars on topics of interest to these managers
d. Capitalize on windows of opportunities by offering and mass-marketing classes from beta releases before ATEC material is available
e. Offer an email based new letter with technical meat but a marketing under-tone. This letter will include praise for students getting their MCSE and a calendar of events as well as tech tips.
f. Emphasis our multiple locations and the rapid availability of each class
g. Emphasis our mentoring and continuing services.
h. Focus on training outsourcing

Training Outsourcing

Selling individual seats in our public classes is a very difficult and relentless process. Each class must be refilled each time it is offered. It takes a lot of calls and work to fill these classes and if the classes are not sizable, we can loose money holding them. So why do we continue to put so much time and effort in selling public classes?

> **The primary goal of selling our public training seats is to facilitate the sale of our consulting services and to gain references within an account to leverage a large training outsourcing deal.**

What is Training Outsourcing?

It is very expensive for our clients to maintain training facilities in house when education is not their core business. Nearly all fortune 2000 clients have some kind of internal training program. We can assist our clients by providing a better training program while lowering their total cost for such training. There is a trend underway in corporate America today to outsource ancillary functions; that is parts of the business that are not the core focus of the business. We can capital on this trend by presenting our training as the “best of bread” in this area.

If we can get our clients to examine what their internal training efforts are really costing them, they will seriously consider outsourcing. *When clients add up the costs of their internal facilities, computer depreciation, courseware and instructor down time and compare this to the volume discounts we offer, DB Basics’ Training becomes a viable outsourcing solution.* Because education is our main core competency, we have the economies of scale to offer better training services at a reduced cost to these customers. Mention outsourcing or volume discounts to a senior training decision-maker and see if you can get an audience. These deals can be very large and can require a lot of creativity and flexibility on the part of the DB Basics to close. Invite your sales manager and marketing director along to such a meeting and work with them as a team to win this business.

Benefits of DB Basics Custom Courseware

We also sell our internally developed courseware to training companies and IT departments nation wide. Here are some of the benefits of using our Courseware.

Quality

Our courseware has been continuously perfected through the critical evaluations of hundreds of developers each year.   These evaluations have made it possible for our courseware developers to fine-tune our materials to avoid any ambiguities. Our material has been meticulously tailored to spend just the right amount of time on each topic. As new topics are presented, they are related to previously learned skills. Our courseware flows the way technical minds works.

Real World Oriented

Our courseware meets the needs of corporate developers. We have taken our successful project and consulting experience and used it to develop real-world courseware. For example, we stress the importance of coding standards, reusability and maintainability.

Cost Effective

DB Basics courseware is among the lowest priced materials available. Not only is our courseware less expensive, it also tends to cover more relevant material than our competitors. We are committed to revisions and timely version updates for our materials.

Time Proven

Our courseware has been selected as the training materials of choice by training centers and fortune 500 companies nation wide. John Deere, Rockwell International, Anheuser-Busch, and American Express, are just a few of the companies that have chosen to use DB Basics courseware. Our courseware is built around the popular five-day or less format that corporate clients want.

Integrated

Our training manuals are tightly integrated with the software solutions and examples disks that accompany our courseware. Because programmers learn best by doing, our courseware provides immediate "hands on" opportunities for students to apply each new technique as it is presented. We have completed most of the redundant portions of each new exercise so that students can focus on the topic at hand without wasting precious class time.

Courseware Options

- **Preprinted Hard Copy**

These are preprinted hard copies of the courseware in a binder with the disks. They are ready to go. They can not be copied. This is a one-time use sale.

- **Site Licenses**

This is a single copy of the courseware that can be copied multiple times to be used at a single location only. These licenses typically expire in one year. The material can not be modified, only printed.

- **Electronic Site Licenses**

This is a site license that can be modified. In this case, we send the courseware on a disk to the client.

Technology and Education Division Objection Handling

Objection: Will I pass certification tests after taking you training classes?

Response:

We can not promise you certification, but we can promise to do much more than other training companies to prepare you to pass certification tests. Our MS classes and courseware supplements are specifically designed to help developers and system engineers to pass MSCD and MCSE certification tests. Our classes are designed around the MCSE Roadmap for certification and we are a certified Sylvan testing center administering these tests. All of our developers and trainers at DB Basics, Inc. have passed MS certification tests, getting some of the highest scores possible, with no training preparation other than the MCSD or MCSE training resources available to them through DB Basics. Our instructors give helpful advice about passing the certification tests during the class and we provide free study sessions and sample tests for students to practice on at no additional charge. Each month we hold a free certification study group lead by an MCSE or MCSD. We also offer a certification guarantee stating that you can continue to retake any class and utilize our certification preparation services at no charge until you are fully certified.

Objection: All ATEC Training is the same.

Response:

A lot of our clients have felt this way before actually attending our classes. Few is any training companies have the breadth of real world experience that we have at DB Basic. We have successfully delivered over 700 custom software development projects and consult extensively with the networking and database tools we teach. Our instructors are real world developers, project managers and system engineers who typically teach no more than 50% of the time. The rest of their time is spent consulting with our clients in the real-world implementation of these technologies. They use these experiences to add interest and practical insight into the classes that they teach. *We fundamentally believe that if a company can not consistently and successfully deliver major projects utilizing these tools, then they should not be teaching others how to do so.* We offer much more than a "talking head". Our real-world instructors will teach students how to work with and around a tool to get the job done. *We supplement the ATEC courseware with current relevant information such as bug documentation, incompatibilities, software patches and work around fixes.* These are never a part of the static ATEC materials because they are printed once and never updated. *Our courseware supplements are an extension of our real world experiences with the products we teach.*

*** Note** *You must be able to differentiate DB Basics, Inc. from any competitor. Learn your competitors in your local market. Think about how we are different. Perhaps they do not have a reputation as a software development company. Be careful about trashing competitors, but feel free to tie facts to benefit statements. For example, many of the training companies in Raleigh have tried to deliver software development projects. They have all given up on this profit center. We do not believe that a company that fails at delivering software development projects is best qualified to teach others how to do it.*

Objection: **We like training built around creating an application as we learn.**

Response:

There are some advantages to this approach and some of our training utilizes this model. Other topics, however, do not lend themselves to this approach. Many students only take the last three days of a class and would not have the first part of the application. Because we have already complete the redundant portion of the exercises for you, our students will get the benefits of this approach while avoiding the time consuming downside.

Objection: **I thought DB Basics was just a software development company.**

Response:

We are noted for our high profile custom application projects, but we have always had an education focus as well. We see these two focuses as the secret to our success. It is through the real world implementation of these technologies that we are able to provide superior training and education services. We train thousands of students each year and go on to assist many of them with the real world implementation of these technologies. We offer much more than a training class. We offer complete knowledge transfer services when include mentoring and consulting.

Objection: **We want a one stop shop where we can buy the hardware and software and get consulting and training services.**

Response:

There are a number of VARs who offer all of these services, however we believe that our model is better for most clients.

Courseware Introduction Letter

Dear :

Enclosed you will find an evaluation copy of the courseware you requested. Thank you for taking the time to evaluating our courseware.

Since 1988, DB Basics, Inc. has been a developer of quality courseware. Our courseware is used nationally by training companies specializing in *hands on* system and developer training.

Our courseware can be purchased individually or through a site or electronic license. If you have questions or comments while reviewing the materials, please do not hesitate to call. I look forward to working with you and to becoming a resource for your training needs.

Sincerely,

Staffing Services

Services Offered

Contract Staffing

This is a temporary work assignment where a contractor recruited through DB Basics, Inc. agrees to work for a particular client for a set time period and rate. We payroll the contractor and we are typically paid an hourly mark up for this service.

Permanent Placements

This is the process of locating a permanent hire for a company. The recruited person is not an employee of DB Basics, Inc. We are typically paid a finder's fee for recruiting this individual. Finder's fees are usually 10% to 30% of the first year's starting salary.

Internal Hire

Local staffing divisions are also tasked with recruiting for all internal technical employees for the other divisions of DB Basics. They recruit for our programmers, trainers and other open technical positions.

Consulting Group

Larger staffing divisions often have a group of permanent employees who move from contract assignment to assignment. The are full time employees of the staffing division, but they work on a contract basis for various clients. They are paid between assignments.

Staffing Verses a Project Solution

The main distinction between a staffing sale and a project sale is in who has accountability for the deliverable. Our accountability for a project is in delivering a total solution on time and on budget to the customer. We take full responsibility for managing the project and the people working on it. With a staffing solution we do not take responsibility for a deliverable or for managing the staff on a project. The customer is responsible for these things. Our deliverable in staffing is to recruit, pre-qualify and payroll. These are our deliverable in staffing. Make sure that you customers know the differences between these services. We will discuss this in more detail under the section on which service to recommend.

Staffing Terminology

Contractor

Any person working on a W2 or 1099 basis who is not a permanent employee of DB Basics, Inc. These employees may or may not work exclusively for us, but there is an understanding that when a particular contract assignment ends, we do not guarantee this individual continuous employment.

Order

This is a validated request from a client for a permanent or contract staffing person. Orders are taken by account representatives and written down on an order form. This form is taken to the staffing manager who validates the order and assigns it to a recruiter.

Recruiter

A full time DB Basics, Inc. staff person dedicated to filling staffing orders. Recruiters also have resume-management, advertising, job fair, interview and other responsibilities. Recruiters are also tasked with maintaining good contractor relationships. They are sales persons in every sense of the word. Recruiters also track the effectiveness of advertising campaigns and report this information to the marketing coordinator.

W2 Hire

A person working on a W2 basis for DB Basics, Inc. Unless a contractor is out-of-state or incorporated, we pay all contractors on a W2 basis. This is important to protect the company from tax liabilities and possible fines for failing to withhold payroll taxes should the contractor neglect the claim the contracting income.

Bench or Beach

The process of continuing to pay a contractor between assignments when he or she is not actually doing billable work.

Submittal

A resume and cover sheet sent to a client as a pre-qualified candidate for a position.

Selling Staffing Services

There are two kinds of prospects you will encounter when selling our staffing services. The first is an IT manager who has not used contract staffing and does not understand the benefits of non-permanent technical staff. The other is an IT manager who understands the benefits of short term staffing, but is already working with a number of agencies to provide these services. Each type of manager must be sold differently.

Why Use Contractors at all?

Save Money

1. Variable overhead verses permanent.
2. Overhead that goes away when project or need ends.
3. No learning curve to finance.
4. Try before you buy. You never know about someone until you work with him.
5. No advertising, recruiting, HR, severance or administrative costs.
6. No costs at all without success.
7. A larger pool of qualified candidates means you can choose the best skills for the lowest price.

Save Time

1. No need to run ads, wade through resumes and interview less than pre-qualified candidates.
2. No tough direct negotiating with candidates.
3. Meet deadlines. You can hire contractors faster than permanents.
4. Get specific skills immediately.
5. Freedom to let a poor performer go immediately.

114877520. How much is your time worth? Is this really what they pay you to do?

Why use DB Basics' Staffing Services

If your client is already aware of the benefits of using short term staffing, you must sell them on the reason to use DB Basics' staffing services over that of a traditional Body Shop.

Better Candidate Selection

Bigger database of recent candidates
Crawlers pull down nearly 1000 unique IT resumes per week
National Advertising: VBPJ, MCPM, VB Catalog in every box of VB sold, job fairs
Many contractors take our training classes

Better Searching tools

IRIS search engines
IRIS auto-coding
IRIS auto-recruiter

Faster Response

20 seconds to database from anywhere in the world
No scrubbing or resumes before indexing
Mass Email benefits

Better Pre-qualifying of Candidates

Certification Testing
Reference Checking
We are a project shop ourselves
Our hiring framework

Better retention of the best contractors

Free technical training (also helps keep the rates down)
Free Basics Benefits
Subsidized Full Benefits
Technical Assistance
Opportunity to work permanent for DB Basics
Recruiters luncheons and social activities

Staffing Policies

First Week Guarantee

We will remove a contractor and replace him with a more suitable one at the client's request. If the contractor being replaced has worked less than 41 hours, we will not invoice the client for the contractor's unacceptable work.

Not a Body Shop

We have said that in order to succeed in any business, we must be able to differentiate ours services from that of our competitors. In training, the phrase “real world” embodies this differentiation. In staffing, the differentiating phrase might be, “project shop”. There are a lot of “body shops” out there today. These companies have no technical expertise. They have neither managed, delivered nor hired anyone to work on an internal project. They simply have a file full of resumes and a telephone. There are very few barriers to entry for this business, so everyone seems to be doing it, but few companies are really adding value for their clients. We are much more than a “body shop” at DB Basics. We know how to recruit for our clients because we recruit for our own projects division as well. We are in a different league from your traditional body shop. We offer a much higher level of expertise, technical knowledge, pre-qualification and basis understanding of our client’s business. We are not faxing over every resume that has the word, “Oracle” on it. We know the difference between an Oracle DBA, and Oracle applications developer, an Oracle Data modeler, etc. This is the critical difference between us and most of our staffing competitors. Always present us as a project development company with over seven hundred successful projects behind us. We just happen to also do staffing. IT managers will like the fact that we differentiate ourselves in this way.

Creating a Sense of Urgency

One of the biggest problems in any staffing business is hiring managers who sit on good candidate's resumes until they have taken a job somewhere else. Good candidates do not remain available for very long and many deals have been lost because of hiring managers that are take too long before moving on a good candidate. It is critical for a staffing sales person to create a sense of urgency that will cause the IT manager to evaluate our resumes in a timely fashion. Here are some things that you can say to create this sense of urgency.

1. *"Our project managers say that if a candidate is still available after four days then he was probably not worth hiring to start with."*

2. *"I think she is interviewing with another company."*

3. *If we hire him now, we can get him in this class before he starts.*

4. *"Let's make a covenant. Our recruiters will spend days working on this for you at no charge. They will make hundreds of phone calls and interview dozens of candidates putting them through our pre-qualification process. They may run specific advertisements, send out mass emails and incur costs. We will do all of these things if you will agree to two things.*

    A. *Assure us that this is a serious order.*
    B. *Give us timely feedback on the candidates we submit to you.*

Recruiter Sales

In order for any deal to close in the staffing division, two sales must take place. The client has to agree to work with DB Basics by giving us a job order and a contractor has to agree to work with our client thus filling the order. Recruiting is sales. It is the process of pre-qualifying candidates and then selling the best candidates on the benefits of working for DB Basics or a particular contract assignment. There are objections to overcome, facts/benefits to target and a number of negotiating rules.

Successful recruiters tend to have excellent memories. They deal with so many job orders and candidates that when a particular position or person comes available, their minds start putting together potential matches. They are the catalysts that make it all happen.

There is a lot involved in recruiting. Our discussion here will be limited to sales, more specifically on selling contractors and permanent hires on the benefits of working for DB Basics. Our procedures manual will deal with related topics such as our hiring framework, using IRIS, contracts, types of employment, determining rates, etc.

Types of Candidates

There are four types of orders each attracting a different type of candidate. Each type of position has different facts/benefits associated with it. Many of these benefits overlap, but some are unique to that particular position. We will discuss how to recruit each type of candidate separately:

Internal Hire	This is a full time internal hire for one of the divisions at DB Basics such as a project group or training division.
Contractor	This is temporary hire working on a particular assignment through DB Basics. Once the assignment is over, this person is not guaranteed employment.
Consulting Group Hire	This is an internal full time hire into the consulting group within the staffing division. Although this person is a full time employee of DB Basics, he or she works exclusively on contract type assignments at customer sites.
Permanent Placement	This is a full time hire facilitated by us for a client. The candidate will be working on a permanent basis for the client and in no way associated with DB Basics.

Internal Hire

This person should be sold on the company in general and the benefits of being a part of a fast growing enterprise. This person has opted out of or never experienced the dog-eat-dog transitory life of contracting. They want to build something that will be more lasting than short-term contracts. They probably know that permanent positions pay less than contracting, but the are looking for something more than money. They want to be a part of a team. A person seeking this type of employment wants loyalty from an employer and will give loyalty back. They want a career path, not just a job.

Part of the Team

Compensation, training and exciting project work are still important benefits, but this person wants more than that. This person needs a warm fuzzy feeling. You must play up the team nature of working with a consistent group. Some of our best friendships are with people we work with. Contractors do not tend to stay in one place long enough to enjoy this benefit. They can take pride in the delivery of a singly project, but the not in the long-term growth on a company. Talk about where we have been as a company and where we are going. Get them involved in the vision. Mention our Christmas party and how much fun we had. Tell him about our Halloween dress up day, summer beach party, softball team, casual dress code and laser tag outings, etc. Talk about high company morale and profit sharing as a function of the team culture here. The key word is *belonging.* You will not sell this person using facts as much as you will by painting a verbal picture of the team to which he or she can belong.

Management Opportunities

A person may be considering an internal permanent position because they want to move into management. Management is reserved for permanent employees, not for temporary contractors. Ask probing question like, where do you see yourself in five years? If you sense that management is one of the candidate’s hot button then communicate that there are a lot of opportunities for management in a fast growing company like DB Basics. We are committed to promoting within. In fact, all of our current managers with the exception of one were promote from within the ranks. If the candidate is interested in living in another location, let him know that we are opening other offices around the nation and this may also be a possibility. Talk career. Talk about “ground floor” opportunity. You will move up a lot faster in a small fast growing company than you will in a large company.

Security

People interested in permanent positions often want an employer to take care of them. This is a big hot button. They do not want to have to worry about where their next job is going to be or how to budget their income to last between contracts. They do not want the responsibility of keeping their skills up to date and marketable. They tend not to be risk takers. They like a stable predictable path. A person with this as a dominant motivation may talk about a lay off or a financially troubled company they worked for. Assure them that a stable environment exists at DB Basics. Tell them that we have never laid a person off in our ten-year history. Talk about our growth rate and financial stability. Name some of the award we have recently won such as the Fast 50 and Technology 500. Talk about our extremely low turn over rate and how our training division keeps us up on new technology so that our services do not become obsolete. Talk about our career development programs such as our training and certification programs. You must let them feel comfortable that if they tie their fate to DB Basics, they will not be let down.

Internal Hire Benefit Statements

Following is a list of facts/benefits you can use when talking with a candidate for an internal permanent position. There is a lot of information here, so print it out, go over the points one at a time while you are both looking at them and then give the document to the candidate to take home. This is very important for a number of reasons. Programmers tend to be analytical. They want to gather information, review it in detail at their leisure and then make a decision. Often this information is communicated to a spouse who has a lot of influence over the decision-maker. Remember that whenever you can not get to one of the decision-makers, you must prepare the one who will be presenting for you. Most of the people you interview will be interviewing at several places. Give them this document and company literature in a nice folder. It will reinforce what was said. It will also keep any misunderstanding from popping up over what you said because it is now all in writing.

“A few good reasons to consider employment with DB Basics”

1. Challenging Project Development Work

Since 1988, we have been committed to utilizing the **latest technologies** to deliver real world software solutions to our clients. Our developers work directly with our clients to take on challenging business problems and come up with creative automated solutions. We have successfully delivered over 700 applications. Our typical client is a Fortune 1000 company. We have developed specific core competence in delivering n-tier, large database, Web and internet commerce related solutions. We specialize in **new development projects**; that is to say projects that require analysis and creativity. Our average project lasts for about four months and then our developers are off with another client, industry and a whole new set of interesting scenarios and technical challenges. Our frequently quoted expression is “*Never a dull moment*” and our motto is “*real systems that substantially help real people do their jobs*”. And, the excitement comes to us as our average developer will travel less than six percent of the time.

2. Excellent Compensation

Not only are our salaries competitive, we also offer our developers significant bonuses for the billable work they do beyond the typical forty hour week. Although such work is not required, it can substantially increase your total compensation. For example, if you, like many salaried employees, tend to average nine billable hours a day, you will receive a quarterly billable bonus of $1875. That’s $7000 a year in bonuses for working the same amount of time that you are probably already working. If you average ten billable hours a day, you will receive a quarterly billable bonus of $3750. That is $14,000 a year in bonuses. Beyond the billable hours bonus, there are merit based bonuses. For example, you will earn a $400 bonus for work related certifications you acquire. In addition to bonuses, DB Basics has a profit sharing plan. Each year, 10% of our company’s profits are paid out to the employees. In the past, the amount has ranged from $1,500 to $2,000 per person per year.

3. Built In Training and Certifications Programs

Although a lot of companies boast of excellent training opportunities for their technical staff, we actually have our own internal training division and full time instructors specializing in both developer and system administration classes. We have developed most of our own training courseware and maintain four training rooms. We offer our internal staff and our training clients five day training courses in topics such as advanced Visual Basic, SQL Server, Oracle, Visual InterDev, Visual C++, HTML and NT administration. We guarantee our billable employees one full week of paid training a year, and many of our employees will receive much more paid training depending on the skills required to successfully complete the projects to which they are assigned. In addition to formal training, we also offer a number of short seminars and technical training luncheons for our staff. We encourage our employees to continually better their skills by gaining technical certifications. You will not only receive paid training and certification testing, you will also be given up to three days of paid study time to prepare for such testing. Our training division is constantly exploring new technologies and tools helping to keep the projects division on the cutting edge of client server and web based technologies.

4. A Good Work Environment

We, like you, enjoy working with friendly and up beat professionals. Our owners and managers have worked hard to make DB Basics a fun place to work. Our hiring guidelines have assisted us in identifying team players. Our casual dress code, open door policy, softball team, parties, etc. all help to foster a community atmosphere. Our extremely low turnover rate is evidence of our high employee morale.

5. Increased Personal Marketability

If you are looking for some impressive projects and technologies for your resume, DB Basics can be a powerful career move. We write **systems that are noticed in the IS world** like the Memorex Telex international inventory control and shipping system, Duke University's Physicians Assistant admissions systems, Pluma's bill and materials system , Bell and Howell's mail processing system, John Deere's dealer network, AT&T's federal billing system and Solomon Accounting's internet commerce technology. Your personal portfolio may become very impressive. Our developers are exposed to applications like sales force automation, online catalogues, simulators, manufacturing systems, web crawlers and search engines. You will be exposed to much more than technology. Our developers gain valuable insights into how various industries work and how major companies operate and succeed. You will work with some of the most highly qualified and experienced IS professionals in the nation. Our **veteran support staff** of data modelers, DBA's, GUI design, networking and QA specialists will assist you and your team in successfully delivering projects. You will be exposed to our application framework, code library and time proven process for successfully delivering software solutions.

6. 100% Employer Paid Benefits

You will enjoy excellent benefits including **medical, disability, pharmaceutical, life, dental, and vision** coverage. As an individual, you will pay no premiums for this coverage and you can not be denied these benefits. Company subsidized family plans are also available. You will accumulate 2.5 weeks of paid personal time per year. You also have the option of converting your billable hours bonus into additional paid vacation time. After a year of service, you will be eligible to participate in our **401K** retirement plan with 50% employer matching contributions up to 4% of your income. We also offer a pretax **cafeteria plan**. You will find us very flexible in working with you and your family's needs.

7. An Excellent Career Move

There are a lot of career opportunities at DB Basics. Each year, DB Basics nearly doubled in size. All of our current technical managers were promoted from within our organization. As we open new offices and form new groups and divisions, there will be tremendous opportunities for our employees. You will also enjoy job security. In our nine year history, a lack of work or profitability has never forced us to lay off an employee. We work with our people to make sure that they are continually being challenged. Sometimes our employees move between technologies or groups for a fresh challenge. Having multiple divisions and groups helps us offer our staff options on lateral moves within the company.

8. A Great Place to Live

For the last several years the RDU area has been ranked in the top ten "Best Places to Live" in the USA. The great job market, quality of our universities and medical care, low crime rate, climate, lakes, low pollution levels and proximity to the beaches and mountains were all factors in making the Raleigh Durham area a top choice. The internationally recognized Research Triangle Park (RTP) has attracted many of the top technology companies and talent from around the nation.

Contractor Hire

Professional contractors tend to be self-confident, risk takers and more worldly. They do not want or need a company to "hold their hand." They get calls from five agencies a week so they have no fear of being without a job. They have no loyalty to an employer and tend to believe that employers do not have any real loyalty to their employees. Many of these contractors were part of the IBM and other Fortune IT layoffs in the early 1990s. The "cradle to the grave" promise failed them and left them disappointed and hardened. They believe that no one looks out for you and your career but you. You live by your skills and take care of yourself. These contractors know that you can make more money per hour as a contractor than you can as a permanent employee. They are going to care very little about how fast we are growing or about how high our employee morale is. They are going to mostly focus on the contract at hand and not the company they work through. They may view us only as a payroll agency.

The benefits of the assignment

You will have to sell the contractor on the benefits of the particular assignment at hand. Will it be interesting and challenging? What new skills will be learned? How will it make the contractor more marketable in the future? Contractors live by their skills. If their skills become unmarketable, then they are sunk. They know this and will respond very favorably to an opportunity to pick up new skills. Contractors do not like to admit this, but they do have a great need for recognition. Working as a temporary is often like being a second class citizen in a company. The people building their careers take all of the credit for success and they are looked at as an expendable "temporary" resource. Often professional contractors will seem very prideful even arrogant. This is a natural by-product of their lack of recognition. They are seeking to be recognized and appreciated, but such accolades and encouragement is usually reserved for career employees. You will do well to play to the contractors need for recognition. Let the contractor know how much they will be appreciated by the client. Communicate that the client is really looking for a "consultant" not a "contractor". In fact, always refer to them as consultants. Say, "It would really mean a lot to this client, to have someone of your caliber mentoring them." Any opportunity to teach or to assist in knowledge transfer is recognition of value. This is a fundamental need for contractors. Try to get your clients to include a bullet item under the job description that discusses helping them to learn something. Contractors love this and will often take such an assignment even if it means a little less money.

Benefits of contracting through DB Basics

Many contractors are simply brokering their skills through whatever agency has the best deal. If the contractors are our customers then we must differentiate our services from that of our competitors. Although many of the benefits we offer are reserved for permanent employees, there are some very important benefits available to our contractors. These benefits will help encourage the contractor to work through us and maybe even at a lower hourly rate.

- **Training**

We are the only staffing group I know of with a built in training division. We offer free training to our contractors. This is by far the biggest benefit for the contractor because he usually has to pay for such training himself. The amount of training is negotiable and the contractor must purchase his own courseware, but this is still a great deal because we teach the newer technical skills that will command the highest pay rates.

- **Benefits**

All of our W2 based contractors receive short and long term disability and life insurance at no charge. Other benefits such as medical, pharmaceutical, 401K, dental, vision, etc. are available to contractors and can be negotiated for as a part of package. W2 hires can not be denied these benefits for any reason including pre-existing illness. This is a tremendous benefit for some contractors. In fact, it alone can close some deals.

- **Team**

Although being a part of the team is not as important to contractors, to some, it will be viewed as a benefit. Let the contractor know that they will be invited to all company events. Let the contractor know that you personally will be taking him or she to lunch once a month to make sure that everything it going ok. You keep your customers by providing a higher level of service than your competitors. Ask the contractor to tell you what his ideal assignment would be and let him know that you will be on the look out for it when he nears the end of this assignment. Treat the contractor as a valued prize and communicate that we will work very hard to keep his business. Let him know that we deal with a lot of clients and will be able to provide on-going assignments. Be flexible in meeting each contractor’s needs.

Consulting Group Hire

The consulting group is really the best of both worlds. You get all of the benefits of being a full time permanent employee and many of the benefits of contracting such as higher pay and diverse projects. Use a combination of full time hire and contractor hiring benefits when selling the opportunity. Let the candidate know that we are not like most of the staffing-only agencies that hire everyone on a full time basis but lay people off when the assignment ends. Some agencies say they have full time employees only, but at the same time the have a 60% turn over rate each year. We are not playing these games. Communicate to the candidate that we are committed to the full time continuous employment even between projects. Better that contracting, the consulting group gets to be paid while on the bench. The also get paid holidays and vacation days. This is a wonderful concept for contractors who are used to only being paid when they work. Let the candidate know that we will continue to work with him or her to keep them happy. If they are very unhappy at a particular assignment, we will try to get them a different assignment. If they grow tired on contracting, we can move them to an internal project or training position.

Permanent Placements

The only sales points here are the benefits offered by the company to which they are being hired. Make sure that you understand all of the hiring benefits offered by the client-company and that you can communicate them to the candidate.

Probing Questions

Remember that each candidate will come from a unique background and have unique goals for his or her next position. Ask probing questions like,

"Describe for me your ideal job?"
"What do you like or not like about your current assignment?"

Remember that this is a sale. You must seek out your prospect's dominant buying motivations and objections. Position yourself as a career consultant. Keep your audience in mind as you are selling. If a person is coming from a permanent position to a contracting position, you will need to sell them on the benefits of contracting such as taking long breaks between assignments, being your own boss and making more money. You may need to overcome the security objection, by letting him know that he will have no problem getting continuous work in today's market. A person coming from a contracting background to a permanent position will need to hear you discuss the joys of not being a contractor. Remember that there are good things and bad things about each type of employment. People want different things at different stages of their lives. For example, young single person may want to travel, gain diverse experience and maximize income. Contracting might be a perfect vehicle for this person. Later in life, that same person may want more security, to be part of a team and establish roots in a given community. At this point, a permanent position might fit the bill better.

Insurance Benefits

- BC/BS Preferred Care Select Co-pay offers a combination PPO and traditional indemnity plan.
- Family coverage can be added to the health, dental and vision insurance policies at employee expense.
- Life insurance for an amount equal to employee's salary up to $50,000.
- Accidental Death and Dismemberment coverage equal to employees salary up to $50,000.
- Short Term Disability coverage. 67% of salary (up to $750/wk.) is paid for sickness and injury beginning on the 8th day.
- Long Term Disability coverage. 60% of salary (up to $6,000/mo.) is paid for sickness and injury for owners/shareholders. 67% of salary (up to $6,000/mo) is paid for sickness and injury for all other employees.
- Prescription Card that is generally accepted at most pharmacies with $6 payment for most prescriptions.
- Health/Disability/Life coverage is effective one month after hire date.

401K

- Nine different stock, bond, real asset, and money market funds from which to choose.
- Employees become eligible on January 1st or July 1st following their one year hire date anniversary.
- Employee may contribute up to 15% of Pre-Tax Gross Pay.
- Company matches 50% of each dollar contributed by an employee up to 4% of gross pay..
- Toll Free number for current balance and movement between funds.

Flexible Spending Plan

- Employees are eligible on the first day of the month following their one month hire date anniversary.
- Employees may contribute up to $5,000 per year for Dependent Care Reimbursement.
- Employees may contribute up to $5,000 per year for Medical Reimbursement.
- Employees who choose to cover their dependents on DBBasics' medical plan may have those premiums deducted on a pre-tax basis also.
- A booklet explaining the details, benefits, and restrictions of the flex spending plan is available.

Holidays

All full-time employees are granted 9 paid holidays. full-time employees working full-time at a clients' site will be granted the same paid holidays as the client provides its employees instead of the normal DB Basics holidays. DB Basics observes the following Paid Holidays:

Paid Personal Days

Full-time employees with less than 5 years of service earn 13 Paid Personal Days per year. These days are accrued monthly starting from the employee's hire date.

Full-time employees with 5 or more years of service earn 19.5 Paid Personal Days per year. These days are accrued monthly starting from the first month following the completion of five years of service.

All employees, except group managers and instructors, may convert extra days worked into Paid Personal Days for use at a future time. Requests to convert specific extra days worked to Paid Personal Days must be made in writing to the Human Resources department

Paid Personal Days are available for use for vacations, sick days, for personal business, or other personal reasons. Paid Personal Days must be taken in 8 hour increments. A maximum of 10 Paid Personal Days may be carried from one calendar year to the next. Vacation requests should be made in writing to your supervisor at least two weeks in advance.

The following grid will help you to quickly identify what benefits are available to which types of hire. For a description of the types of employment, see our policy manual.

	Salaried	Hourly	1099 Subcontractors
Taxes Withheld	Y	Y	N
Paid Overtime	N	Y*	Y
Short/Long Term Disability	Y	Y	N
Life Insurance	Y	Y	N
Medical/Dental/Vision	Y	Y	N
401K	Y	Y	N
Flexible Spending	Y	N	N
Paid Personal/Holiday Time	Y	N	N
Referral Bonus	Y	Y	Y
Certification Bonus	Y	N	N
Billable Bonus	Y	N	N
Profit Sharing Bonus	Y	N	N
Paid Training	Y	Y	Y
Bench Time	Y	N	N

Referrals

Successful recruiters are able to source potential employees and close them on DB Basics. In this section we will discuss networking. DB Basics invests a significant amount of money in Internet and print media advertising on an ongoing basis to attract potential employees. This gives the technical recruiter a baseline flow of resumes. However, advertising, by itself, is inefficient in attracting enough candidates to satisfy the DB Basics staffing sales engine. It is the objective of the technical recruiter, **for every resume that comes in through our advertising channels to convert it into two additional resumes**. This is accomplished by the continuous application of networking skills.

The best time to hire someone is when that individual is NOT looking for a job. Therefore, the recruiter won't be competing with all the other staffing agencies, technical companies, and recruiters out there. It is the objective of the technical recruiter, to find potential employees when they are not looking for a position and to sell them on DB Basics.

When talking with a potential employee always ask the following question

"Do you know anyone else who may be interested in knowing about job opportunities with DB Basics?"

If they seem reluctant, follow up with the incentive statement like

"We do offer a referral bonus".

You may want to say that you are putting together a team and is there anyone that they have worked in the past that they would recommend and like to work with again. Try not to say that we are recruiting for <u>one</u> opening because if that candidate wants the position he may not give the names of any competitors for it. Do not limit the conversation to the current job opening that you are discussing with the potential employee. They may know someone else with a completely different but, highly marketable skill set. For every resume that comes in via email, we send out a questionnaire. The last question we ask in this form, is: Do you know anyone else who has similar skills that you can refer to us? Most successful companies doing staffing fill more positions through referrals than they do through new incoming resumes.

Overcoming Objections

This job doesn't pay enough?

Anyone can up the rate. This technique requires no skill. The art is in making margin. Discuss the non-financial benefits such as training or exposure to new skills. Tie these intangibles to the ability to command a higher rate in the future. Most people don't mind making investments if they see the pay off later on. Never argue money with a contractor. Position yourself as the contractor's advocate trying to get him all of the pay rate possible from the client. This way, you can "appeal to a higher authority" and even play good guy/bad buy negotiating if you need to do so.

Why do I have to wait six months to start 401K?

There are significant costs in setting someone up in the 401K plan. This is a common restriction. In fact, most companies do not allow contractors to participate in the 401K plan at all and if they do, there is a one-year wait.

This job is a step backwards for me in terms of technology?

Discuss how much demand there is for this skill set. Contractors are more concerned about the marketability of their skills than they are with how new they are. Discuss our training benefits. Say, you can make good money now using your existing skills while getting free training for your next technology move.

Your mark up is too high?

Show the contractor the pie graph chart demonstrating that our ultimate prophet is six cents on the dollar. Never tell our gross margin, but educate the contractor as to the cost of doing business such as advertising and training costs. Our margins are normal and typical for this industry. Let the contractor know that you make hundreds of calls and conduct countless interviews to find a candidate. Say, "I work very hard; don't you believe that my efforts justify a six-cent profit margin?"

Bill Rate Break Down Chart

Querying the Database

A query is a search of your database for records that match certain criteria. A query will limit the amount of contact records you must look through to find the specific record or group of records you want to consider. Most sales tools have built in some of the more popular queries you will need such as the ability to search for last name, company name, first name, zip code, etc. Sometimes, if the last name of a contact is very common like Smith or Jones, you may want to search on a less common first name. For example, if you are looking for Winthrop Jones and you have fifty Jones in the database, it will be faster to search for Winthrop. If the caller is from Zetech Inc. and his last name is Smith, you will probably find his record faster by searching by company name.

Pre-discussion Preparation

It is especially important to have the ability to quickly search for a client's record by the client's last name or company. Inform the receptionist or anyone answering the phone to make sure that they get a caller's last name and company name. Getting this information serves two important purposes. First of all, it allows you to set priorities by only taking important calls when you are behind. Second and more important, it allows you to take a few seconds to search your contact database for the contact's record. It is a horrible mistake to forget who a client is or what you discussed last. Taking ten seconds to review the contact's record will refresh your memory. When you pick up the phone you can greet this caller knowing all of the following information:

The caller's full name	: Name Field
The caller's position or title	: Title Field
When you last spoke	: History Record
What you discussed	: Last contact History
Who or what referred him to you	: Referred or Source Field
His dominate buying motive	: Hot Button or Concerns Field
What competitors he may be using	: Competitors Field
What business you have done	: History Record
The price range he wants	: Price Range Field
Hardware and OS Environment	: Environment fields

Depending on the information you've collected about this contact, you may also know a number of other important facts about this client. Try to never pick up a phone call cold. A few seconds of preparation will make all the difference in the world in how you approach and come across to a contact. If you answer the phone and they person starts talking, try to look up the person's record before disclosing that you do not have a clue who it is. Everyone likes to the feel important. Clients like to think that they are the only customer you have and that you spend all of your time thinking about them. If you forget who a contact is, then you are communicating to the contact that he is not important to you. It is an insult to be forgotten. What kind of service can a client expect from a sale person who can not even remember who he is or what you discussed last?

If you are making fifty or more calls a day, leaving messages for some contacts and sending our letters, you will forget most of the contacts you have solicited. It is inexcusable for a professional sales person who called a contact a few days ago to grope when the call is returned. I shutter every time I hear a sales representative tell a contact over the phone, "Now, who are you with?" or "Just a moment and I'll figure out what I called you about."

On the other hand, people are impressed when you remember things about them. They think you are sharp. They begin to trust your ability to handle their account and meet their needs. They don't know why, but they like you. You represent our company to everyone you solicit. By your demeanor clients will judge whether or not your company pays attention to the details or lets things fall between the cracks. Clients have a hard time believing that your company will track and keep up with their 3000-hour project when you can not even keep track of their name.

I can not begin to tell you the number of times that this single technique has won new business for us. I learned the importance of this technique by calling clients after they had made a purchase and asking them why they decided to buy from us. The majority of the time, it was not price, or speedy delivery, or quality that the clients cited as the main reason. Most often they discussed a feeling. They said things like, "I just felt that you guys would get it right the first time" or "I just felt like you guys would see this project through." It is your ability to meticulously track and organize information that makes clients "feel" that way.

Example

An example will demonstrate how to use this technique wins business. A few years ago, I was making a cold call. I was referred to a man we will call John Smith in Technical Operations who might have a database conversion need. I called John and told him about our database conversion services. He was rather cold and short with me. He said that they only had one database in Technical Operations and that it ran on a very old midrange computer. I told him about the benefits of having that data converted to a new database that would run on newer and faster hardware, but his philosophy was, "If it ain't broke, why fix it?"

The call was very short. The contact expressed little interest if any in our services. I decided to send him a letter template discussing our database conversion services, but I did not think that this account was worth a third impression call so I just scheduled a call to check back with him in ten months. Following is the information record I entered about this contact that day.

Company:	Data General	Address1:	One Data Drive
Contact:	John Smith	Address2:	Building Three
Title:	Manager of Tech Ops.	Address3:	
Phone:	919-343-8788	City:	RTP
Fax:		State:	NC
Salutation:	John	Zip:	23756

Calls	4/3/95 RE: Any Business now...
Meetings	None
To-does	None

Last Results: Possible Database conversion, but no pain to do it soon.

Referred By: Joe Moore, his friend in the Data Processing Group

Status:	D	Hardware	: System 36
Concern:		OS	: MVS
Competitor:		Application	: Defect Tracking

Notes : He is decision-maker, but sees no reason to upgrade at this time.

History

3/3/94	Contact Record Created	
3/4/94	Cold Call Completed	
3/4/94	Letter Sent	T:/templates/Conversions.tpl

About six months later, the receptionist told me that a John Smith with Data General was on the line. I had no idea who this caller was, but following standard procedure, I quickly searched the contact database for John Smith. Up came the above record. After about ten seconds, I had reviewed the record and picked up the line. The following conversation took place.

- *"Hello Mr. Smith. How are things in the technical operations group going?"*
- *Smith: "Oh pretty good. We are still plugging along."*
- *"Is that midrange still holding up?"*

- *Smith: "Well it still does the job I need it to do, but actually, that is why I'm calling. Does your company still do database conversions?"*

- *"We sure do. In fact we just finished a conversion for a company right down the street from you guys"*

- *Smith: "Good. Our new director has asked all of the RTP facilities to standardize on newer hardware with better performance. If I send you over the specs, would you submit a price estimate for converting the data?"*

- *"I'd be happy to. Do you have my fax number?"*

- *Smith: "Yes, it's on the card you sent me."*

- *"Great, I'll be looking for it. By the way, how is Joe Moore doing?"*

- *Smith: "Good, we just had lunch yesterday. His group is going to need the same type conversion. I think some money has been budgeted for it towards the end of the year.*

- *“Are there any other managers you know of who might also be interested in our conversion services?"*

- *Smith: "Well Bob Johnson is one and Sue Heller may be another. I know that they are going to be among the first to switch over. You can get their numbers from the front desk. If I see them, I'll mention your company to them."*

- *“Will your people need any training on the new operating system or development tools?”*

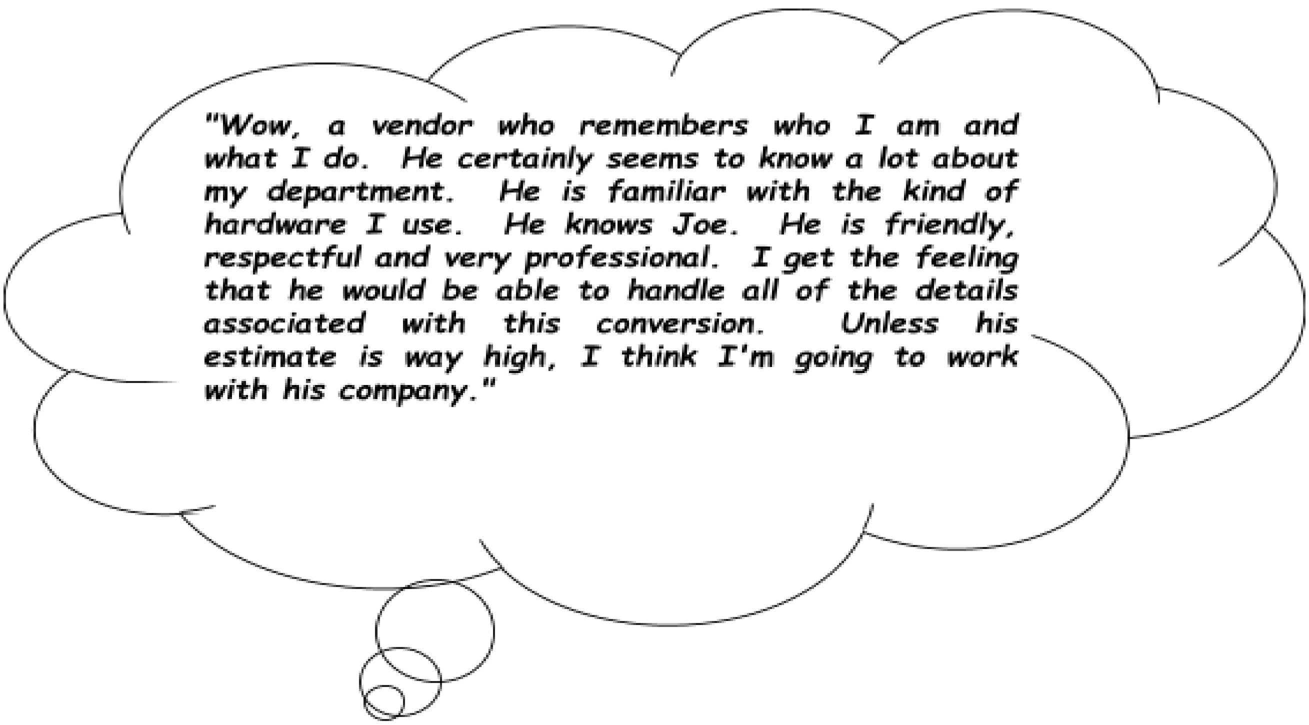
- *Smith: “Maybe, I’ll check with some of the managers and let you know?”*

- *"Thanks a lot. I really appreciate the opportunity to bid this work for you."*

- *Smith: "No problem. I'll get this fax out to you today. Give me a call after you have looked it over."*

- *"OK. I'll call you on Monday. Good-by."*

The information I tracked about this contact six months earlier made it possible for me to make a good impression on Mr. Smith. Notice how I addressed him as if I knew him. I sounded like he was my most important account and that I had patiently been waiting for him to call for six months. I showed respect by calling him by his last name, and then switched to the friendlier first name after I had established some common ground. Wouldn't you love to have a "thought speaker" that would let you know what a client was thinking about you during your sales presentation? Well I can tell you what Mr. Smith was thinking. After he hung up the phone, he thought to himself:



Do you believe that a sale can be made or loss by the way you answer the telephone? I do, and I am convinced that this sale was practically closed before the price estimates were even sent. If you track information about your contacts and you can call that information up on demand, you will close a lot of sales just by the way you answer the phone. Some people have said that I am just lucky. I think luck has very little to do with consistent success in sales.

"Luck favors the prepared"

Albert Einstein

Custom Queries

Our sales tool will allow you to search on more than just a contact's last name. In the previous example, Mr. Smith said also stated that the new director had asked all of the RTP facilities to standardize on newer hardware with better performance. Now that is an important clue because changing hardware often means rewriting applications software, training, staffing and network services opportunities. Immediately after entering the names of the new contacts he gave me, I searched my database for any records with Data General listed as the company name. This query allowed me to quickly view the twenty-two contacts we had at DG. The account was getting ripe and it was time to move up scheduled calls to contacts there, gather more intelligence, pump my contacts for more leads and talk with my coach there.

Queries fall into two categories; quick primary queries and custom queries you develop. Quick queries will allow you to look up contacts by any one standard field. A custom query will allow you to search your database for unique combinations of data in any field. For example, you may want to send out a mass mailing to your "A" clients and sort the mailing by zip codes for the bulk mailing rates, a custom query would be needed to search both the status field and the zip code field at the same time. Because custom queries are usually designed to search for data in custom fields, the benefits of custom queries can best be seen in specific examples.

When a new version of Visual Basic is released to the public, we query the company database for all companies using VB so that we can send them information on the new class. If Microsoft is offering a free seminar on migrating from Novell to NT, you might want to query the database for clients who have Novell listed in the environment fields.
For another example, let's say that you are going to be making a sales trip to a neighboring city and would like to visit a few of your major clients in that area while you are there. You could quickly create a query that looked like this:

Area Code = XXX
And
Status = A
And
Size > 500 employees

This query would limit your active records to those where the client is located in the area code you a visiting, is considered a prime account and represents a large purchaser. If you look through this short list, you should be able to select a few good clients on which to call. <u>Many times it is the queries that will assist us in deciding how best to utilize our precious sales time.</u> If you know your industry and your clients, you will know what to query.

Reports

A report is really a printed query that can total things for you. You can write reports to show and total any information for which you want a hard copy. Unless you are a sales manager and need to document trends, settle commission disputes, etc. you will probably not write a lot of custom reports. The built in or pre-written reports are however very useful. Some of the most useful reports you will be able to view and print are:

Your schedule for any set date range
A directory of contacts in any given company
A phone directory of contacts
A complete single contact's record
A history of all activities completed with a particular contact or account
A summary of all activities completed within a certain date range.
A calendar
You sales pipeline with probabilities of closure

Schedule Report

If you are going to be away from your computer or in your car, you may want to take your schedule of contacts for the day with you by printing out a schedule report. Our system allows you to enter pages of notes on any given contact. I often put directions on how to get to a client's office in the notes. I can print a complete contact record report as I am leaving to go to the client's site. On this report, I have the directions I need, the client's phone number, in case I get lost, and I can review the client's information and history on the way.

History Report

The history report is a listing of every call, meeting, to-do, letter or fax sent, etc. that has been completed with a particular contact. This information is automatically accumulated every time you clear an activity, change the information in a field, print a document, etc. The history report is very important because it is literally everything you have done with that contact. Because the history report date stamps every entry, it is useful for determining which representative first called on an account. It is also great for documenting important changes to the "last results" field. If you promise a client something, make sure you document it so that it will become a part of this history record. Once, I promised a client that I would lower the consulting rates he was paying to us by $10 per hour as of that day. Later, there was a discrepancy concerning when this rate change was to take effect. I quickly printed the following contact history report and faxed it to the client.

Contact History Report for Doug Newman of Memorex

9/02/94	RE: Sent Joe over to help meet deadlines on new project
8/23/94	Call Completed
8/23/94	RE: I agreed to lower rate by $10 starting today
8/20/94	RE: Bill said we were behind on deadline
8/20/94	Call complete 4:22 minutes

History Reports are great for covering yourself when clients remember things differently than you do. If you are making hundreds of calls a week and have dozens of balls in the air, you will not remember every detail of every deal. <u>It is critical that you document every time you or your client agrees to do something</u>. Clients have very selective memories. Clients will often force you to take accountability for something that you never agreed to do. You will often not remember with certainty and clients can sound very convincing. For example:

Who agreed to cover travel expenses for that contractor coming in for an interview?
When did we promise to have someone there by?
After how many months did we agree the contractor could go perm at no charge?
If they purchase how many training days will we up the discount to 40%?
We will not charge them for how many hours?
Who agreed to pay the additional over night shipping cost on that courseware?
How much per diem did we promise that contractor?

Misunderstandings with clients are bad anyway you look at it. We are viewed as being less credible or we are forced to agree to something that we did not commit to doing. Having been burned often, I eventually learned to cover myself by meticulously documenting anything that smacked of a commitment on either my part or the client's part. As soon as a promise is made or a conditional agreement reached, make sure you document it in the client history. It is important to also document if such an agreement was discussed, but no consensus was reached because often, clients will recall the conversation as having generated such an agreement when in fact it did not.

The best way to handle a dispute with a client it to apologize for the misunderstanding and say that you will immediately review your notes from the previous conversations. Print out your history report and fax it to the client. Follow up with a call saying that this was your recollection. Clients will usually back down at this point because they will see that you have documented proof of what you both agreed to do. If you do not have clear documentation on the agreement, you will probably have to side with the client's memory over your own.

Clients have very selective memories.

Summary Reports

Summary reports are useful as indicators of your level of productivity over a set time. A summary report for the last five days will show you a short listing of every contact you made during that period. It will total how many calls, meetings and to-does were accomplished. I like to print out this report for certain weeks or months and compare the totals to check on my productivity level. Summary reports are great for measuring your efforts and keeping up your momentum. For example, some sales representatives will set a goal of making 300 cold calls in a given week. At the end of the week, they can print the summary report and check the total under the "calls made" column. This report is also a great way to show management what you are busy doing all day. We grant tremendous flexibility to sales people who are slow to get sales going, but are doing the right things. We know that if a sales person is systematically doing the right things, success will be just around the corner.

Time Management

Prospecting Prime Time

No matter how well you apply the principles we have discussed, you will constantly be running out of time during your workday. The more contacts you make, the more leads you will generate, and the more leads you generate, the more contacts you will have to make. The clock especially harasses sales persons who also have administrative responsibilities. Organizing your day around your marketing responsibilities will free up what I call marketing prime time.

Most contacts can only be reached during regular business hours. They are most often busy or not in around noon and they don't want to talk to sales people late in their workday. We all have non-prospecting things we have to do each day. Try to schedule these activities before 8:00 a.m., around lunchtime and after 4:00 p.m. Try to be making calls during prospecting prime time. Prime time for selling is from 8:00 a.m. to 11:30 a.m. and from 1:30 p.m. to 4:00 p.m. Try to schedule sales meetings and other tasks during non-prime time.

We have already discussed the time investment needed for an in person sales visit. When you do need to meet with a client, try to do it first thing in the morning or around 4:00 p.m. That way, it does not cut into your prime calling time as much. Try to schedule all off site trips first thing in the morning or before quitting time so you can do them on the way to or from work.

The Golden Rule of Time Management

Time management, organization and prioritizing are techniques that we have all heard about. They are buzzwords at time management seminars. Most people know all about these techniques, but they just never seem to have time to do them. They insist on relying on their memories and wonder why things keep falling through the cracks. In brief, prioritizing means keeping a pad of paper in front of you all day. Every time you are asked to do something, or you think of something you need to do, **write it down**. Even if there is only one other thing on the list, write it down anyway. It will amaze you; the things you can forget. As you begin to use the automated sales approach we have discussed, things are going to start happening a lot faster in your office. You will forget. For example:

> A client asks you to fax over some references. As you begin to type it up, the receptionist says, "Mr. Mead from Central Corporation is on line two." You quickly abandon your fax and search for "Mead". You review his record and prepare to speak with him, but just before you pick up the

> phone, your manager sticks her head in your office and says, "I must have that information we discussed by 2:00." While you are talking to Mr. Mead, you remember that you need to look over a company's web site before you meet with them at 1:00. Just then your automated scheduler beeps at you and states that it is time for your sales meeting to begin. When you return an hour later from the meeting you wonder, "now who was that fax for?"

If you are a highly productive sales person, you can probably relate to times like this. It sounds impossibly confusing and indeed it is if you rely solely on your memory. Even, very important things can be forgotten amide more recent concerns. If you keep that note pad before you and use it religiously, you will remember and do everything and you can stop and re-prioritize at will. A barrage of things may happen all at once, but there is usually a calm after the storm where you can regroup, prioritize and get things done. Discipline is the key. Force yourself to document everything as it happens. If you just finished a call to a client and need to schedule another call to that client and someone walks in your office and wants your immediate attention, ask him to wait a second. Turn to your computer and schedule the call and then deal with the intruder. If you are asked to do something and then you are told that a call is holding for you, write down what you were asked to do on your memory pad and then pick up the call. The caller will wait for the ten seconds it takes to jot down a note.

The Primary Rule of Organization

> **"Do is immediately or Write it down"**
>
> Getitdon
> The Greek God of Organization

The simple rule is **deal with it immediately or document it**, but never ever, under any circumstances store it in fragile human memory. Under stress, your memory will become your worst enemy because it will constantly lure you by saying *"Trust me. I wont let your forget it. You are going to do it in a few minutes anyway."* Then, in the heat of battle, it is gone like a crashed hard drive; clients are disappointed, managers are mad, co-workers let down, leads are lost forever and worst of all, you feel that your work load is insurmountable as stress dominates you.

> "If you listen to the song of the Siren
> You will surely perish."
>
> Sinbad

All this can easily be avoided. Not by making one big decision, but by making hundreds of little ones. To any task that presents itself, you must immediately decide whether to deal with it of to write it down. These are the only two options. Trusting it to memory is not an option for the organized. This sounds so simple, but few people ever really discipline themselves to do it effectively.

I remember the quality control problems I was having with a previous business. We built custom PC's. The technicians were constantly interrupted by sales people with technical questions, client's with last minute requests, and verbal change orders. One day, I required every person in the company to begin carrying a little notebook in his or her pocket. Every time a technician was asked to do something or thought of a task, I required him to write it down unless he was going to start doing it immediately. After a while, this became a habit for everyone. The results were incredible. Every indicator we used to measure quality control and customer satisfaction showed significant improvement.

Prioritizing

Prioritizing only becomes possible when you have a written comprehensive list of tasks. If it looks like you are not going to get to everything on your list, then stop for a few seconds and prioritize the line items by number. When prioritizing, estimate how many of the items on your list you can realistically get done today. Rank them by importance. When ranking, think of how bad the consequences will be if a task is moved out until tomorrow. Think consequences. If you are going to disappoint a client if you do not get two tasks completed and you only have time to get one done, estimate how valuable the clients are to you and disappoint the lesser. Many of the tasks we choose to do first have the lowest consequences but we do them first because we over estimate our ability to get to everything else on the list. You never know what will come up. Always rank tasks and do them in order of priority.

Start with number one and mark tasks off as you accomplish them. Even if you don't get everything done today, you will have the satisfaction of seeing the marked off items you accomplished. A certain peace comes from knowing that nothing was forgotten. Everything was done in its order of importance. You did all you could do and that the rest will wait until tomorrow. Stress is minimized. You will feel in control.

Begin each morning by quickly listing the things you need to accomplish that day. Carry over items that did not get done the previous day. Use your automated scheduler. That's the same as "writing it down". And, most important, remember break the rule. Do it immediately or write it down.

Call Reluctance

Call reluctance has been called the biggest problem facing sales people today. Is has been a career stopper for some of the most talented sales professionals I have known. Being able to identify the signs of call reluctance is critical to your success in sales.

What is Task Reluctance?

Task reluctance is a subconscious defense mechanism that helps us avoid difficult or uncomfortable situations. Most people dislike and avoid conflict and stressful or awkward events. Tasks reluctance is our psyche's natural motivation to protect us by stirring us clear of such events. It is human nature is to put off unpleasant tasks.

I suffer from mowing reluctance. I hate to mow the grass at my house. I can justify putting this task off for weeks at a time. It is only when the grass reaches an unsightly length that I am forced to deal with my reluctance and take action. <u>Our minds are great at coming up with good reasons to avoid the unpleasant tasks we know we should be doing.</u> I often think to myself:

The grass is too wet today.
I really should sharpen the blade first.
It's too hot right now.
I really should spend more time with my child.
I need to RAS into work and do some important stuff.

Reluctance Justification

This brings us to an important fact about any task reluctance. <u>Task reluctance uses true statements to justify postponement of action</u>. In the above example, it is true that I should spend more time with my little girl. This is a fact and it is an admirable goal. If is also true that I could RAS in to work. There is always important work that I could be doing there. When you find yourself thinking up good justifications to avoid an unpleasant task, that's the clue that task reluctance is quietly affecting your behavior. Marriage therapists say that conflict avoidance is one of the major marital problems couples must overcome when learning to communicate. When we subconsciously start putting off important tasks, we may not even notice the consequences of what is happening.

The Effects of Call Reluctance

Call reluctance is task reluctance in regards to making cold call. Making a cold call definitely qualifies as a reluctant event. No one likes to interrupt busy decision-makers. Trying to forge new trails in unfamiliar territory is often frightening. The potential of being verbally abused or made to feel unimportant excites us even less. Cold calling is often unpleasant. It means dealing with rejection. The fact that we are dealing with sale objections means there is conflict.

We have discussed in detail how the sales approach that has been most successful at DB Basics is one of making many contacts. Because we sell several IT services and our decision-makers are scattered throughout the organization, our business lends itself to making a lot of contacts. Our motto is *"it is easier to find hungry people than it is to try to make people hungry."* This means making a lot of calls. Call reluctance is the most devastating problem facing our sales people today. To succeed in sales under this model, we must will learn how to spot call reluctance and overcome it. There are always a dozen important tasks that we could be doing instead of making our calls. Almost any of these tasks will be more pleasant than cold calling. Call reluctance eats away at our productivity. I have observed that no task a sales person can do here that contributes more to his or her success than using the phone to make contacts.

Forms of call reluctance

1. **Process Perfection Justification**
   "I need to spend more time perfecting the process."

This form of call reluctance is centered around continuously spending time thinking of ways to gain minuet efficiencies in the sales process. This is a convenient justification for call reluctance because the process can always be improved some. A sales person suffering from "process perfection call reluctance" will avoid unpleasant sales calls by tinkering with the company software, perfecting the wording on corporate documents and sales material, generating slightly better reports or memos, etc. They argue that they are working hard to help the company's sales efforts and their co-workers, but it all boils down to simple call reluctance.

2. **Better Preparation Justification**
"I need to research the account more before I call."

This form of call reluctance is built on the misconception that if we know more about the account before we call, the task will be less unpleasant. This justification for delaying sales calls is hard to recognize. Obviously, some pre-sale research can be beneficial, but a person suffering from this form of reluctance will waste a lot of time before finally making the call. They will check out a company's web site, read every database history record for every contact within the account, draw an organizational chart, discuss the account in pains taking detail with everyone in the office and outline word for word what they are going to say before finally making the call. This reluctance will dramatically limit a sales person's call volume and thus their total sales. They justify their time consuming overkill by saying that the pre-sale preparation is important to the sales process. Like all task reluctance justifications, this is true, but it's still just call reluctance.

3. **Current Customers Justification**
"I need to call people who already know me."

A person suffering from this form of call reluctance does in fact make a lot of sales calls, but not to new prospects. This person has discovered that it is less unpleasant to call current accounts than to call new prospects they do not know. These persons justify putting off prospect calls by reasoning that account maintenance is important and so they need to spend all of their time kicking around the current customer base. While it is important to maintain contact with current clients, the fact is that one's sales volume will primarily grow when new contacts are added. Over attention on current customers is a sign of this form of call reluctance.

4. **Just too busy Justification**
"I'm really just too busy doing other important stuff."

This form of reluctance takes on many forms. Sales persons and managers suffering from this type of call reluctance have discovered that almost any task is more enjoyable than cold calling, so they fill their hours doing these things. A bid that could be complete in one hour now takes two because some really cool graphics were included. The graphics do not significantly increase the probability of winning the business, but it was an hour spent more enjoyable than cold calling. The "just too busy" justification is a form of call reluctance that can express itself in many ways. Meetings that should take fifteen minutes, now take thirty, Internet research that should have taken ten minutes now requires an hour. Even social discussions with co-workers are lengthened because every minute used up is another minute we will not need to spend cold calling.

Overcoming Call Reluctance

Beware of call reluctance. It creeps in when you least expect it. Prosperity can often be the biggest obstacle successful sales people face because it gets us out of our routine for future success. Here are some ways to avoid call reluctance.

- Identify the type of call reluctance you may have.
- Learn to spot call reluctance justifications in your daily routine.
- Ask yourself before beginning a new activity if this activity is more important than making your cold calls today.
- Set aside dedicated hours each day exclusively for cold calling. Treat this time as sacred.
- Set call volume goals each week, and reward yourself for meeting those goals. If you miss your goals analyze what tasks contributed to this failure and how important were they.

Avoiding Conflict with Clients

Whenever money is involved, conflict is inevitable. Sooner or later, you will find yourself at odds with a client. We have already discussed objection handling techniques and how to avoid adversarial situations with clients. Here are some general guidelines that will help you stay on your client's good side.

1. **Help the client feel that you are taking full responsibility / accountability for any misunderstanding.**

   - This is especially important if you are right and the client is 100% wrong.
   - Allow clients to save face when they are obviously wrong especially around others.
   - Memorize the magic phrase, *"I'm sorry, I must have misunderstood you."*
   - Move the conversation off of the misunderstanding (blame) and onto a constructive plan of action to accomplish new priorities.

2. **Never let a customer be surprised.**

   - Start thinking in terms of the customer expectations.
   - If you need to change a client's expectations, do it as soon as possible and be ready to explain why.
   - Apologize whenever customer expectations are changed even if no one is to blame.
   - Share bad news as soon as you find out about it.

3. **Help clients feel like they are in control.**

   - Keep in mind that your role is to lay out the options with the associated benefits and consequences and then let the client make the decisions.
   - Try not to recommend a course of action unless asked by the client.
   - Constantly look for areas were the client can make a decision and there by mentally take ownership of the outcome.

4. **Get angry <u>with</u> not <u>at</u> a client.**

   - Keep in mind that we are usually partially at fault when a client gets angry if for no other reason than for that fact that we could have done a better job setting his expectations.
   - Taking accountability will pacify the client's anger.
   - Try to avoid defending yourself as this will lead to assigning blame.

Selling as Resource Consulting

We have discussed how to sell each of the services available through DB Basics. Now, let's consider how to position ourselves for selling all of our services collectively. What should our demeanor and sales approach be when we do not yet know which service our client is interested in purchasing?

We are Resource Consultants

All DB Basics Sales Professionals should consider themselves to be a resource consultant. This is how you should always present yourself to clients. An initial presentation to a client should include a brief overview of our company's core competencies only. Never go into a sale presentation pitching the benefits of one of our particular services. If you do, you will be labeled as a sales person. Most decision-makers feel that a sales person has to be guarded against because his or her job is to sell you a particular product or service. <u>A resource consultant, on the other hand, is someone who listens and then makes recommendations</u>. The typical "sales person versus decision-maker" adversarial roll no longer exist. The guard comes down and you become a valued and trusted advisor.

When clients tell you about their pain and all of the work they may need to outsource be careful not to show excitement or pleasure at their predicament. If you do, you will be labeled as a salesperson and treated as such. A resource consultant should express thoughtful concern at this disclosure and begin the process of helping the client weigh the pros and cons of various solutions.

Always be forthright with your client. If the client's needs do not fit our services, say so. You will lose a sale, but you will establish yourself as a trusted consultant which will most often prove more valuable to your long term sales goals than the missed opportunity at hand.

How to position yourself as a resource consultant

- **Include all of our services in your initial overview to a new prospect even if he is just inquiring about one particular service.**
- **Try to talk with prospects about <u>why</u> they are interested in a service and not just about the logistics of delivering that service to them.**
- **Try to get your clients talking about their long term objectives and goals. Don't limit your discussing to the immediate training class or contractor they need.**
- **Use phrases and sentences that will position you as an unbiased resource consultant, not just a sales person for a particular profit center.**

It would be a cardinal sin for any sales person at DB Basics to talk to a prospect and not mention all of the services we offer. You must keep in mind that many IT managers are the decision-maker for not just one, but all of the services we offer. Many others who just handle one service such as a training manager also have influence over other IT managers and co-workers who would be interested in our other services. It makes me crazy when I hear clients say things like:

"I didn't know that you guys do staffing."
"I though you were just a training company."
"I could have used DB Basics for my Network Services need."
"I thought you guys were primarily just a project outsourcing shop."

Ahhhhhh! When I hear things like this, I always look up who their sales person was and find out where we went wrong. If clients do not know about our four divisions, then we have lost the power of our unique marketing mix that differentiates us from our one-horse competitors.

Get your clients talking about their plans, goals and ultimate objectives for their organizations. If you just get them the staffing contractor they need, you may totally miss out on their ultimate plan to outsource all Web based development. If you just sell them the seat they asked for in our next SQL Server class, you may miss their ultimate goal of standardizing on MS products and all of the network services and project work that might be a part of this move.

Let the client know that you are not just trying to make a sale. Clients must feel that you have many tools in your box and that you are in the process of analyzing which tool will best meet their needs. Use phrases and sentences that will position you as an unbiased resource consultant. When describing why we have a Staffing Division, emphatically tell your client,

"…Because some projects should <u>not</u> be outsourced."

When discussing our project solutions, tell clients with conviction that

"The best solution to an IT resource crisis is often not to outsource, but rather, to invest in your own people and build the skills you need in house."

<u>By saying these kinds of things early on in your discussions with clients, you will begin the process of establishing yourself as an unbiased resource consultant and not just a another salesperson</u>. Our competitors typically offer only one solution to every manager struggling with IT resource issues. If their company only offers contract staffing or just project outsourcing or just training, this is the solution they must promote regardless of what is best for the client. When differentiating DB Basics from our one-horse competitors, discredit the competition tongue-in-cheek by saying things like this to your client.

"Well, if all you have is a hammer, then every thing looks like a nail."

Mitch Stephens,
VP, Technology
DB Basics Inc.

When positioning myself as a resource consultant, I find testimonials to be very powerful even if it's my own testament. I like to say something like this to a potential client,

"One of the things I enjoy best about working for DB Basics is the fact that I don't have to promote just one particular service. This leaves me free to be unbiased while helping my clients select best-fit solutions. "

Memorize these key sentences and phrases. They are very powerful and should be used over and over again. Consider the above sentence. This one testimonial statement accomplishes a lot.

- It positions me as an unbiased resource consultant.
- It differentiates DB Basics from its competitors.
- It established the client's needs as my primary concern.
- It defuses the traditional salesperson/client adversarial role.
- It portrays DB Basics in a favorable way from an employee's perspective.
- It communicates integrity, honesty and a customer oriented approach.
- It focuses the discussion on the larger issues of goals and objectives.

A well-placed sentence at just the right moment is sometimes all it takes to win a customer for life. These phrases are too important to create off the cuff while talking to a client. They must be memorized, practiced, setup and then delivered like a normal part of the conversation.

Resource Utilization Chart

The following chart is a good visual tool that will help your clients better understand our company's unique organization and to better visualize your role as a resource consultant.

Notice how three of the four quadrants reflect DB Basics' services. If your client were best represented by the upper right quadrant, you probably would not be having this meeting with him or her. Use each quadrant to discuss the services we offer for clients represented by that scenario. After discussing the graphic ask,

"Based on your deadlines and the available resources you currently have, which quadrant best represents your situation?"

Remember a sales person talks a lot whereas a consultant listens a lot. Try to get your client talking. The more time a decision-maker invests in telling you things about his or her situation, goals and problems, the more he or she will feel you understand. By sharing all of these things, he or she has invested time and energy that can only be recouped if his organization does business with DB Basics. In general, the more a client talks, the more likelihood there is of you doing business there.

Which Service to Recommend?

The resource chart over simplifies resource allotment decision making. There is a lot more that goes into it. In fact, the best solution for a particular client may be a creative variation on one of our services or a combination of several of our services. We will discuss this later. Following are some tell tale signs that a particular DB Basics' service is the best fit. Remember that what is best for a client one month, may not be what is best the next month. On a case by case basis, each IT opportunity should be evaluated.

When should I recommend Project Outsourcing?

1. If a client does not have the technical skills to oversee and manage contractors, the project should be outsourced. A good portion of the contractors provided by any staffing agency will be unproven. In our experience, one out of four contractors will not meet the customer's expectations. Contractors must be closely managed. Many clients will not understand this. If supplemental staffing (contractors) are utilized, the client still takes full accountability for the deliverable, not the staffing agency.

2. If the client requires their vendor to take accountability for a deliverable, that project must be outsourced and managed by that vendor.

3. If the client organization does not have a clear, available and obvious leader to head the project, it should be outsourced. Even if a client has the technical skills within the enterprise to manage internal staff and contractors, if the specific leader who has these skills is not available, the project should be outsourced. An excellent probing question might be, "*Who do you have in mind to lead this project?" "Tell me about this person."*

4. If the client organization is utilizing new technology for which they do not have a proven application framework, outsourcing should be considered. Ask the client to tell you about *how the tool of choice fits into their application framework.*

5. If the technology needed to deliver a particular project is not a part of the client's IT strategic plan or standards, outsourcing should be considered. For example, a mainframe client may need an ancillary or departmental system developed utilizing PC based tools, but they do not see an on-going need for these skills within the company after the project is complete. Because it is most often not worth the cost of the learning curve, projects like these should often be outsourced.

6. If a IT manager finds himself in an adversarial roll with his or her internal client, outsourcing may be the best solution. Many IT managers are forced to work closely with users with whom they do not get along. This makes it very difficult to make the tough “budget verses functionality” decisions and compromises required to successfully deliver a good ROI project solution. A recent article in Information Weekly magazine found that after polling hundreds of departmental managers, directors and top executives, 95% of them said that they would fire the CIO if given the opportunity. Outsourcing allows both the IT managers and his or her internal client a way out.

7. If the manager wants personal career insurance for a high profile project, outsourcing may be an option. Sometimes, a manager needs a third party to blame in case a high profile project fails. Maybe he or she is concerned that a critical team member will quit before the project is complete and he or she will be left holding the bag. A joke in the industry is *“…manage a high profile project and you will get promoted or fired.”* Many IT managers are not risk takers. If they manage the project and it fails, the blame will be completely on them.

When should I recommend Contract Staffing?

1. When the client does not have the time or resources in house to complete a project, but the criteria for project outsourcing has not been meet, temporary staffing may be the best solution.

2. When a client does not have the budget to pay our project rates, less expensive contractors may be the only solution.

3. When a client has the expertise available to oversee contractors but does not have the manpower to meet deadlines, staffing should be recommended.

4. When a client is trying to grow the required skills in house and desires a mentor on staff to assist internal developer’s learning a new tool, recommend staffing.

5. When a temporary bubble in the workload makes it unwise to bring in permanent staff, overhead that goes away when the demand does is very appealing.

6. When certain skills are too expensive to have on staff full time, a contractor for a short period of time may be more cost effective.

7. When a project is not well defined and requires many people within an organization to negotiate compromises and set functionality, keeping this project in house and using contractors may prove better than outsourcing. There are some projects for which we do not want to take accountability.

8. When a client’s ultimate goal is to build his or her internal staff, utilizing contractors with a temp to perm option may be better than outsourcing projects because it affords a client an opportunity to try out various individuals and select the best for permanent spots.

When should I recommend Training?

Almost always, training should be a part of any IT strategy. Even if projects are outsourced, maintenance and support will usually be done in house. Many IT advisors argue that critical systems that are core to a company’s business should never be completely outsourced. In house skills are generally less expensive and therefore should be cultivated when time permits.

Major training initiatives should be considered if the required skills are critical to the companies long term goals and the client has the time necessary to absorb the learning curve while still meeting other deadlines. Training is best utilized in companies with lower turnover rates. Companies with low employee morale can also greatly benefit from training programs.

Training is especially important for IT managers who are forced to hire within low salary limits. He or she may have no other option other than to hire entry level staff and grow the skills they need.

When do I recommend Network Services?

Network services include DBA, capacity planning, performance and tuning, security and many other services that are sold differently from staffing or projects solutions. Contractors usually demand a minimum of forty paid hours per week for some length of time before they will consider a contract assignment; they generally will not accept part time work. Our internal projects group is also mostly full time until the project is complete. What if a client needs assistance only one day a week or a few days each month? Our Network Services are sold in days per month. Their service is on-going rather than a contiguous block of time. For this reason, Network Services is an excellent choice for clients who prefer emergency services or small amounts of on-going support. Project shops and recruiting agencies generally cannot meet the needs of a client who needs a DBA or NT engineer one day a week.

Special Combinations of Services

Clients like their vendors to come up with special arrangements to help them meet their needs. It shows flexibility and sensitivity on our part. Here are some of the creative cross division solutions you may want to propose.

Training/Project Services: This is designed for a client who is moving to a new technology or tool, wants to train internal staff, but still has a project deadline looming. For this client, try offering a project solution with supplemental staffing by a one of two of the client's employees fresh out of our training classes. DB Basics still takes full accountability for the deliverable, but the client's developers assist on the project, working at our facility and using our application framework. This is a wonderful way for clients to meet a project deadline while investing in internal staff. The client not only gets the deliverable, he or she gets employees back who are now familiar with a real world application framework and ready to support the delivered application. We have had much success promoting this combination of services.

Staffing/Project Services: If a client is extremely price sensitive, but needs to outsource a project, this is a good compromise. DB Basics will take on the project at our normal rates, but we will staff the project using our own project manager and one or two less expensive contractors. This is a great way to offer the client a lower overall price on the project without compromising our project bill rates. This also gives us the opportunity to evaluate contract staff for potential permanent positions.

Prototyping: This is a cross between project solutions and whatever. We offer a client a short proof of concept prototype. This can be used as part of an RFQ or as part of a framework for contractors or internal staff to complete.

Mentoring and Seeding: Are both examples of cross division solutions. They are discussed under the Training Section.

Suggestive Selling

It is important to be big picture oriented. Even if you work within one division, be on the lookout for opportunities to assist other divisions.   Remember that our profit sharing bonuses are derived from the profitability number for the entire company not just the division for which you work.   As each division grows, it helps the other divisions by bringing in more prospects and opportunities. Can you pick out the opportunities for our various divisions below?

Questions

1. A student says that he wants to take a class that will make him more marketable.
2. A client seems surprised when informed that we do not provide technical management for the contractors placed by the staffing division.
3. A client tells you that our project rates are just too high.
4. A client tells you, “We don’t have time for training, our drop dead deadline is in two months”.
5. A contractor tells you that the company he is at is moving to Windows NT.
6. A client tells you that his project is just too critical to outsource.
7. An Oracle instructor tells you that she is really tired of all of this traveling.
8. A contractor tells you, “I don’t know what my old company is going to do; I was the only network administrator that knew how to fix anything.”
9. A Client tells you that he’s not sure what their new hardware platform will be because they are still considering what to do.

Answers

1. If a programmer wants to take training that will make him more marketable, than he is considering other employment. Get his resume and pass it along to a recruiter.

2. If a client wants us to take accountability, he needs to talk to someone in project solutions.

3. Contractor rates are typically lower. Introduce this guy to our staffing division.

4. Drop dead deadlines mean opportunities for project solutions and staffing.

5. New NT environment means opportunities for all groups including network services, training, projects and staffing.

6. Too critical to outsource means opportunities for staffing.

7. Get this trainer's resume to a recruiter immediately.

8. Quick, call network services and staffing.

9. Network Services would love to get in early on this.

Even minimum wage workers at Burger King know how to use suggestive selling, "Would you like some fries with that?" Almost every day, lucrative opportunities mystically permeate the walls and appear before us. Unfortunately, many can not see them. The world around us is full of opportunities for those who listen.

"Old man, how is it that you can hear the grass hopper jumping?"

Kwi Chang King

"Young man, how is it that you can not?"

Master Kane

Motivation

Burnout

Keeping our motivation level up and our stress level down is an on-going concern for technology sales professionals. The pace at which we work is great for productivity, but is can also increase our likelihood of burnout. Using automated tools and time management techniques will help you work faster and smarter, but it can not keep you interested in your work. In fact, you can become so regimented using these techniques that after the novelty of new found success wares off, you can find yourself feeling like you are in a rut.

No sales training would be complete without discussing the possible bad side effects of burnout. Burnout is a state of mind in which a sales person finds himself bored and lacking the motivation that is so critical to success in sales. I have seen top producers drop to last place in sales volume because of burnout. Many sales professionals will switch jobs as a means of dealing with burnout, but this fix is only temporary because the cure for burnout comes from within oneself and not from rotating outward situations.

Burnout comes as a result of boredom and boredom comes from repetition. Unfortunately, the secret to success in selling is in developing a successful pattern and repeating it religiously. The pattern of making calls, asking for leads, sending out second impression letters, scheduling follow up calls, etc. can become a relentless cycle. You may also feel trapped as you can easily become accustomed to the large commissions repetition generates so that in time you find yourself unable to leave your current position bound by the proverbial "golden handcuffs".

The secret to avoiding burnout is to avoid boredom and the secret to avoiding boredom is change. If the sales pattern is always the same, what changes? Our goals change. Your best defense against burnout is in creating, changing and striving for goals that are important to you. The race is always new and exciting if the finish line is different each time.

Goal Setting

I am a runner but I hate running. For years, I ran a set path, a set distance in a set time. I hated it. I did it twice a week out of shear will power. One day, I started running with a neighbor. He had a different philosophy on running. Each time we ran, we selected a different halfway point destination. Each week we set new goals. Some weeks we added distance to the run, while other weeks we tried to increase our average speed. We set time and distance goals and selected personal rewards that we would treat ourselves to if the goal were reached. We told each other about our goals and encouraged one another to strive for them. For the first time in my life, running has become enjoyable. I still have days when I would rather not run, but that horrible burned out feeling about running has not afflicted me since I learned to set goals.

Work should be tolerable and some times enjoyable. It can be even amide the mundane rigors of process selling if you learn to always keep a fresh goal in sight. Always have some goal you are working towards. You should have some long-term goals and some short-term goals in place simultaneously. For example, a short-term goal might be to make fifty calls before five o'clock while your long-term goal might be to purchase a new car you have dreamed of since puberty.

Put some energy into selecting goals that are important and real to you. Selecting monetary and number oriented goals are fine, but I do better by associating a monetary goal with a luxury reward. For example, some of my rewards have been:

- to go on a Caribbean cruise
- to hire a house keeper and never do cleaning again
- to buy a sports car I have always wanted
- to take my family to Europe for a vacation
- to buy my wife a ring she has wanted for years
- to purchase some exercise equipment I was coveting
- to make a $1k gift to a charity I liked

All of these goals could be reached by applying the techniques discussed in this manual. The techniques I used to earn the commissions that made these goals attainable were always the same, but having a different goal each week somehow made the work different, new and exciting.

Select goals that are important to you. Remember that we work so that we can play. Cold hard dollar amounts will generally not motivate you unless you can visualize what those dollars will provide for you and the people you love. Place a reminder of your goal on your desk. While I was working towards my wife's ring, I kept a picture of her on my computer. The picture was from last Christmas and showed her opening a gift with a look of complete surprise and joy on her face. Every morning, I looked at that picture and hit the ground running wanting her to have the feeling again. On another occasion, I placed a pamphlet from "Feed the Children" on my desk. It showed a malnourished child on the front cover and read, "$50 could feed her village for a week". Cold calls were no burden that month as I fed her village for a year.

Make a game out of selling. Everyone gets excited about winning. Tell other people about your goals. By making your goals public, you up the stakes and make the challenge more real. <u>Try not to compete with others. Compete with yourself</u>. Make your goals difficult, but attainable. If you fail set the goal again for a different time period. Winning is the best motivator of all.

Procrastination is a symptom and a cause of burnout. When you find yourself putting things off, stop and check your goals. It may be time for a motivator. If you have something unpleasant to do, do it first thing in the morning and get if off you mind. If you don't feel good about one of the services we are selling, then let's talk about ways to make the improve it. You can not maintain positive selling motivation if you do not believe in what you are selling.

To quickly recap:

- Set goals that are important to you.
- Set a deadline on attaining each goal.
- Tell others about your goals.
- Set long-term and some short-term goals.
- Try to keep a reminder of your goals on your desk.
- When you reach a goal, celebrate and set a new one.
- Never go to work "goal-less"

Enthusiasm

Most people are about as successful as they make up their minds to be. Top sales persons are incredible aggressive and optimists. This seems to be a common personality profile for top performers. Some people spend their lives wishing and others doing. We may not accomplish everything we set out to do, but we rarely accomplish anything we do not set out to do. In other words,

“We will miss 100% of the shots we do not take.”

Top sales persons are risk takers. They believe that everything is possible and they somehow get other people to believe as well. I read of a study that showed that successful entrepreneurs are not necessarily smarter or more talented than the general public. In fact, the only factor that distinguished them from the pack was a strong internal believe that if they tried hard enough they would accomplish their goals.

Do not be afraid of making mistakes. Tom Peters, the popular business consultant and writer, says that mistakes are the inevitable by-product of a growing company. What is important is that we learn from our mistakes and quickly get it right. Peters argues that we should encourage our people to make all of their mistakes as quickly as possible, learn from them and move on to a pattern for success. If you are handling dozens of things at once and moving at the pace we tend to work, you are going to make mistakes, say the wrong things and occasionally loose business over it. I have tremendous patience for people who make mistakes because they are moving too fast. I have no patience for people that analyze every move so carefully that they never make a mistake, but they never get anything done either.

My advice to any sales representative is, “Damn the torpedoes, full speed ahead.” Better to eat a few torpedoes and accomplish you mission than to set safely back unengaged in the battle. If you enthusiastically believe that you can and you have the courage to try, you probably will succeed most of the time. Be aggressive. Be enthusiastic. Think big. My picture of the perfect sales person would be the guy who paddles out after Moby Dick in a rowboat with a jar of tartar sauce in both pockets.

“There are two kinds of people. Those who believe they can and those who believe they can not. Usually they are both right.”

Henry Ford

Attitude

A positive can-do attitude goes a long way in any profession but especially so for sales persons. We work long hours, deal with a lot of stress, and shake off tons of rejection but we keep coming back for more. Sometimes it is hard to maintain a positive attitude under these conditions but it is critical that we do. There will always be things to complain about. Internal resource allotment is always a trade off, commission disputes are inevitable, and sometimes you will be convinced that senior management just doesn't have a clue. <u>You will not always have control over your situations and circumstances nor the power necessary to change them, but you will always have complete control over your choice of attitude towards such circumstances</u>. The glass will always be half empty and half full. You may not be able to fill the glass, but you have complete control over how you view it. It is interesting that clinical depression and suicide rates are no respecter of class or social standing. Just as many rich and successful people kill themselves as poor unsuccessful people do. Most therapists will tell you that a person's particular situations and circumstances only account for about 10% of that person's well being. The other 90% is determined by how that person chooses to view and respond to such circumstances.

Motivation is tied to success in sales. We have to keep our motivation up in order to do our jobs and to succeed. A positive attitude is critical for maintaining motivation. Attitude is very contagious especially in sales groups. Try to keep your distance from negative influences. Negativity will suck the life out of your sales volume. Avoid it at all cost.

**"I had nothing left; no possession, no power, no home.
But the one thing no man could take from me was
my choice of attitude."**

**Victor Fronkle
Holocaust Survivor**

Getting Started

The reason some sale representatives have failed at DB Basics is not because they lack intelligence or the ability to use our sales tools. The most common reason for failure is that they don't take seriously the one essential skill a sales representative must practice; the rigor of organization. If you can set a pattern for success and follow it religiously, you will be successful. Discipline yourself to take a few seconds after each call to record the important information about that contact. Make it a habit to ask for referrals. Every time you contact a client, evaluate his or her worth to your sales process and schedule the next call accordingly. After you make the first impression on a decision-maker discipline yourself to immediately send out the second impression letter. Only by systematically following the patterns for success can we be guaranteed success.

So, how do we organize our attempt to get organized? How do you begin to implement all of the techniques we have discussed? The answer is "*one step at a time*." It is difficult to <u>find</u> time to practice a skill. We usually have to <u>make</u> time for it. The man who is so busy running to his destination that he does not have time to learn how to drive a car is foolish. All of the knowledge in the world is utterly useless to us until we systematically apply it to our daily situation.

Each week, concentrate on a single technique we have discussed until you can do them all without thinking while talking to a client. For example, one week you might want to put a note on your computer to remind you to get referrals from every client you call. Set goals for the number of referrals you think you can get that week and reward yourself for reaching it. The following week, you might want to change the note to remind you to ask probing question to determine a client's hot button or dominate buying concern. If you feel that you are weak in a particular area, you can put that note back on your computer for another week. If a prospect stubs you with a question or objection, look up the proper response and use this teachable moment to memorize the correct response. Mastering these techniques will take time, but the good news is that you can practice all day while you are making sales calls and earning commissions.

Question: "Do you know how to eat a whale?"
Answer: "One bite at a time!"

When you start to use our sales automation tools and the techniques discussed in this book, your workday may start to change from what you are used to. Some new sales persons have told me that they have less stress than they did at a previous job. They say that they spend less time trying to find information, and remembering what to do. Calls are laid out for them each day and using the alarms, they say they don't worry about forgetting to do important things.

Other sales persons argue that using our tools and techniques add stress to their workday. They say that there are always a hundred things to do. The scheduler is relentless, never letting them rest. They complain that the information tracking is burdensome and they feel exhausted at the end of the day. One sales person said, "That *@#% software package is running my life!"

Let me address these two very different views by stating that a career in sales is not well suited for the weak, timid, lazy or insecure. Sales can be a very rewarding and lucrative career, but it is also one of the most difficult careers out there. If you choose to make your living as a sales person, then you live under the constant pressure of performing. How quickly sales managers and owners forget the tons of money we made them last month. The attitude seems to always be "what have you done for me lately?" A commissioned sales person is an entrepreneur in every sense of the word. Our pay is based on our successes. A few bad months and we may be literally "out of business". There are a lot of jobs that tolerate poor performance. Sales is not one of them.

As you begin to use our sales automation tools and the techniques discussed in this book, you will become increasingly more efficient. You will be amazed at how many things you can do at once and yet keep them all perfectly organized. You will become so familiar with your computer and the capabilities of the contact tracking software that they will almost become an extension of yourself. One day you will stop for a moment and realize that you are printing a letter, addressing a label, sending a fax and dialing the next contact's phone number all at the same time. It will amaze you that you barely gave a moments thought to any of the tasks you just accomplished. They all just kind of happened instinctively. It scares some people. They have never been able to accomplish so much in so little time. You may say to yourself, "I have never worked so hard in all my life."

Successful selling is not about working long hours, taking your work home with you at night, and working through lunch each day. Successful selling is about making sales. It is accomplishing a lot in a short amount of time so that we don’t have to work sixty-hour weeks. The techniques I have discussed in this manual have enabled me to work more efficiently and in so doing to spend more time with my family and to provide a better life for them. I wish that for every professional sales person working at DB Basics and I hope that the time you have invested with me here will assist you in accomplishing the same.