PEO University

40 Lessons Learned in 4 Decades of Selling HRO and Leading HRO Sales Teams

Session Presenter
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Chief Revenue Officer, Stratus HR

Poll: Have you been in a session with Clay before?

40 Lessons in 4 Decades

- In this session we will cover lessons learned in both:
  - Sales Lessons 1-23
  - Sales Leadership Lessons 24-40
- We move fast to get to your questions ASAP!

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Lesson 1

- Stop "predatory" sales practices.
- Predatory: Pursuing clients that are happy with their existing PEO with promises of better services or lower prices.
- You will grow broke "quoting" incumbent business, the sale is not easier because the client is already in a PEO relationship.

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Lesson 2

- The PEO sale is complex and takes time.
- PEO salespeople should be business advisors.
- Business advisors possess business intelligence.
- Business intelligence is achieved through continuous learning, gaining certifications and constant improvement.

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Lesson 3

The 4 Cs:

- **C**ompetency leads to
- **C**onfidence which leads to
- **C**reativity which leads to
- **C**lients

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Lesson 4

- Knowledge is NOT power.
- Applied knowledge is NOT power.
- Knowledge applied at the right time with the right people…making them think it's their idea is POWER!
- Get your ego out of your selling.

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Lesson 5

- Time block each week and commit to prosecting!
- Don't ask me how many prospecting calls are required.
- It takes what it takes.

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Lesson 6

- Sending a letter, an email, a LinkedIn request or any type of correspondence to a prospect **stating the date and time** that you will contact them – will increase your contact success.

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Lesson 7

- Failure to commit to CRM is robbing you of future opportunities.

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Lesson 8

- Qualify! Qualify! Qualify! Qualify! Qualify!

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- Qualify your prospects.
  - You are meeting with **everyone** who has decision-making authority <u>and a stake </u>in the future of your relationship.
  - They are operating ethically, and they respect their employees.
  - They can meet your PEOs underwriting criteria; you must understand the risks a prospect poses to your company.
  - They have needs, wants, goals and that your firm has the capabilities to meet their expectations.
  - Want your solutions on a reasonable time frame.
  - They are willing to part ways with current relationships.
  - They are willing to invest in your solution.

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Lesson 9

- The ABCs of selling?
- The ABCs of selling PEO: The **A**uthentic **B**usiness **C**onversation
- You must have **authentic** rapport and trust to get prospects to share their needs, wants, issues, goals and costs!

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Lesson 10

- Commit to a solid discovery process.
    1. Be prepared
    2. Build authentic rapport: Opening statement
    3. Ask effective questions to build the business case
    4. The Five Statements
    5. Set the next meeting
    6. Verify the decision-making process

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Lesson 11

- You must own your opening statement.

"Thank you for blocking out the time for our meeting. I'm here to find out the needs of your business, share with you how we may help you, and see if there is a fit. If it's not a fit…that's fine; we'll part friends.

***When we agree** it's a fit, we'll go to the next step and put together a proposal. Is that fair?"*

"I did some research and looked at your website; that gave me great insight…every business has a story…would you share with me your story?"

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"For over 40 years, CEOs and leadership teams with 12 to 1200 employees have hired us to solve problems in human resources, worker's compensation, risk management, benefits and payroll. I don't know how you handle these areas now, but I know this…if you have employees, you've had issues…"

"Our goal is to solve your issues, increase your profitability, by maximizing employee productivity, save your team time in dealing with transactional HR, reduce liability and cost. Does that make sense?"

"May I ask you some questions?"

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Lesson 12

- Build the business case.
- Great salespeople ask effective questions to discover the client's needs, wants, issues, goals, costs and timeframe.
- The difference between great salespeople and weak salespeople are the questions they ask.
- Ask a question and shut up!

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Lesson 13

- Five Statements Strategy

1. You are already outsourcing.
2. You shared with me (restate all issues, wants, goals, etc).
3. Outsource to us.
4. We'll bring you one team of professionals, one group of experts, one advisor. Instead of X vendors.
5. Our clients will tell that help them increase profitability, productivity, and reduce time, liability and costs.

Does that make sense?

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Lesson 14

- Ask for the proposal.
- *“Does this make business sense?” (YES)*
- *“The question is…does it make financial sense?*
  And the only way we can determine that…
  is to provide you with a proposal.”
- *“Would you like to continue the conversation to see what that would like for you?”*

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Lesson 15

- When the client agrees they want to see a proposal,
  provide a list of the documents you need to prepare the proposal.
  - Census
  - SUI Reports
  - Workers’ Comp policy
  - Workers’ Comp loss runs
  - Benefit providers, plans, invoices
  - Recent payroll reports
- If the client will not provide you the documents - they are telling you “no”!

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Lesson 16

- Build the **financial** business case.

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Lesson 17

- Delete closing from your vocabulary.
- It is about gaining the client relationship!

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Lesson 18

- **Never** leave a meeting without setting the next meeting.

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Lesson 19

- Hold proposal meetings at your office; it is the ultimate home turf.
- Begin every proposal meeting with reviewing your business case; every issue, every need, every want and every goal and their current costs.

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Lesson 20

- There are only three authentic objections.
- Everything else is failure to qualify or failure to build trust and rapport.
  - Cost
  - Timing*
  - The Richy Harder Objection*
    - *Uncovered in the discovery process

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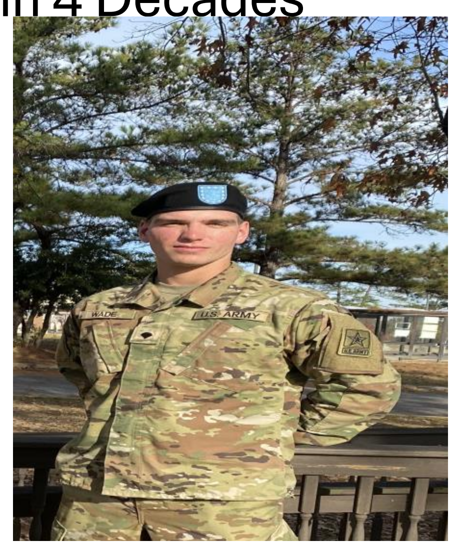

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Lesson 21

- When you gain the client relationship, set the expectation that you will earn and expect their referrals.
  - *"We want to ensure we always meet and exceed your expectations…so you will have the confidence to refer us to other companies we can help."*

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Lesson 22

- Conduct regular client care meetings to ensure you are meeting their expectations; ask for referrals and **raving fan letters** of recommendation.

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Lesson 23

- Stay in regular contact with CFOs and controllers!

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Lessons in Leading Sales Teams

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Lesson 24

- Building a team of successful salespeople takes time.
- Developing a salesperson from hire to a consistent level of production is a 9 to 18 month process.

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Lesson 25

- Know what you want in a salesperson before you hire.
  - Integrity
  - Fearless prospector
  - Played competitive sports or activities
  - Has the ability to gain the trust of C Level decision makers
  - Excellent discovery skills
  - Willingness to learn
  - Excellent communication skills

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Lesson 26

- Establish realistic minimum quarterly expectations before you hire.
  - Revenue
  - Sales
  - Proposal appointments
  - Proposals
  - RFPs/Proposal request
  - Data gathering appointments
  - First appointments
  - Prospecting activities

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Lesson 27

- Go deep in developing internal training programs before you hire.
  - 499 document; 499+ questions about your company.
  - Email me 499 to at clay@claykelley.com.

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Lesson 28

- Recruiting never stops.

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Lesson 29

- Develop a standardized recruitment and selection process before you hire.
- Hire slow – fire fast.
- Minimum six (6) interviews
  1. Telephone/video interview; be honest!
  2. Face to face: Initial screen, culture fit, role play how they sell their current product of service
  3. Second face to face: Skills and "sales fit", expectations, compensation
  4. Third face to face: Over a meal, make them drive, invite members of the sales team, role play
  5. Fourth face to face: Two presentations – get everyone in the room
     1. Why hire your PEO
     2. Why hire me
  6. Fifth face to face: Offer

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- Two heads are better than one.
  - Whenever possible have at least two people in the interview.
- Your top performing sales team members should be involved in the selection process.

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Lesson 30

- Require candidates to perform projects with each interview.
  - Bring a list of current contacts
  - Bring a current commission report
  - Create a one-page business plan
  - Complete written interview questions
  - Complete a sales competency profile
  - Prepare presentations
    - Why outsource to us?
    - Why hire me?

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Lesson 31

- Weed out bad actors

At some point in the recruitment process, tell candidates:

"If we come to agreement to be in business together, it is our protocol to contact your former employer and let them know that we have hired you and that we do not intend to interfere in any of their client relationships."

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Lesson 32

- Opt for non-solicitation agreements rather than non-compete agreements.
- Require an "expectations agreement" to be executed upon hire.

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Lesson 33

- Train, role play, repeat.
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- Train, role play, repeat.
- Train, role play, repeat.
- Train, role play, repeat.

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Lesson 34

- New sales team members have 2 responsibilities for their first 3 months.
  - Learn the business.
  - Prospect for appointments and accompany senior sales team members on appointments.

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Lesson 35

- Mentorship programs with senior sales team members work!

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Lesson 36

- Communicate sales and activity results weekly.

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Lesson 37

- Conduct performance appraisals every quarter, the 3rd Wednesday after each quarter.
- Always have sales team members complete a self review.
  - 1st question: Did you miss, make or exceed your expectations last quarter?

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Lesson 38

- Failure to meet minimum expectations two quarters in a row:
  - Automatic performance improvement plan
  - Termination

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Lesson 39

- Fire with grace; give them an out.
  - Establish that expectations are not being met.
  - Give them two days off to consider their future with the company.
  - Let them decide.
    - Leave the company with severance.
    - Remain with the company under a PIP, that they help create.
      - They must meet and continue to meet or exceed expectations.

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Lesson 40

- Get involved and give back.
  - Your community
  - NAPEO

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Questions?

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