INNOVEST SME
Accelerating Small Business

Training your Call Centre team

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If we are strong, our strength will speak for itself. If we are weak, words will be of no help.

John F. Kennedy

PREFACE

Phone skills are a highly valuable tool to have in an employee's skill-set, and Call Center Training will help provide those skills. This book will help you improve your phone skills which will make you more confident, improve sales, and help gain new customers while retaining your current cliental.

Call Center Training will lower costs as it can reduce turnover. This will produce a positive environment throughout your company and help influence the organization as a whole. Evaluating metrics and coaching are also used to make sure you are reaching your potential, and to keep your skill-set at a high level.

Quality in service
or products is not what
you put into it. It is what
the client or customer
gets out of it.

PETER DRUCKER

CHAPTER ONE

THE BASICS (I)

Every telephone sales associate wants to increase productivity. Constant changes and innovations in the marketplace are sometimes hard to keep up with. The reason people elect to buy is often not a result of logic and planning but rather emotion or a felt need. Effective sales associates try to identify the Dominant Buying Motive (DBM) of the buyer on the other end of the phone. Discovering this takes careful listening skills and the suspension of the idea that people always do things for logical reasons.

DEFINING BUYING MOTIVES

Dominant Buying Motive (DBM) is the main reason the customer or buyer will select your product over the competition. It is driven by the felt need that your product provides to the customer. This motive is not always something the buyer is fully aware of. With some questioning and dialogue, skilled sales associates can unearth the DBM and help the buyer do what will ultimately make them happy; buy your product.

Four Motives for Buying:

Logical Reason

- **Save Time:** The buyer may believe that buying your product will save them time in the long run in contrast with the competition's product offering. This may be a faster computer, a car, or a service from your company.

- **Save Money:** The buyer may believe that buying your product will save them money either in the short or long term. The financial savings they seek does not come at the cost of any features or practical application the products provide.

Emotional Reason

- The buyer has a strong brand loyalty and trust in the product. This may cause them to be willing to pay more for the security of the known brand loyalty.
- The buyer trusts the sales person and their judgment in recommending a product. The sales associate has demonstrated expertise and credibility that has won the confidence of the customer so that they are willing to take the suggestion of the sales associate and buy the product.

ESTABLISHING A CALL STRATEGY

The advice "stop talking" may seem counter intuitive to making a sale. Many people talk excessively and fail to listen to the customer. The problem with constantly talking is that you are unable to truly understand the underlying needs of the customer. We feel a need to control the conversation or we will lose the sale. For example, an army recruiter can spend all his time trying to convince the recruit to sign up for military service but fail to listen to the young man explain how his grandfather was killed in a military conflict and this gives him both motivation and hesitation in following in his grandfather's footsteps. The recruiter needs to empathize with the young man's loss and filter the pain into a motivation for heroism.

PROSPECTING

Prospecting is a method of evaluating the potential of a buyer or customer. Prospecting takes into consideration the likelihood that the buyer has the means and the motivation to buy your product. Ranking potential buyers in a systematic way allows phone sales associates to close more deals and spend their time with customers who are more prepared to make the decision to buy the product. Those who are further down the motivational scale and do not appear to have the means to make a deal, can be given less time and attention or kept on file for future contact when they are able to make a deal.

QUALIFYING

When qualifying a prospect you are evaluating that they are in a position to decide to buy your product. If you are talking to someone in an organization, it is important to speak only to the person who has the authority to finalize a purchase. If the person is not authorized to make a deal with you then find out when the person who is able to close the deal is available and call back. Once you have the person on the line with the authority to buy your product then inquire if they have the means to close the deal. This may involve finding out information about available funds on credit cards, lines of credit, and monthly budget. It is important to know how much an individual makes per month and their current economic commitments.

PRACTICAL ILLUSTRATION

The ABC Company had a good Q4 2015 in terms of profits. It does, however see the need to increase the profits in Q1 2016 in order to keep up with its financial liabilities. After thorough research, the CEO decided the first area of the company that requires revision is the call center and its strategies, from prospecting clients to closing the deal. Previously, the department made warm calls to clients in the company's database. These calls were made without studying the profile of the customer in order to get a better idea of what products the customer already has and other products that could complement them.

The new, implemented strategy requires the call center representatives to take two minutes before the call to peruse the customer's profile and determine the products they currently have, and as much as the financial situation of the client as they have access to (i.e. how much they make annually as well as the credit lines they have open with the company).

Once the representative gets the customer on the phone, they must carefully listen to what the customer says they need as well as ask probing questions to uncover unspoken truths. This allows them to identify why the customer does or does not want to make an additional purchase.

The CEO noticed a 10% increase in profits since the implementation of the new system.

It was impossible
to get a conversation going,
everyone was talking
too much.

Yogi Berra

CHAPTER TWO

THE BASICS (II)

There are different types of conversations that we all use to function in everyday life. The different types of conversation are required in different situations. When attempting to converse, whether person to person or in a group or organization, it is essential to understand the different types of conversations and how each type functions.

GETTING BEYOND THE GATE KEEPER

Informational conversation is what most people would define as conversing. It is the type of conversation that "gets beyond the gate keeper" and this is important when it comes to establishing a level of trust or rapport before making a sale. It concentrates on exchanging facts and information. This can be done casually in asking someone about the time or the weather. Inquiring about the date or the score of the last football game is also an exchange of information. The facts are either correct or incorrect but they are free of opinion or feeling from either of the participants. It is a low risk conversation in that it reveals little or nothing about those involved.

CONTROLLING THE CALL

The next level of communication is the sharing of preferences, likes, and dislikes. A customer may be asked what they like best about their current car or house. They may share the features of the house or car of their dreams. People are usually willing to share their preferences of food, beverage, clothing, music, and movies. A skilled sales person can gain much information about the style and preferences of a client by talking about his or her likes or dislikes in other areas.

Three Stages:

1. Discuss preferences
2. Talk about likes or “turn ons”
3. Express dislikes or “turn offs”

In order to understand preferences, likes and dislikes, a skilled communicator must focus and listen.

DIFFICULT CUSTOMERS

Emotional sharing is the next level where the conversation turns to feelings the buyer and seller have about the deal they are about to make. They may have fear about changing to an unknown brand. They may be insecure about the willingness of the seller to respond if the product is found to be defective or not working as promised. The seller can restore confidence in explaining guarantees and customer service return and repair policies. The buyer may express positive emotions about how proud they would be to be an owner of that brand of vehicle, watch, or sports jacket. The skilled sales person asks questions like, *“How did it feel to drive that car?”* or *“How do you feel when you see yourself in the mirror wearing* *this jacket."* Listening to the customer's emotion whether good or bad and helping them visualize themselves as an owner of the product can help the sales person tap into a valuable resource in closing the deal.

REPORTING

An even deeper level of communication occurs when the buyer and seller communicate about what they value and believe. These core values are the deep seeded principles that are rarely violated. Honesty, Integrity, Responsibility and Love are a few core values that people hold and act upon. If the buyer and seller sense the other is relating to them in an honest and responsible way then they are more likely to buy the product from that person. If the company has a reputation of treating its employees fairly and being a responsible member of the community, then it will attract repeat business. Companies like Nike and Costco are legendary for their contribution to the community and have a high regard in the community. On the contrary, companies that treat employees unfairly or are found to be irresponsible in their use of the environment can suffer from the negative public perception.

A wise sales associate can benefit from reaching the level of values and beliefs in identifying the dominant sales motivation of his customer.

PRACTICAL ILLUSTRATION

The following Practical Illustration is representative of how important it is to have more than a "sales" opportunity with customers, but when the time comes, to truly stand by the values and beliefs you hold dear.

SERVICE EXCELLENCE

On October 31, 2000, a Singapore Airlines (SIA)'s SQ 006 Boeing 747 crashed in Taiwan. This was the first major accident in more than 28 years of the airline's operations.

81 passengers, of the 179 on board, were killed. The following day, SIA announced $25,000 in compensation to the families of those who had died, to help them cover immediate expenses.

When SIA's management discovered that it was pilot error that had caused the mishap, the airline offered an additional $400,000 per family - a figure almost five times the amount the company was liable to pay.

The Deputy Chairman and Chief Executive Officer, Cheong Choong Kong, said that the company took "full responsibility" for the accident. No airline had ever before accepted full responsibility or been so generous in compensation in the case of an accident.

**Practical Illustration from: http://www.icmrindia.org/casestudies/catalogue/Marketing/Singapore%20Airlines.htm*

Good manners and soft words have brought many a difficult thing to pass.

Sir John Vanbrugh

CHAPTER THREE

PHONE ETIQUETTE

Practicing proper telephone etiquette is the key in improving and maintaining a high level of sales and customer service. Knowing how to effectively and courteously answer the phone, initiate a controlled conversation, and resolve the issue with the customer on the other end of the line saves time and increases the level of customer satisfaction. Every business receives customer complaints over the telephone. Those that handle the complaints in a courteous and empathetic manner retain their customer base and gain new business by word of mouth referrals. There are many consultants, seminars, and training courses available to improve phone etiquette.

PREPARATION

The basic, informal *"hello"* does give a clear invitation to begin a conversation. It acknowledges that someone is responding on the other end of the phone in a polite and direct way. A more formal greeting could do more to orient the caller into the conversation. By saying the company name first, *"Fat Cat's Bar & Grill, Hillcrest branch, this is Juan, the manager speaking"* gives the caller a better idea of whom they are speaking to. They can confirm that they are calling the correct place and speaking to the person who can deal effectively with their problem. If the caller requests to speak with someone else within the organization, the person answering the phone can reply courteously, *"I can get them on the line in just a minute if you are willing to hold"*. He then waits for a response. If the caller agrees to hold then he sets the phone down with the speaker directed away from any noise and quietly goes to get the person for whom the caller is waiting. If the business has phone extensions he can easily transfer the call to the correct person and thank the caller for waiting.

BUILDING RAPPORT

Communicating compassion is the process of building a bridge to the customer and crossing it to join them in their pain. The stress, anxiety, and depression the customer may be feeling about their experience must be acknowledged. By joining them in lamenting the situation and acknowledging that they have a right to feel upset, the customer service agent can then suggest some possible remedies to the situation. This might be a voucher, coupon, discount card, or just an apology, depending on the situation.

When communicating with the customer, the compassionate communicator uses the customer's name frequently in the conversation, names the problem specifically, and prescribes a solution or remedy to resolve the conflict.

SPEAKING CLEARLY- TONE OF VOICE

Use a clear, crisp, professional sounding voice that communicates warmly with the caller.

- **Enunciate your words**: Do not mumble or slur your speech.
- **Control your volume:** Speak loudly enough to be heard without shouting or sounding hostile.
- **Change your intonation:** Express your ideas with a change of emphasis on key words and avoid using a monotone. Sound excited about what you are saying.

EFFECTIVE LISTENING

Businesses often fail to leave customers satisfied due to poor listening when a complaint arises. The root problem must be identified. There might be several sources of discontent being voiced at once. The customer service representative or other person handling the complaint should list the issues being presented. After confirming they have heard all the concerns effectively, they can propose an adequate solution to one, two or possibly all the areas mentioned. With a sincere apology for the areas where no action can remedy the situation, most customers are content and their confidence in the relationship is restored.

Examples of Effective Listening

- Taking mental or physical notes.
- Allowing the speaker to express themselves without interruptions.

- Using signs of agreement in the conversation without interrupting the flow.
- Avoiding multi-tasking while the conversation is in progress.
- Restating the issues to assure you comprehend what was said.

PRACTICAL ILLUSTRATION

S = Secretary

C = Caller

Ring! Ring! Ring! Ring! Ring! Ring! Ring! Ring! Ring! Ring! Ring!

S: Hello.

C: Is this Smith Community School?

S: Yep.

C: What time is it there?

S: 1:30.

C: May I speak with the principal please?

S: May I ask who is calling.

C: This is Mr. Ditto from Perfect Copy Systems

S: I'm sorry. I don't know where the principal is.

C: The reason I'm calling is to discuss the problems that personnel in your school are having with the photocopier. Could you elaborate so that I would have an idea how to solve the problems?

S: Sorry, it's not my job to know what problems others are having. You'll have to ask the principal but she's still not here.

C: When will she be back?

S: I don't know.

C: Could I leave a message?

S: Okay, I'll put you on hold so that I can get a pen.

Waits 5 minutes

S: Okay, what's your name again? And your telephone number?

C: It's Mr. Ditto from Perfect Copy Systems. My number is 212-424-3000.

S: Okay, I'll leave this message on her desk.

C: Good-bye. (Click)

S: Oh! He hung up!

A determined soul will do more with a rusty monkey wrench than a loafer will accomplish with all the tools in a machine shop.

ROBERT HUGHES

CHAPTER FOUR

TOOLS

As in any profession, telemarketers and customer service representatives need some basic tools to practice their trade and to measure their success in doing so. Sales scripts can be an early training tool to get the novice marketer on the phone with a feeling that they have something of value to say. Later, this script becomes personalized where they hear themselves saying the words in their head, in their sleep. Their word choice, sentence structure, and tone are their own, and they no longer need the script to speak.

SELF-ASSESSMENTS

Call center workers can have at their disposal a rubric or check list of goals and procedures. They can check off if they have achieved these goals after each call or periodically throughout the day.

The fact that the representative is using this monitoring tool himself, to evaluate progress, may relieve some of the stress of being assessed and may also cause him to take a more honest look at himself and make adjustments as necessary.

UTILIZING SALES SCRIPTS

Sales trainers can provide to new trainees an example of what they typically say when they are on the phone. They can ask them to learn it verbatim and practice it until they feel comfortable in the delivery. Until they have proven they have a firm grasp on engaging in sales conversations, trainees are often prohibited from making changes to the script. While the script is often awkward and ineffective, it does train the newcomer on the basics of the sales pitch.

MAKING THE SCRIPT YOUR OWN

After a few days of practice with the company provided script, the sales associate may be given permission or encouragement to make the script his or her own. This happens by paraphrasing the content into words that the speaker is more accustomed to using. Sentence length, word choice, and style are all open to be altered while leaving the core facts and detail the same.

THE SALES DASHBOARD

The sales dashboard is a visual aid that shows monthly sales goals and achievements. The dashboard can include different products and services being sold and the volume of sales achieved for the month. Individual sales associates can have their own sales logged onto a bar graph illustrating their comparative productivity in the company. The company may be divided into teams where each team's progress is visible to the rest of the organization. Just like a car dashboard, the sales dashboard can show how fast and in what direction the company is growing. It can identify units and members that are hot or cold in their production. It is a great motivator of productivity.

PRACTICAL ILLUSTRATION

The Berman Company hired 10 new sales associates for its Mattress Sales Team. The new hires completed a three-day training course on the history of the company, introduction to the products, and company goals and expectations. On the third day of training each trainee was paired with a seasoned member of the team to listen to and take calls with. John was paired with Tom, an associate who has been on the floor for three months. As John listened to Tom's calm and professional manner on calls, he was completely amazed. He couldn't believe that Tom was doing so well considering the short amount of time he had been with the company. Tom explained that when he first got to the company, there were no sales scripts so the associates had to "wing it". From his previous sales experience with a different company, he understood the importance of creating such a tool and took on the task of doing so. Soon after the implementation of the script, he was commended by the CEO for suggesting this mechanism because it had increased the amount of calls that resulted in a sale by 10%.

What this country needs is more free speech worth listening to.

Hansell B. Duckett

CHAPTER FIVE

SPEAKING LIKE A STAR

Speaking on the phone is public speaking to an audience of usually one. In order to make your words memorable and effective, you must decide to give a speech, “your personalized script” worth listening to. You do not have long to convince the person on the other end of the phone that you are indeed a Star and not a bore. Speaking like a Star involves capturing the listener’s attention at the beginning of the conversation and winning their confidence in following you to the end of the conversation where you close the sale or finalize the call.

S= SITUATION

The first letter in the acronym STAR is S, which reminds the speaker of the situation surrounding the call. The situation may be a first time caller asking for information about the company product or service. The situation may be a return customer coming back for a new sale or service on a product previously purchased. The situation may be a new customer referred by an old customer. The situation may be a complaint from a recent customer who was not served with professionalism. The customer service representative must orient them self to the situation in order to handle the call successfully.

T= TASK

Once the situation is identified, the customer service representative must identify the specific task required. This may be giving the caller directions to the place of business. It might entail informing the customer on product availability, features, price, and other information required in making a sale. The task may be answering questions relating to products or services. It might be diplomatically handling a complaint. It could involve handling a return or exchange. Knowing how to respond to the task lowers the level of stress for the worker and allows him to confidently communicate to the caller the needed course of action.

A= ACTION

Action is where the customer's need is met. They give their credit card information and place an order for a product or a service. They schedule an appointment for a professional to meet with them in the future to fill their need. They arrange for a package pick up to return defective merchandise or products. They give the address or account number where a reimbursement can be effectively made.

R=RESULT

The result of speaking like a star is gaining a new customer. It may result in a new customer being once again pleased with the service rendered and vowing to never use anyone else. It may result in a disgruntled customer being satisfied with a resolution of a problem they experienced. The result of high quality speaking like a star is a satisfied and growing customer base who will recommend your product or service to his family and friends.

PRACTICAL ILLUSTRATION

Although this Practical Illustration does not represent STAR from a call center associate's perspective, it does show the formula in action.

CUSTOMER COMPLAINTS

Client's SITUATION: A $2 million dollar plastic parts manufacturer was facing over $75K in returned parts from 3 customers. One was suing him for an additional $30K for business lost with his customer due to poor quality.

PQA's TASK: PQA was called to identify why there were so many defects being shipped and recommend how to prevent the same problems in the future.

PQA's ACTION: PQA identified that the production department was not aware of a flatness requirement that the salesman had promised would be met in all products. PQA also recommended that the company implement an ISO 9002 quality system to:

Ensure communication of customer requirements

1. Control nonconforming product
2. Coordinate corrective & preventive action
3. Censure traceability

Client's RESULT: The new corrective & preventive action system solved the root causes of the flatness problem and many other long term problems. The company went on to get their ISO 9002 registration over the next 8 months. The company only had 2 customer complaints over the next 2 ½ years.

*Practical Illustration is from: http://www.pqa.net/mktg/STARS/MAA01011A00_Customer_Complaints.pdf

*To raise new questions,
new possibilities, to regard
old problems from a new
angle, requires creative
imagination and marks
real advance in science.*

Albert Einstein

CHAPTER SIX

TYPES OF QUESTIONS

There are six different types of questions: Open, Closed, Ignorant Redirection, Positive Redirection, Negative Redirection, and Multiple Choice Redirection. Knowing how to ask and answer each of these types of questions is vital to speaking successfully like a STAR.

OPEN QUESTIONS

Open questions allow for a wide variety of answers and require the speaker to give a complete and thoughtful response. If a salesperson asked, *"What are some things you are looking for in a new car?"* This is an open question. The customer could mention any number of features or characteristics, reliability, gas mileage, body style, brand loyalty etc. The open ended question allows the careful listener to see with what level of emotion the customer talks about each aspect of their purchasing decision.

CLOSED QUESTIONS

These are questions that limit the answer to a certain number of choices, usually two, or three. For example do you prefer a standard or automatic transmission? Or do you prefer to fly first class or coach?

The closed question is designed to discover specific detailed information from the customer. It is not conducive to the customer giving a long elaborate answer revealing much of his feelings or enthusiasm for his choice. In a closed question, the customer service representative is controlling the flow of information and honing in on specific details.

IGNORANT REDIRECTION

Sometimes a seller will get caught off guard during a conversation and need to buy time to come up with an answer. Other times, the seller knows the answer but is not ready to give that kind of information at this point in the sales process. Ignorant redirection can help the seller buy time and avoid answering the question while keeping the conversation going in another direction. For example, if the customer directly asks, *"How much is the car?"* the seller using ignorant redirection could reply, *"I really can't tell you exactly right now but it depends on the features you decide on. What accessories do you want most in your new car?"* This avoids making the price an issue before the test drive and keeps the customer dreaming about their desires.

POSITIVE REDIRECTION

To counteract the perception that sales people will tell you anything you want to hear, some use positive redirection to increase their credibility. When a customer bewails a competitor for poor service, a skilled sales communicator using positive redirection could reply, *"I am surprised to hear that! I have always heard company X had a great track record for* *customer service. What made you come to that conclusion about them?"* This positive attitude toward a competitor increases one's own credibility and communicates security in one's own service standards. The customer is impressed that you are not afraid to speak well of a competitor.

NEGATIVE REDIRECTION

When a customer sets you up to "brag on yourself" watch his head spin as you deliver a well-planned response using negative redirection. If the customer asks, *"Aren't you guys the best pizza in town?"* you might respond by saying, *"It's really hard to say who is the best but our crust and sauce are made with only the freshest ingredients and our cheese keeps people coming back for more."* While they were waiting for a proud affirmative yes, they heard a humble, confident, realistic affirmation of quality. This humble attitude attracts support and increases the customer's belief in the quality and integrity of the company or service.

MULTIPLE CHOICE REDIRECTION

When a customer begins to lose patience in your redirecting efforts and it is obvious that they want an answer immediately, a skilled seller can use a multiple choice redirection question. If they continue to press the issue of price, the seller can say, *"The price is going to depend on the financing. Are you planning to seek your own financing or would you like for us to handle it in-house?"* The price range answer can also be formed in a multiple choice format. *"What price range are you looking for $100-$150,000, $150-$200,000 or $200-250,000+"*? This can help keep the exact number off the table and negotiations open with the customer. Avoid overuse of any of the question types in dealing with a customer. They become suspicious and defensive if they feel they are being “worked over” by a skilled sales person.

PRACTICAL ILLUSTRATION

Company ABC currently employs 50 customer service representatives. There has been recent discussion about the effectiveness of the representatives. Many customers have made second calls to the company or mailed letters explaining their frustration about their original service calls not being resolved. After a comprehensive training, it was determined that representatives have only been utilizing one type of questioning rather than a combination of the different types of questioning when dealing with customers. Once customer service representatives began implementing this new strategy, the number of repeat calls and complaint letters to the company subsided drastically.

We still haven't played at Madison Square Garden. That's a benchmark.

Dan Hawkins

CHAPTER SEVEN

BENCHMARKING

The importance of setting Benchmarks is indisputable for those seeking long term success. These are goals or plateaus at which a professional can see where they can reach a new level of achievement. These benchmarks serve as cross references to your company's performance with that of other businesses in your field. It helps to see how you measure up against the competition in areas such as cost, quality, and time. Those that do the job better, faster and less expensively are the ones that excel.

BENCHMARK METRICS

Strong and weak performing units can be identified by using benchmark metrics. Cost and production activity can be measured and evaluated to help increase productivity. Performance goals for individuals and work groups can help motivate each to reach the next level. There are two types of benchmark metrics commonly used to identify these high and low performers.

- **DEA: Date Envelope Analysis** measures the cost level an efficient company should be able to achieve in a given market. Companies that are operating within the efficient range can be rewarded.

- **Regression Analysis** measures what a company in that particular market should be able to achieve. Those that achieve more can be rewarded and those that fall short can be punished.

PERFORMANCE BREAKDOWN

Performance Breakdown is the analysis of the efficiency of an employees' work. It may be done on the individual or group level. The performance breakdown isolates specific tasks required to successfully do the job. Areas of strength can be noted and modeled throughout the company. Areas of weakness can be strengthened by further training and instruction. In a call center, the following areas may be the focus of a performance breakdown.

- **Telephone etiquette**: How professional does the employee sound in conversing with customers on the phone?
- **Handling objections**: How skilled is the employee at answering questions and objections about the product or service?
- **Record keeping**: How skilled is the employee at maintaining call logs and notes to follow through with contact in the future?
- **Transferring**: How tactfully does the employee pass a call on to the person who can make a deal or solve a problem for the customer?
- **Closing**: How can the employee finalize a sale and obtain the information and the financial commitment from the customer?

IMPLEMENTING IMPROVEMENTS

After identifying what the high achieving teams and individuals are doing differently, those techniques, and skills can be used to teach the lower performing units. Members of the high performing groups can be counted on to model and mentor others in the company in imitating and personalizing their successful habits. Peer coaching and evaluations are helpful in implementing improvements.

Before implementing these improvements, be sure to carefully plan the method of implementation in order to maximize its effectiveness. Once it has taken place, monitor its efficiency and make adjustments as necessary.

BENEFITS

The benefits of benchmarking and implementing improvements are numerous. This allows you to rise to the level of the competition in your market. It creates a culture of accountability in which one worker strengthens the other in developing skills and habits conducive to success. Increased productivity and worker retention are obvious benefits of this kind of evaluation.

PRACTICAL ILLUSTRATION

As success stories go Sara Lee Household and Personal Care is a household name. Yet when the time came to update their computer system, they found out they were failing to achieve their true potential.

In order to choose the right system for their needs, it was necessary to take a closer look at the business and the way the company worked. The result was to opt for the MRP II computer system CINCOM along with the forecasting package.

Sara Lee also decided to completely overhaul their total business philosophy and this is when MRP Ltd was called in to bring an outside view to the situation and begin Sara Lee's examination of the route to Business Excellence.

MRP Ltd was able to help the company's management team to scrutinize every aspect of their business and see where they could perform better. For example, they had assumed their Bill of Material accuracy was good, but it was only between 30% and 50%. Now 99% accuracy is the norm.

John Wilks, Operations Director for Sara Lee was delighted: "MRP Ltd delivered a set of tools that pulled together Total Quality, MRP II, and JIT. This allowed us to measure where we were, how we could improve performance and gain a competitive edge."

The next step was to spread that culture of continuous improvement throughout the company External education was undertaken and cascaded down internally, promoting change from within.

Meanwhile, the change towards complete integration was kept on target by the introduction of a Sales and Operations Planning framework. Wilks continues: "We were able to strip out duplication and see clearly how the company was performing, which is essential for control and improvement".

Today, a new stock control and location system has helped improve raw materials inventory accuracy move from 20 / 40% to 99.8%. Finished goods inventory accuracy has risen from 20% and under to a firm 98.5%. They have made a saving of 50% on inventory investment, yet customer service and satisfaction have reached the highest levels ever (99.5% plus).

But the last word must rest with Sara Lee's John Wilks who would not describe the route they have taken as easy. "MRP Ltd.'s role has been to hold up a mirror to show us where we were. The rest depends on the commitment you're prepared to give, particularly through education and training, and the skills you can draw on within the company".

"It took us two years to see tangible results, exactly as Mike Salmon predicted. But there is only one alternative to Business Excellence, and that is business mediocrity "Class A since June 1994, Sara Lee continues to forge ahead.

What matters is where you want to go. Focus in the right direction.

Donald Trump

CHAPTER EIGHT

GOAL SETTING

In order to achieve goals, the goals must be well thought out and documented. This will not only hold a company accountable for its actions, but it will also give a visual presentation of what needs to be done, whether or not it has been attained and if modification is necessary. In order for goal setting to be most effective, the goals must be SMART and the company must remain focused and committed to achieving them.

THE IMPORTANCE OF GOALS

Setting goals is the key to improving individual and group performance. Having too many, contradictory or confusing goals can do more harm than good. Setting SMART goals is the key in turning the company vision statement into a reality that each member helps create. It does not matter how many goals you meet if the goals themselves are not worth meeting. SMART goals allow you to stay focused on what really matters.

SMART Goals

SMART GOALS are objectives that meet the following characteristics.

- **Specific:** Smart goals are specific in that they mention how much by when. I will get a job earning $30 an hour by June, 2016.

- **Measurable:** Smart goals are measurable. I will decrease my waist-line by 4 inches.
- **Achievable:** Even if no one has ever achieved the goal before there is some reason to believe it is attainable. You may have a record of gradual progress toward the goal to inspire you. The goal is within reach of your past performances.
- **Realistic** Very similar to achievable is the realistic nature of the smart goal. Having a goal to sprout wings and fly over the top of a building is not a SMART goal but a foolish fantasy. You cannot set a goal to suspend laws of nature such as gravity.
- **Time sensitive**: There is an end date by which the goal is declared attained or not. For example, one girl committed to sell 1,000 boxes of Girl Scout cookies in a month.

STAYING COMMITTED

Staying committed to a SMART goal takes work and is the key to achieving it. It is important to keep the goal visible in your work area. Plaques, posters, and letterhead make good places to write the SMART goals and keep them visible. During department or team meetings leaders can review and refocus attention on SMART goals for the week. Having the completion date on the calendar for the individual, group, or entire company is also an excellent way to stay committed. Visualize often that the goal is already completed and it will be before you realize it.

MOTIVATION

Keep motivated toward meeting the SMART goal. This motivation can take form in two ways. Motivation can be either external or internal.

External Motivation:

- **Time:** Employees who meet their SMART goals can be given time to focus on other things they want to do. Extended lunch breaks, coffee breaks, or even days off can be earned by achieving a SMART goal.
- **Money**: Employees who achieve SMART goals may be rewarded with cash bonuses or raises in salary or commission.

Internal Motivation

- **Self-satisfaction**: Some employees find the internal satisfaction of achieving a goal as rewarding as the external rewards one may receive for doing so.

OVERCOMING LIMITATIONS

In meeting your SMART goals often there are limitations and challenges to overcome. If there weren't any, success would be "normal". There are several things that limit our ability to successfully achieve our goals.

- **TIME:** Time management is a limitation that many struggle with. If you focus on breaking up the available time into smaller units, it becomes more manageable. Much has been written on the concept of 1 minute and 5 minute management goals. Some workers like to think in 15 minute segments and how much of the task they can achieve in that time period.

- **MONEY**: You may find the need for funding that would help you purchase supplies, accessories or other resources that would expedite you achieving the goal. Approach your supervisor to see if the company can provide these resources. If not consider bearing the expense yourself. It most likely will be tax deductible and the achievement that will result will be worth the investment.
- **PEOPLE**: You may need additional human resources to complete a task. Ask your supervisor to add personnel to your team to make your deadline on time. Inquire about other teams that are ahead of schedule that may lend some resources.
- **OPPOSITION**: There may be opposing forces within or outside the company that create obstacles to your progress. Try to negotiate a resolution peacefully. If necessary report the incident to a supervisor to help resolve the conflict.

PRACTICAL ILLUSTRATION

Presenting Condition:

- 40 year old orthopedic practice with 19 physicians and 150 staff in 5 locations
- Most leadership staff was new within the last three years
- Systems and procedures were not standardized across locations
- Morale was not positive, complaining was high
- Revenue was not maximized
- Teamwork was fragmented between departments

- Customer service was suffering
- The practice needed direction
- Administration wanted to be proactive in addressing problems and issues
- There needed to be an organized approach to addressing these issues

Treatment:

- One-day facilitated retreat with all administrative team, including two physician members, that focused on three areas of development:
    - Teambuilding
    - Coaching skills
    - Personal style and communication
- Three monthly follow up meetings with facilitator to continue teambuilding activities and develop additional management skills in the following areas:
    - Change and transition management
    - **S.M.A.R.T**. goal setting and project management (**S**pecific, **M**easurable, **A**chievable, **R**elevant, **T**ime bound)
    - Recognition and reward systems
    - Employee involvement
    - Practice communication methods
    - Facilitating effective meetings

Outcomes:

- Increase in productive meetings:
    - Monthly three-hour meeting with management and administrative team
    - Monthly (or more frequent as needed) meeting with office managers of various practice locations to discuss standardization of policies and procedures as well as outstanding concerns / issues / situations.)
- Aligned organizational improvement goals, and required all departments to develop S.M.A.R.T. goals with the following focus:
    - Respect for all employees
    - Orientation to customer service
    - Standardization of policies and procedures across practice sites
- Development of two employee task forces:
    - Communications committee
        - Responsible for creation and distribution of monthly newsletter
        - Surveyed employees to identify areas for improvement
        - Meet on monthly basis and forward suggestions to administration
    - Employee motivation committee
        - Developed and purchased branded items for distribution to

all employees (e.g., pens, note pads)
    - Provide ideas monthly to administration

- Change management:
    - Provided books for all leadership team on change management; team discussed and developed plans to use more effective approaches to managing changes and transitions
- Training of employees
    - Provided opportunities for employees to go to variety of seminars
    - Employees who attended the seminars provided follow-up in-service sessions for other staff
- Physician involvement
    - Two physicians attend the monthly meetings
    - A physician and executive director attended seminar on aligning an organizational culture with its goals
    - Physicians volunteered to provide a recognition event for staff
    - Physicians were energized in a discussion in volunteering to recognize the efforts of the employees. Ideas were bantered about such as providing a car wash for the staff, providing a picnic, and nominating an employee of the month.
    - Physicians are profiled in the newsletter

Supporting Resources:

- William Bridges, "Managing Transitions: Making the Most of Change"
- Ken Blanchard (Foreword), Bob Nelson, Stephen Schudlich (Illustrator), "1001 Ways to Reward Employees"
- Alanna Jones "104 Activities That Build: Self-Esteem, Teamwork, Communication, Anger Management, Self-Discovery, Coping Skills"

Prognosis:

- Good….with a strong commitment to continue practicing healthy management techniques. Results have been immediate, rewarding, and motivating…..perfect sources of energy to keep propelling us forward for even greater success!

3 Key Recommendations:

- Interview various facilitators to find one whose personality and presentation is in line with the vision and culture for the organization.
- Ensure that employees feel a part of the process. Provide continuous opportunities for employees to be heard and feel that they are heard. Provide training, tools, and expectations for all employees to perform their job responsibilities.
- Communicate, communicate, communicate. And when in doubt, communicate.

*Practical Illustration is from: http://www.karenzupko.com/resources/kzalerts/improvingstaffcooperation.html

There is no point at which you can say, "I am successful now, I might as well take a nap."

Carrie Fischer

CHAPTER NINE

KEY STEPS

There is another admonition to not "rest on your laurels". Laurels were wreathed crowns won in the Roman Empire during athletic competition. They symbolized victory and the pain it takes to achieve. They were never intended to become pillows upon which to rest your head on your past accomplishments. There are several factors that success depends on to gain it and keep it. Many companies are learning the lesson the hard way to not let past achievement be any kind of guarantee of future success.

SIX SUCCESS FACTORS

1. **A good plan**: Success doesn't just happen by accident. A well-developed business plan is the blueprint for any organization's success.
2. **Effective communication**: Throughout the entire organization, there must be clear and effective communication with a full understanding of each member's roles and responsibilities.
3. **Managed stakeholders**: Each individual who has an interest in the future of the organization must be connected to the group, understand their role, and have a properly functioning voice in the network.

4. **Accurate measurements**: Growth and progress should be visible and measurable with each monthly meeting. Stakeholders should be informed about the progress their efforts are making.
5. **Constant review**: Each team member must be able to go back and if needed, re-learn the basic steps that make success happen. Those that had experienced success in the past can rekindle the flame and regain their successful formula.
6. **Being proactive**: Members take action to solve problems before they occur.

STAYING CUSTOMER FOCUSED

Companies that stay customer focused are the ones that have the phones ringing with customers wanting to make a deal. Many employees fall into the delusion that the company exists for them to have a place to work. That could not be farther from the truth. The best way to keep your job safe and the company making a profit is to stay customer-centered. Treating your customers well, meeting their needs, and guaranteeing their satisfaction will get them to talk about your company and choose you over the competition. The following five steps are ways to stay customer focused.

1. **Identify the customer's name:** Find out the customer's name and use it often in the conversation.
2. **Use inclusive pronouns:** "You" and "we "pronouns include the customer and build a bond with him or her. Avoid talking about yourself as much as possible.

3. **Focus on needs:** Continue to talk about how the product or service will meet their needs.
4. **Focus on wants:** Talk about how the product or service is something they obviously want to own.
5. **Focus on fears:** Eliminate and overcome their fears with guarantees and credible claims.

THE ART OF TELEPHONE PERSUASION

Convincing a customer to do business with you over the phone is an art. There is no set of magic words or mathematical equation to utter. Each salesperson can have a somewhat personalized approach. As an artist the seller needs to intuitively imagine them self in the role of the buyer and feel what they are feeling. Try to think their thoughts and find a way to overcome their fears. Within the first couple of words, the seller must convince the customer that they are worthy of trust. With tone of voice, politeness, and lots of empathy, the seller must ask for the right to be heard and then must listen more than they talk. By using words to paint a picture of the benefits of owning the product, the seller must only be a guide to help the buyer take what they really want and need and make it their own.

TELEPHONE SELLING TECHNIQUES

- Speak from an erect sitting position or standing up. Make sure your voice is projecting properly.

- Use a wireless head set instead of a hand held phone. This will allow you to add hand gestures and to speak more emphatically with greater vocal quality and expressiveness.
- Use a calm unhurried tone of voice. This will allow the customer to listen in a calm non-threatening way to you as you describe a solution to their needs.
- Be informed as much as possible about the person or company you are talking to. Visit their website, read their biographical information, and use their personal and professional name and title often.

PRACTICAL ILLUSTRATION

Pat has been a sales associate with Company X for the past 20 years. When asked how she is so successful, Pat simply responded, *"I made my fair share of mistakes and learned from them."* When pressed further, Pat explained that when she first started with the company, her only focus was on making money, by any means necessary. She later discovered that there is an art to selling and without it; skill would only take her so far. For example, Pat has always been one to react to problems rather than proactively creating a response before they occur until one day when she got a call from a customer who said she wanted to purchase $100,000 worth of products. All Pat could think about was her commission and hurriedly agreed to and process the sale. After hours of paperwork, Pat discovered that Company X doesn't conduct business with the country in which the prospect lived. As a result, Pat had to undo all of the work she did and call the customer with the bad news.

After several years on the job, Pat became very confident in her ability to sell and felt like she could do it with her eyes closed. In fact, she did close her eyes one day. The customer on the other end of the line, who was considering business with Company X and another company, told Pat that she sounded bored and unprofessional and decided to take her business elsewhere. From that day on, Pat realized she must maintain an upright posture and smile while she spoke to customers.

Always be closing…That doesn't mean you're always closing the deal, but it does mean that you need to be always closing on the next step in the process.

Shane Gibson

CHAPTER TEN

CLOSING

Ironically, closing more sales can give you that free time to spend with those you love. Not closing sales it what causes you to extend the hours you put in at the office. For the sake of those who you love, you must become a closer. The days of doing the opening work and handing the account over to a more efficient closer are over. You must take control of your phone and close every call. This takes full commitment to apply the principles found in this guide.

KNOWING WHEN IT'S TIME TO CLOSE

By listening to your caller you will be able to detect when they have built rapport with you, made clear what it is they want and have become convinced that you have the solution to their needs and desires. They only need to be told how to make it happen. This is when it is time to close. They are done asking questions and have agreed that your solution makes sense. A pre-close question that works very well is simply that, *"Bill, does what I have explained to you so far make sense?"* If he replies that it does then he is probably ready to make a deal.

CLOSING TECHNIQUES

Don't allow the technique you use to close a deal undo all of the effort you put in to get you to this point. Bear in mind the three possible methods below:

- **1-2-3 Close:** Summarize the deal in groups of three. For example, *"Our cars offer affordability, reliability, and a money back guarantee."*
- **Assumptive Close:** Act as if the customer has already given you the go-ahead to wrap up the deal. For example, *"So what day is convenient for us to deliver your mattress?"*
- **Quality Close:** Emphasize the importance of the quality of the item you are selling rather than pointing out other qualities of it such as price. For example, *"All of our sweaters are made with the highest quality materials, but the "Body fit" style has been known to withstand even the most rigorous washing machine."*

MAINTAINING THE RELATIONSHIP

Maintaining a positive relationship with each caller is important to the telephone sales representative for a variety of reasons. They may not be ready to buy today but that may change in the future and they may call you back. You may check back in a few weeks and their circumstances have changed and they are now ready to make a deal. They may know someone who is looking for your kind of product or service and due to your polite and professional manner they referred the business to you.

Regardless of their ability to close a deal with you that day or not, each person you contact is a valuable and irreplaceable part of your sales network. They know people and go into places that you cannot reach. By treating each person well and leaving on a positive note, they will take you with them into their world.

AFTER THE SALE

By communicating with the customer promptly after the sale, the customer can gain confidence that he is genuinely concerned about meeting his needs and not just gaining a commission. By asking how the product is performing, how they like it, and how satisfied they are with the overall sales experience, the buyer can feel a higher level of trust with you and recommend his friends and family to do business with you in the future. Gifts of appreciation such as flowers, a bottle of wine or a pair of tickets to a show can seal the friendship for years to come.

PRACTICAL ILLUSTRATION

Casey is a low performing sales associate with Barnes' Paper Company. She has implemented a variety of strategies to improve her performance numbers, but nothing seems to be working. At her request, Elizabeth, her supervisor is going to sit with her to listen to some of the calls she makes and offer feedback that could potentially help her. Casey is on the phone with a customer. She builds great rapport, demonstrates effective listening skills, and is at the point where she could ask for the sale. Instead of doing so, she strikes up another conversation with the prospect.

Elizabeth motions her to close the deal but Casey keeps talking. When she does finally go in for the close, she explains to the prospect that their paper is high quality, inexpensive and can be delivered in 24 hours. Immediately after, she mentions that it is unfortunately not recycled like many other companies have started doing. The customer pauses and says, *"Hmmm, any idea why that is?"*

Casey is eventually able to close the deal and promises to follow-up with the customer in a week to make sure the delivery came on time and there are no issues with it. She then hangs up and tells Elizabeth she'll probably wait a little longer than a week to contact the customer because she likes to talk a lot.

Elizabeth then gives Casey feedback on the call. She tells her that once she has addressed all of the customer's concerns and the customer does not give a definite "No", then she should begin the verbiage for closing the deal. Also, Casey did a great job with using the 1-2-3 Closing Technique but undermined it by immediately adding the information about the company not using recycled paper. Lastly, Elizabeth tells Casey that the relationship after the sale is just as important as the relationship before the sale. Maintaining this rapport could result in repeat customers as well as new ones.

CLOSING THOUGHTS

- **Hal Linden:** I hadn't really noticed that I had a hearing problem; I just thought most people had given up on speaking clearly.
- **Moliere:** If you make yourself understood you're always speaking well.
- **Zig Ziglar:** What you do off the job is determining factor in how far you will go on the job.
- **Winston Churchill**: Broadly speaking, short words are the best, and the old words the best of all.

Rick Chisholm made history when he single-handedly changed the professional Audio Visual industry by breaking all the rules and capitalised over 50% market share in Australia with very little capital, no partners, mergers or lenders and set up the first franchise operation of its kind in the world in the late 1990's and early 2000's.

As a 7x founder of companies and 30x businesses such as Innovest, AI Machine, Lightsounds, LSW, Light Emotion with revenue in excess of $300 million and having employed more than 1,000 staff over the last 35 years. Rick is known as the Start-Up and SME Guru and is Author of a number of books including Business Success for Life. Unlike many mentors, he actually walks the talk and has a number of businesses under management in such areas as Automation, Events management, Importing, Distribution, Retailing and E-commerce.

His BIG passion is Business Education empowering Businesses Owners through knowledge and skills. Whilst Rick has experienced great success, he has also endured many failures. Rick has faced and overcome the exact same challenges you are facing now.

Tala Chisholm is an SME specialist who has owned and managed several small to medium sized businesses in the last 20 years, several of which were eventually sold. She has extensive experience in the fields of retail, franchising, licensing, dealerships, education, importing, distribution and consulting.

Her expertise lies in building and implementing customised cross-platform database and software solutions for businesses, automation, IT, web marketing, advertising, graphic design, business administration, process refinement and implementation. Her business experience ranges from bricks-and-mortar Giftware retailing to highly technical fields such as Security, CCTV, Entertainment Lighting and Audio sales, hire and installations as well as e-commerce.

Throughout her career she also trained and mentored Franchise business owners as well as internal division managers. Some areas of training included retail operations, management practices, business strategy, accounting, cash-flow, marketing, customer service and IT. She has also headed up the drafting of Operating Compliance Manuals for Franchise operations and implementation of all the elements involved.

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