

PEO Network Articles Archive 1997 (January thru June)

TOP GUNS RESEARCH ARTICLE (rough draft)

Tenacious: *holding fast; persistent, stubborn.*

Sagacious: *acute mental discernment; keen practical sense, shrewd. "thinking on your feet"*

Veracious: *habitually truthful and accurate.*

STATS AT A GLANCE

Top Guns in the PEO industry are averaging 31 clients per year with a total of 613 annual new leased employees. Seventy percent of them are still with their original PEO.

Fifteen Top Guns were nominated and agreed to share their 88 cumulative years of experience. They were interviewed via telephone for a total of twelve hours and spent over thirty hours filling out questionnaires.

Only 10 nominees returned their completed questionnaires in time for the 3 testing/profiling companies to compile their results. These results are listed in the subsequent sections of this special section.

SUCCESS

LEAVES

CLUES

The following recap is a summation of twelve hours of telephone interviews. Due to the confidentiality of the identity of the respondents, no direct quotes will be published. My apologies in advance for plagiarizing your comments!

What were you doing prior to PEO?

There are four major clues to hiring a top PEO producer and the first clue was disclosed in this simple question.

Clue #1: Eighty percent of the respondents had owned their own business in the past.

The other 20% grew up with parents that owned a business plus they were previously calling on business owners. The combination seems to suffice for gaining this advantage.

The reasons for their success in selling PEO are three-fold. First, and most importantly, they understand a business owner, they have walked a mile, they have empathy. Secondly, they are not intimidated in the least by a person who owns a business. Last but not least, if you have owned a business then chances are that you have the self discipline and drive to motivate yourself.

Here is a sampling of some of the businesses that these Top Guns have owned:

- Business Equipment Supply
- Computer Consulting - 11EE's
- Investment Firm
- Lawn business as a kid
- Insurance Agency
- Computer Graphics Firm
- Parents owned manufacturing firm 25EE's plus, sold to small store owners

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- Most of my family owns a business plus I worked as assistant to owners.
- Owned construction firm for 11 years/10EE's
- Owned both construction co. 12 years and Manufacturing company for 3 years/7EE's
- News Paper Stand
- Car Wash
- Liquor Stores
- Restaurant/140 EE's
- Fitness Business/20 EE's

An interesting trend worth mentioning is that the larger the number of EE's in the company, the more predisposed the respondent was to going into sales management or owning equity in the PEO that they are selling for. Therefore, if you are looking for a permanent sales position with little room for advancement to management, then stick with applicants that formerly owned a small, under 10 EE company. Conversely, if you are looking for a sales person that can move quickly into a management position, look for applicants that formerly owned a company with 10-50 EE's. Lastly, if you are looking for a sweat equity partner that can sell, be sure that they formerly owned a company with more than 50EE's.

The general consensus was astounding in this area. An additional side note question was asked of the respondents that formerly owned a business. "Knowing what you know now about the legalities and complexities of running a business, how do you feel about being a former business owner?" They all laughed and shuddered simultaneously. Most wondered how they stayed out of jail and all of them stated that it was a great motivator to get out on the street and assist the business owners that they meet.

HELPFUL HINT: Get a list of terminated clients whose employee count matches the type of producer you are looking for. Track down the business owners and determine if they meet your TOP GUN criteria!!!!!! The extra bonus is that they have already bought in to the concept

How were you introduced to the PEO concept?

The pendulum theory was quite active in this section. Many of the top producers initially thought that this concept was a scam. But, because of their business background, they spent the time to research the industry. Knowing that if it was legal, it was the best thing since sliced bread.

Interestingly, the 70% of nominees that are still with their original PEO, 50% of them had a personal relationship with the owner of the PEO.

Only two of the fifteen nominees were introduced to the concept through a blind employment advertisement.

HELPFUL HINT: Make a list of your acquaintances that meet the TOP GUN criteria and don't give up when they say NO. One nominee was chased for two years by the PEO owner and he gave up a twenty year lucrative career. Remember the biblical story of Saul's transformation to Paul!

How would you describe yourself?

This section can be summed up in the 3 opening words: tenacious, sagacious and veracious.

Certainly the testing companies will give us clear cut character and personality traits to look for, however, there was one trait that I want to highlight because it leads us to Clue #2.

The combination of Clue #1 and Clue #2 will lead us to Clue #3 which is the underlying motivator that drives TOP GUNS to continually post astronomical sales results. Since this is not a money driven motivator, they are not

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experiencing the saturation and comfort zone issues that a typical sales person faces after 3 or more years in the business.

CLUE #2: CONTRIBUTION is very high on their list of values. Especially in the area of volunteer work with children and church activities. These habitual “givers” told stories that would bring tears to your eyes.

There are 5 nominees that could be considered outstanding sales producers. They all meet the following criteria:

- More than 3 years tenure
- Still with original PEO
- Consistently producing
- Mutual respect and friendship with PEO owner
- Would never consider selling for another PEO
- Will still be on the street selling in ten years
- Have the respect of the customer service team
- They are not in it for the money
- Over 75% of their business comes from referrals
- They have all closed a deal with more than 200EE's

What is the force that drives this dream team? Read on for Clue #3.

In the area of Sales & Marketing, what are you doing that makes you special?

Clue #3 is a conclusion that was drawn from the many different responses that all said the same thing.

Top Guns have forged a link between their business background and their sense of contribution into a compelling reason, a MUST. They consider themselves problem solvers, trusted business advisors and consultants.

They NEVER give up on a qualified prospect because they know that the business owner is an employer by default and that the government has deemed business owners as a non compensated, highly penalized tax collector and curer of all social ills.

Top Guns are compelled to share the PEO story and get business owners out of the employment business and back to their core profit centers.

In short, they subconsciously “volunteer and contribute” all day long.

HELPFUL HINT: Be sure to ask for a list of volunteer work because the humility these folks display will most likely prevent them from listing it on their resume.

In your current book of business, what percentage came from referrals/networking?

Clue #4 : Across the board the average percentage is 62%. The dream team average is closer to 80%.

The ability to generate referrals can be boiled down to two key distinctions. First, believe that you will receive referrals and preframe your prospects/clients. Secondly, life is a gigantic mirror, therefore, if you want to get referrals then you need to give referrals.

HELPFUL HINT: Look for prior experience in generating referrals as well as networking activities.

What will you be doing in ten years?

Twelve out of the fifteen nominees will still be in the PEO industry ten years from now. Two plan on being retired and one nominee plans on owning 3 unrelated companies.

If PEO disappeared tomorrow, what would you do next?

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The responses to this question were somewhat disconcerting. All of the nominees would continue to remain in sales, consulting and training. However, when I asked them to choose from one of the 7 industries that the PEO concept consolidates, the only choice was Human Resources. This is very interesting because none of the nominees had any former background in Human Resources.

HELPFUL HINT: Adding an extensive HR component to your training program could prove to be valuable. These TOP GUNS had to learn it on the street and through years of trial & error.

Pearls of Wisdom from the TOP GUNS

“...every day I put 20 beans in my pocket when I leave the house in the morning and my goal is to transfer all the beans to my other pocket by the end of the day.” Each phone call, sales call, pre-approach letter is considered a bean transfer.

“...don't take rejection personally.”

“...I bound out of bed every morning wondering what new friends I'll make today.”

“...rapport is everything.”

“...the phone is a tool that is used for setting an appointment ONLY.”

“...I am so good at getting referrals because I would starve if I had to cold call.”

“...a referral request faxback form goes out to my clients regularly”

“...I tell prospects that one of three things will happen after they hear my explanation of the PEO concept. Number One, you will fall in love with the idea and want to implement it immediately. Number Two, you think it is a great idea but the timing is not right and you will put it on the backburner. Number Three, this is not for you but because we have forged a friendship, you will be kind enough to refer me to companies that I can help.”