



## MODULE 5 Motivation Techniques, Follow Through Strategies

**Mike:** OK, so as I said, last module, Module 5 on motivation and retention strategies. In the last module, we kind of talked a lot about on boarding. And the basic premise that comes out of that is we discussed the importance of setting specific expectations, especially with a new hire, doing it daily. Now, these are numbers that you are giving them and that are non-negotiable. That is just kind of bringing back what we talked about last week. They have no idea what it takes to be successful. Their natural inclination is to settle into a number – most people's natural inclination, that is, is to settle into a number that is very difficult for them to be successful at.

And then, generally, and I have made this mistake a ton of times, especially when I was new, our silence, our not challenging the number they settle into, condones in their own head that, well, I must be doing OK because if I was not doing enough calls, I would be hearing about it. But, this is where we kind of transition into this module, as the new hire develops, you want to have them set specific goals, based on what their wants, needs and desires are.

And you do not want to do this too early into the process because they are not emotionally or physically really able to make a connection between the amount of activity they are going to need and the amount of income they are going to need. And by that I mean if you do that when they start and you start talking about presentation counts and interviews, it is all theory. They have not rolled up their sleeves. They have not been hung up on, they have not be rejected, they have not been beat up enough yet to really understand what they are going to be able to commit to.

What they did commit to when they came on board and that was kind of module 3 and interviewing and kind of setting that table, which is why these all tie together so nicely, interviewing is you are setting an expectation of what they are going to get when they are on board. On boarding, module number 4, that is when you are working on setting the expectations you told them you were going to give them and holding them accountable to those initial numbers. This one is now, OK, let's assume they have been executing at the level that you have been comfortable with for the last couple months. Now, it is important to tie it in for them into what their earnings can be. And that is what's going to drive their motivation. And this is what's going to remove you from carrying the whip and beating them daily to get on the phone.

And the main premise of this what we are going to be talking about today is connecting what their daily, weekly and hourly activity numbers are to their weekly, monthly and annual earnings. So, you go to the first page, which is kind of going quickly through some of the mistakes, one, we expect them to be self-motivated. And in reality, from my experience, some are. They are all motivated but generally, again, they do not know what it takes to be successful. And from the survey I did through my website, a huge answer I always got was how do I keep my people motivated?

And the old way was, well, you know, hey, do you want to make a lot of money? Then get back on the phone. And it is just not specific and it is not general. It is white noise. And it is basically if you are doing it, stop because you are probably not getting anywhere. When I did it, I did not get anywhere.

The other mistake we make is we expect them to work as hard as we do, as owners. I hear that all the time. “I do not understand why they do not want to work as hard as me.” And I kind of got this even early on. Why should they? It is not their business. It is their job. If they were entrepreneurial, they would have opened a firm. And most people, when they join, if they have not defined the outcome they seek exactly, and we as owners always want more – for example, I am aware of a few situations with friends. They had \$300,000 a year billers a year or two into the business. And the person, maybe they are doing 10, 11 hours connect time. Maybe they are not doing a lot of activity, but year in and year out, they are cranking out \$300,000 in cash in revenue and they are fairly low maintenance employees.

And yet, the owners that I have talked to or even some of my coaching clients will say, “Well, they are so much better than that, they could do so much more.” And the answer is, well, true, and there is ways we are going to get into on the call today to maybe motivate them to want to do more, but if they are doing that kind of numbers, one, they are profitable. Two, they are low maintenance, so they are profitable with your time. If that is what their real number is, congratulate them and move on to somebody who does want to grow. But, we will talk about some areas today that you can work with them and possibly having them raise that bar.

The other mistake we make is we expect people to set their own goals. And again, if they got it and they could do it, themselves, why do they need us? One of the reasons we chose to go in business for ourselves is we got it, we could hold ourselves accountable, we had faith in ourselves. And my experience is a lot of those that actually do get it and do these things in the absence of their owner’s help, ask themselves what they are getting from that owner, and ultimately, a few years down the road, want to buy out their desk, go off on their own, etc.

And oftentimes, the owner is shocked because he did not have to pay a lot of attention to that person. The person was billing without paying a lot of attention. Why does he want to go off on his own? Well, even if you are paying out at a 50 percent bracket, they are thinking well he or she is no longer adding value, meaning they are not helping me to generate more revenues by either coaching me, by training me, by adding new techniques, and that is the point of separation. And we are going to get into some coaching techniques towards the end of this module that can kind of put you in a position, from a very low maintenance standpoint, to help them continually raise the bar.

So, how do we avoid all of this? One, you help them build their dreams. Most people have dreams, yet they are not defined in goals, meaning, they want a house, they want a car, they want a nice vacation, they want a second home. What I typically do is I pull out my notes from when I interview people, and I do document this when I interview them about what it is about controlling their own income. They are going to talk about in the interview process, the things they want. Put that in the file with all the forms you have to

have for the taxes and pull that out a couple months later. But, I am looking back as what do they want, why did they join?

And here is where many owners complain they can not keep production consistent, motivating's difficult and low activity. This is the key to that. Master this. Some people are going to be very stubborn, so this doesn't work with everybody, but those are the people you are going to get rid of, anyway. The people that it does work, this is what's going to make your life very, very simple. Wait 60 till 90 days after they have been with you.

And then, have them redefine those 12-month goals. Pull out those notes. Ask them if that is still what they want. Ask them if that is still what they want to work for. And then, have them crystallize it. I would just ask them a bunch of questions about what they wanted, have them go home with a notebook, write down all those things materially – this is a goal-setting 101 exercise – of what this is going to cost.

I want to get their income goals. And the most common income goal for a new recruiter is a hundred thousand bucks. When I hear that, I know they have not thought it through. I like hearing \$85,000, \$110,000, \$115,000, but when I hear, “I want to make six figures next year,” I know that the goal was not thought through well. I also ask, and you should ask, “Have you factored in state, local, federal taxes?” And in Connecticut, I kind of take out, generally, about 35 percent of what they want their income goal to be. And then, that is the number we are going to work with.

Now, somebody comes to you and I will just use the 100K number for now, and their W-2 goal is to make six-figures, but they have never made, say, more than \$40,000. I am going to say, “OK, so you are going to make \$60,000 more than you have ever made.” Less 35 percent of that is probably about \$45,000 more than they have ever kept after taxes before. “What would you do with the extra \$45,000 in your pocket?” And if they do not know, if they do not have a clue, if they do not have that money allocated, and I used the term “spent,” but allocated, and by that, it can mean pay down credit card debt, it can mean put \$15,000 in the bank for retirement savings. That is what I mean by spent.

If they do not have that extra money spent because \$40,000 is probably their baseline. It is probably, if you have ever heard the term of a thermostat, if they are never made more than \$40K, when they start W-2ing around \$40K for you, maybe even a little bit more, \$50K, because they are taking a little bit more risk, their thermostat, just like a furnace, it is going to hit 72 degrees, it is going to be comfortable and they are going to shut off unless they have the fuel behind what the extra number is.

I have experienced this time and time again with a person. I have read a lot about this in motivating salespeople and people, when they want to stretch their earnings. So, you need to be ready for that. And if they do not know how they would spend the extra money, either send them back or lower their number.

The other question is if they were at \$100K, with their goal of \$100K, I would say, “Well, how would you feel if you made \$80K?” And if they say, “Well, you know, that'd be a pretty good year.” Well you know what? Then, \$100K is not the number. And I keep going down the scale until I get them a little bit maybe irritated with me. If the person

never made more than \$40K, you might get to \$60,000 or \$50,000 and say, “I had a guaranteed salary of \$40,000; I did not take this job to make the same as I made at the other place. I need to see at least a 50 percent premium or \$60,000 for me to justify my earnings.”

This is key. I think we talked about it in the last module. You have got to test whatever they give you. Now I am testing that number and I am getting a number I am a lot more comfortable with. Maybe it was \$60K and not \$100K in their first year. It is probably a number you are going to be able to live with, too, because it is going to be probably in the ballpark of \$150,000, \$160,000 in billings. But whatever the number is, it is important. Do not try to talk them out of their number. On the up side, you can ask them to go and dream and come back, but if you try to build in things for them, then they are your motivations and not their motivations. So, be careful on that.

The other thing I find is once people get up and running, even after you have done this exercise, and the term I use, I forget where I heard this, but it is a great term, “impotent goals.” Do they have impotent goals? Goals that are not driving them? They say they want all these things, but based on their activity levels, this is how you can tell if they have impotent goals. One, they have set goals, which require 14 presentations a day and three interviews a week or two interviews a week, whatever that is. And they are hitting numbers half of that.

Well one, as an owner, I am always taking into accountability, did I do a good job setting goals with them and am I holding them accountable? Because if I am letting them slip to 50 percent below their target, either the goals they want, that they said they wanted weren’t real or they are losing the connection between the daily activity, weekly activity and what it is to get that.

So, you will hear things like, “I am not motivated.” Here is the big one, where people think – and this is the biggest common disease in the recruiting industry – planning. When I hear, “I am not planned,” I am actually hearing, “I do not know what the connection of what I am going to do tomorrow is to my income, and it is not worth the effort to plan.” When I know the value of each presentation, of each interview, and I just did an exercise with a client today when I was on the phone, the value of each first time send out, based on their six to one ratio and their fee of about \$25,000 was about \$4,000.

When I was able to get them to grasp the concept that once they arranged an interview, they, in effect, build 4,100 bucks and that every recruiting presentation behind that was worth somewhere in the neighborhood of \$50.00 or \$75.00.

Now, I am planning to make 10 presentations to candidates tomorrow. I am planning on making 500 bucks. And I know a lot of you have heard this before in other sales trainings, but with placements being so infrequent, this is why motivation drifts in between days, in between placements, is the lack of that connection, again, between the placement daily, weekly activity.

I remember even years ago when I had a huge client. I could fill about two openings a month with them. They were fairly low-end, fairly cookie cutter. And after doing a

couple dozen of them, it just became tiresome, saying the same thing over and over again. But, I knew that if I made 29 recruiting presentations – these were so easy to fill and they were so attractive to lower-end candidates – I would have four candidates to go on an interview and one would get hired. All I did was I took this little graph paper, I created 29 boxes. I colored in every piece of graph paper until I hit 29. By the time I hit 29, I had four people to set up.

So, to get me through that little hump, and I am a fairly visual person, for visual people out there, find visual things for your people to get them through these little things. I gave you access, I think, in I forget which module it was, to Scott Love's telephone tracking sheet, especially for new hires, where they get to color in when they make presentations.

Once you have got this, once you have got their goal set up, you convert their dreams into defined goals, which is the next one down in the action guide. And as we talked about before, you are helping them uncover what they ardently desire. Ninety-nine percent of the time whatever number they set is going to exceed what your minimums for them to be a profitable employee for you are. Once you have all that, once you have that and you have tested them, you have gone through it, the numbers look real, the main important thing is the numbers look real to you, too. They can not come out saying, "Well, I need to make 38 first time presentations a day." Can it be done? Probably. I have never seen it done, I have never seen a day where anyone ever came even close to that in this business.

So, sometimes, people have realistic goals with unrealistic timeframes. Be conscious of that. And you might be thinking well, Mike, I do not want to discourage them. Well, you are going to discourage them if you lead them to believe that some pie in the sky number is realistic their first year. As we all know, once they become more tenured, these are numbers that require less activity because they have established a reputation, they know who to call, they are wasting a lot less time.

So, do not let a new hire, somebody's first 60, 90, 120 days get away with the number that when you crunch it, based on what the ratios are, is going to be too big for them to hit. What I just tell them, I say, "Look, I love your enthusiasm. I do not see that happening this year. I see this year as a more realistic number, this." If they really fight you, then set two numbers. But, again, I do not want them discouraged in 60 or 90 days. With everything else that starts during your ramp up, it is one more point of frustration you do not need to have with them.

Now, if you go to page three, this is where your job, and I want to be very blunt here, I look at my job here as to get them their dreams. If you did all the other steps we just talked about correctly, you get nagging rights with these people. If they wanted to make \$80,000, \$100,000, you are asking for their permission to hold them accountable to those numbers. And if they are really dedicated to doing it, especially in a couple minutes, when we get into the coaching aspect of this, you are not beating them over the head anymore because you are coaching them to what they want for themselves, which just by chance happens to meet or exceed what you need for you and your business.

Now, when you go through the goal setting with them because here is what you are going to hear when they begin to execute, if you ask about their week, especially with tenures.

The more tenured they are, I am not on them every day. Like I said in the other module, that other program when they are brand new is that first 30, 60, 90 days is when you are meeting with them daily. Once they are on board, I am going to recommend weekly sessions. I am coaching numbers once they are beyond that first three months or so, weekly.

But say look, when you do the exercise, “You are going to come and I am going to ask you going forward, and I am going to ask you why you had a bad week . . .” This is, by the way, before they ever made their first call after they set their goal. “And you are going to tell me you could not because you were too busy closing a deal prepping, debriefing, doing research.” Fill in the blank on whatever.

And I say, “Well, if you are going to be a high-billing recruiter, is not prepping, closing and debriefing going to be part of your weekly activity, anyway? So, you need to factor that in. And once people become a little bit more tenured, not their first 90 days, maybe their first couple years, they do not need that same high activity account to build bigger numbers because they are just more efficient. And that is not for this course, but that is just something to look at.

But, predict, from your experience, and I just gave you some of those areas, where they are going to whine to you why they could not do it. The most important thing you can do for them at this point to help them ensure that they hit their goal is to track their data. My experience somewhere, I do not know, 75, 85 percent, other than maybe first time interview to placement, most owners do not track numbers. I know we have all been taught it at different points in our career. I was taught it. I did not do it for years, and I did it again and became a numerologist.

And by the way, I was kind of a D student in math. I do not like math. I do not do well in math. But, when I know it has a direct correlation to my income, I figured out how to enjoy it. But, without tracking data, you cannot make your firm predictable in its revenue streams. And in the last module, I said, for example, knowing what our minimums were, which was \$100,000.

And again, \$150,000 in revenue equals seven placements here – probably not in your firm, but this is just the formula. The formula is on the member site. And it will be in the workbook. The seven placements, \$150,000 is seven placements at \$21,500. That equals 63 first time interviews at a nine to one first time interview to placement ratio. That equals one and a quarter interviews a week. That equals 38 recruit presentations a week.

Now, they also need to be marketing. I am not going to get into that side. I just wanted to give an example of real life. And these are real numbers for one practice area in our office, so I can tell if this person at \$150,000, which is my minimum – most want more – if they are on target. And you might be asking OK, what if their goal’s \$250K, \$400K, you take the same formula and you just plug it in.

My experience is most people know this, but do not do it. My challenge to you is if you really want to be more of a hands off leader, if you really want to create an operation where your people are more motivated, start tracking them. You do not have to do this work. You can put it on a spreadsheet. You can have your admin do it. I do not have

people e-mail these numbers to me every day. Actually, I have a service that does it. But, before we did that, we had everyone e-mail their weekly numbers along with what our key areas were. Our key areas are numbers of placements, dollars generated, job orders, first time interviews, marketing presentations, recruit presentations and connect time. And we are measuring the predictability amongst all those different things. We have created a ratio.

Again, you guys already know that, so I am not going to go into that in depth, but track that. Have your admin or have somebody set up a spreadsheet where they can plug those numbers up. If you take this on, yourself, I am telling you, it won't get done.

Now, if you want to implement this, expect resistance. First of all, brand new people are easy because this is part of the job. It is part of the culture, it is what their expectations are. Your challenge is going to be getting tenured people, you are going to be saying, "Mike, how do I get my tenured people to do that?" Well, you are not going to tell them to do it because they need to do it for you. That might be a way to get it done, probably breeding a little resentment. But, I fully believe what I am about to tell you is 100 percent truth. You need to tell them why it is in their best interests to do so. And it is absolutely in their best interests to do so.

And here is the question I would ask: "Would it be helpful for you to know exactly what you needed to do every month, every week, every day, every hour, in order to hit your financial goal?" And the key word in that sentence is "exactly." Remember, and we have talked about this, focusing on placements is focusing on the one thing, which is outside of your control and their control. And placements are too few and too far between to keep people motivated.

A \$300K biller in this office makes a little over one placement a month. Not even, maybe four a quarter, but not quite. So, my question to you guys kind of open-ended, rhetorical question is when that person goes home the other 22 working days each month, how do they know if they had a good day? And that is where the real problem is. And this is why you do not get consistent daily activity because they are focusing on a placement. And here is what they are thinking, and here is how we all think. At any given time, anyone's got a couple openings on their desk and especially the newer people. They are planning on filling all of them. So, they are sitting there going, "OK, if I fill these three jobs, they are \$20K a piece, it will be \$60,000 and I will make \$30,000 or \$20,000 or whatever."

And they are just so naïve that they think they are going to fill them all. Tenured people are not that naïve, but they are still looking at these things that are open. And there is situations where sometimes, they fill all of them, or sometimes, when they all blow up. The only thing consistent day to day that they can control is the activity, so that they can bring more consistency into their billings and their earnings, which is why when you approach these people, that is the benefit to them. You are going to have the data track form, and I am going to challenge you to use this in a coaching mechanism to help them get what they want, versus something that you are going to punish them for. Because when you punish someone for something, and this is the tenured people, not the new people, you are likely to get less of it.

And the old model is, in the absence of this data, when we see people that are slumping, we tell them, "Make more calls." We tell them to get on the phone earlier. We say, "Stay

on the phone longer, to get into the office earlier, to stay later, to take shorter lunches, to do more research, take better job orders, take better data sheets, study the business longer.” And especially in this economy, and that might all be true to some degree, but the one thing in common with each one of those statements is the words, “more, earlier, later, longer, shorter, better.” Words that end in E-R. We can not measure E-R. It is a goal that can never be achieved. There is no sense of accomplishment in making more calls or taking a better job order because perfection is a destination we can never really hit. It is just an ongoing journey.

And when you say these things, and I know this is not conscious with most people, in effect, this is another exercise in frustration because they can not hit it. Or the other term is, somebody will say, “I am going to make as many calls as possible.” That might be one call for somebody and it could be 100,000 for somebody else. Get real, exact numbers.

The next one down, you will know if you are off target. This is what I tell people, “I am going to know if you are off target your very first day.” This is after I have done the goal-setting exercise. Because if we boil all the goals down and it ends up being six marketing presentations and seven recruit presentations a day, they hit their target, and they come in at three and four, well they are somewhere in the neighborhood of 50 percent of their target. And back to that line I used in a previous module, “I can not believe you have chose to abandon your goals the very first day you chose to execute.” And again, when I see that, what I see is the person still has not made the connection between daily activity and their annual W-2, even their monthly W-2.

When you implement all of this and again, when you do it the right way and when I am doing it especially with tenured people, I am going to do this more weekly. I might not beat up a tenured person the first day. I might say something a little kinder. I might just go, “What happened yesterday? I thought we were on board for 13 combined, seven and six?” “Oh, well, you know, I had to prep, I had to deal.” “Again, that is part of the job. I am going to be able to see by Friday how serious you are. I am going to be looking, did you get to the total number? What do you need from me?”

By the way, whenever I close a session with somebody, when I have done a call, “What do you need from me to help you get there?” Most of the times, you will hear things like, “I just have to do it,” which basically means in a very defined way, they have just said “It is all up to me.” And they can not whine about whatever you are not doing. What do you need from me to help you hit that target?

And at the end of that week if they maintain that level of performance, let’s say at the end of the week, I see their goal is to have one job order and two send outs a week with 75 presentations, but they hit 50 combined presentations, they have a job order, they have a send out, I will say, “You are 67 percent of target this week. What’s going to be different next week to get you up to the higher number?” Again, early on, I am not using this number to punish or beat them, but I am using these numbers to create a consciousness that if you maintain this level of production.

“If your goal was 300 and you were going to do two-thirds of that, you are going to be 200. What part of your goals are you going to abandon? Because if I have a list of all of

them and one of them might be the down payment on a house or a car, well you need this much to pay your bills, so you are actually going to have to spend that, but which one of your other goals, your new house, your new car, vacation, which one of those are going to go by the wayside?" You'd be surprised by the reaction. Again, they can not get mad at you because really, in effect, all you are doing is holding up a mirror between their performance and then, measuring the gap between what they want and where they are at.

This leads to a crucial mistake that many owner/managers make, which is the module kind of combines motivation and follow through on motivation. Again, just to kind of sum up mistake number five on motivation, get them to set their specific goals. Make sure that they have built in what they want for themselves financially, that every dollar that they want to earn is allocated in some way, whether it is on buying things, whether it is on debt reduction, whether it is on investing and saving on retirement, for colleges, for whatever, that if they have a W-2 number, back out taxes, find out exactly what that number is. Make sure it is all allocated, and then, use those formulas I gave you on how many placements, based on your commission program, they would need to get there, which is how many send outs they need, which is how many presentations they need. And this is the deadly mistake, which business owners make, a lack of follow through.

Now, we have gone through four modules. One question I even want to ask you guys as owners/managers listening to this is how have you implemented over the last four modules? Have you set a vision? Have you written your story? Have you designed the end? Have you looked at what your recruiting script is going to be for direct recruiting? Again, do not beat yourself up, but if these are things you have not implemented yet, start putting them into your calendar and breaking them down over a period of time. You want to have your vision set by X date, you want to have your story ready by X date. So, to make it easier for them to be in integrity with your goals, is for you to stay in integrity with yours.

Page four on the action guide is offer planning with your people without good follow through reduces its effectiveness by about 70 or 80 percent. Here is what happens. I know owners, they have these great planning meetings at the end of their year and they sit down and review each other's business plan and they do it off site or in the office, kind of a relaxed environment. Everyone kind of gets to share. And everyone usually leaves those meetings pretty motivated. And then, they go to work the next week and they might be a little bit motivated then, too. And then, that plan ends up in a green hanging folder in their desk or a Manila folder in the middle drawer of their desk and it probably doesn't resurface until spring or summer.

Your job is to keep that plan in front of them every week because you are going to have a copy of it. Your job is to monitor whether it is being executed on. And if you have signed up to grow an office, you have signed up to hold people accountable and help them get what they want for themselves. And here is the key, if you help people live their dream and get what they want and you are there gently pushing them, kindly pushing them, keeping an eye on them, they are going to be very loyal and grateful for that. The likelihood of you losing bigger billers . . .

Here is an area where even though it is a little bit of work, it is not a lot of work, where someone might know in the back of their head so and so's always been there for me. You

know what? Even when we get in an argument, he or she is been right. I needed to do X where I was not doing X. I know what you are probably thinking right now, too. Well, they are adults, I shouldn't have to push them. They make a lot of money. It is their job to get on the phone. It is their job to self-motivate. That is why we are paying them all this money.

Well, this is the reality, you are working with highly talented people who know what and how to do the job, but just are not. Again, if they could do all these things without you, they wouldn't be there. They'd be off on their own. They'd be on this call. They'd be at the owner/manager level. It is what it is.

I heard this from an owner when I first opened and for me, I have never forgotten it. It is made my job a lot easier. I am going to share it with you guys. He said, "I fully believe that you have to drag people bitching and moaning to the altruistic success. And you know what? He was 100 percent right. One to five percent of the population of the people you are going to hire, you won't. So, that is your nice reprieve. Every once in a blue moon, we have hired somebody that hits the ground running, is incredibly focused, understands the relationship of all these metrics to their billings and just works their butt off.

Nine out of 10, 19 out of 20, 99 out of 100, whatever the number is, maybe not 99 out of 100, but 19 out of 20 do not. That doesn't mean they are not going to be successful. X percent of that, you are going to get rid of, based on the execution things we talked about in module four, on on boarding because they are just not hitting their early numbers. But I am talking about here, you have got somebody now who's done that within 60 to 90 days. Just expect the struggle. The struggle becomes a little bit less when they begin to understand what's doable every day and they set their own target.

This is actually a theory by somebody. This is from a book, "That which is measured and proved, that which is measured and reported improves exponentially." Think about it, where you have had other jobs, whenever you had to report hard data in, weren't you focused on it, was not it a target? Did not it not leave your mind? And what's different between that and how we run recruiting firms is we give people targets and we kind of let them alone. And most people, since they are not reporting numbers, that is one of the reasons for not improving, since they are not even reporting it, they are not even measuring their numbers. All they are measuring are placements and maybe interviews, job orders because they have to write them down. So, find a way that works in your office for them to report numbers, where they can be tabulated on a spreadsheet, and have an admin manage that task for you.

The next thing is once now that you have set your goals, they are reporting them every week, now you want to go into a coaching structure with them to make sure that they are executed. And this is what we are going to get into, structure weekly, biweekly coaching for your people, the frequency of that.

Like we talked about in module four, it is daily for the first 60, 90 days, until you are really comfortable that they are getting it. Beyond that, I would really recommend for tenured people, weekly half-hour meetings. They can be as short as 15 minutes. They

shouldn't be longer than a half hour. If they are more than a half hour, you are letting them go too long and you are getting chatty. And by the way, if they are going longer than a half hour, a lot of times what's going to happen is your employee is going to divert your attention or try to divert your attention from their performance to a deal they are working on.

Do not use these coaching sessions to review deals. Review deals outside of your coaching meetings because employees and account executives, recruiters are almost like the cat that hunts the mouse that wants to leave it as a gift on your back stoop. Well, if they have lousy execution numbers for the week, they want to talk about the \$35,000 deal they are going to close because is not it great, I am going to close this \$35,000 deal? But, it doesn't matter that it is Friday and I have only made 20 presentations and have not arranged any other interviews this week.

So, again, keep your focus off deals. This is a weekly coaching session on their performance improvement. And that is why they should be in that 15 to 20, 30 minute period. One of the easy ways – I do not recommend you do any more than three back to back – but one of the easy ways to make sure they do not go longer than 30 minutes and you do not have to do this during phone time, is to schedule them back to back. So, you might have a day a week, again, depending on if you are a morning person or afternoon person. You could start one at 7:30, do one at 8:00, do one at 8:30. And you have three done. And depending on how many people you do that, two or three days a week.

Especially once they get into the rhythm of it, they are going to look forward to it. And from what I have studied with CEO's and executives of companies that have implemented these types of coaching things with their junior executives, they say it is the best half-hour they spend every week, that if they had to eliminate parts of their job, this is the one thing they would not eliminate. Now, you might say, oh, this frequency. Well, if you can not do it every two weeks, then I would say you are probably missing the boat a little bit if you are not going to do it every two weeks. Do it at least once a month. Why once a week? Because you are catching performance, you are catching off performance quickly. If you are doing it every two weeks, you are slipping a little bit. If you are going to catch weak performance just once a month, sometimes too much time has passed.

And to review a month is going to take a lot more than a half hour. And when you review a week, that is when you can hammer these out in 15 to 30 minutes. And I will give you a little bit on the structure. I have an agenda for every meeting, which is really based on how I closed my last meeting with them. Part of the agenda is they bring questions for me, as it relates to their performance, not on deals because they will suck you dry on time on deals.

And then, I am always thinking based on where they are at, you are going to have different people with different strengths and different weaknesses, what piece of learning can I give them that is a bite-sized chunk that they can kind of integrate into their operation in the next week? Whether it is a DVD, a training, an audio. Something if they are weak on recruiting, if they are weak on marketing, if they need help on counter offers, whatever it is, I want to find an area, not necessarily every week, but a couple times a month, that I can direct them to.

One of the things I have done in the past with someone who's weak or strong in an area to reinforce either one of those, not to reinforce the weakness, but to build off the weakness, was have them run a morning training meeting for about a half an hour. So, I would have them study a topic and re-present it. When you teach, you probably always learn more than those that are taught.

If you go to page five, effective coaching strategies, here is some of the questions I am asking when that person sits down:

Tell me about your wins this week.

Give me a couple things that went really well. Now maybe they cracked a client that they have been going after for a month and they got a good job order, they sent out a fee agreement, or they raised the fee, whatever it is. I want to keep that portion to five, seven, ten minutes, no more.

What were your biggest challenges this past week? I want to hear what those were.

What got in your way? Especially if their goal was a combined number of, say, 60 presentations, they hit 50, you are a little less than 20 percent short, what happened?

And again, I am not going to beat them up yet, but I want to see, from their own perspective, what they think got in the way. Again, whenever you allow – and this is the next one, allowing for self-discovery – whenever they are able to diagnose and whenever you are able to diagnose your own problem, the likelihood of solving that problem goes up dramatically because it is kind of an aha moment. If anyone's ever asked you a question, and you ever had a moment, where the answer was buried inside and you came up with the answer and you go, "Oh, my God, I can not believe I knew that all the time."

But, if they told you that, it did not have the same impact. The same thing here, allow them to reach for their own conclusions. So, when I am talking about allowing for self-discovery, before that when I talk to owners and clients, this is what I hear all the time, "I keep telling so and so that he or she needs to stay on the phone to make money, to do research off hours, to use prime time phone hours, to make more calls; to make more money you have got to make more calls."

And my response, typically, is, "So, how's that working for you?" It is a strategy as old as time that is as ineffective – I shouldn't say that. If you were really mean and were really angry and our face turns purple when we do that, generally, we are able to raise production for a matter of days, if not a week, to the point where it begins to erode, to the point where you have another purple fit. Definition of insanity: Doing the same thing over and over again and expecting to get a different result.

So, when I am allowing for self-discovery, I am asking for them to come up with their own solution. So, if I ask them what got in the way and they say they weren't planned one day, or they had to run out of the office or they got caught up doing something they weren't supposed to be doing, well what are two or three things you can do next week to prevent that from happening again? I do not want to give advice here. I want to say, "What are two or three things you can do?" I will say, "Tell me specifically what allowed for that win because I want to reinforce . . ." "Well you know what? I really stayed on

them, I did this, I did this.” “Are there any other accounts you are working with or prospects you are working with that this strategy might make sense for it, too?” And you will hear, “Oh, my God, this is a perfect scenario for this prospect.”

So, in effect, when you are a coach, and I learned a lot of this in the last couple of years, I have gone through coaching and advanced coaching strategies, and have graduated from a coaching school. And when I am working with clients on this, when I am able to ask a question and allowing them to get to the answer – there are certain things, based on your knowledge, you are going to have to tell them, do not get me wrong, but there is certain things they probably know inside them and you are thinking it is easier to tell them – when you are in that moment thinking it is easier for me to tell them than to allow them to find it for themselves, stop and ask another question. And a way to ask another question when you do not know more is just to say, “Say more. How so?” Are you becoming a bit of a therapist? Yes, without the license. But, you are talking about their goals. You are not talking about their past.

I want them to leave each meeting with action items. I do not want them to change the world in the next week, but I want to have a couple of focal points, in addition to what their normal activity goals are, whether it was watching a half-hour DVD and they are going to report back to me, or they might have reported that if they just watched this thing on doing better prepping. My question is, “What specifically from that program are you going to implement in your desk?” And they will tell me. And I will say, “When you come back next week, I want you to show me one or two times you implemented, and I want you to share with me what the result was.”

Whenever you ask them to do something and you say, “OK, will that be done by the time we get together next week?” By the way, some things can not be done in a week. Or to give it a goal a week might be unrealistic. You are going to have to use your judgment. Sometimes, you will say, “Well, let’s put that on the calendar for two weeks from now or three weeks from now or a month from now.” There is going to be certain things, at least when it is on the calendar – and have a Manila folder for each person or at least for your coaching sessions.

And then, your admin should also be giving you kind of the numbers because that is the other thing I am doing in these coaching sessions. I am looking for what the gaps were. “OK, it is what we talked about earlier, you were supposed to do 60. You did 50. What do we have to do to change that?”

Now, if you get consistent numbers below target after a few weeks and they have not made any adjustments, this is where I kind of drop my pen and I look at them, “You know what? You are not serious about billing 300 grand. You are on target to bill 225. And unless the numbers change next week, I am lowering your number to 225.” You’d be surprised the devastating effect that might have on somebody, where in the back of their mind, what they are kind of thinking is wow, he or she is serious.

“Now look, at 225, hey, you have got a job for life. I am not going to fire you at 225. I am not upset. I am just disappointed that you are out of integrity with what you wanted for yourself. I can only lead you to water; I can not make you drink. I would be negli-

gent January 31st, based on the last four weeks of activity at 80 percent of your target, letting you believe that you are on target to hit your goals. If I were you, I would be pissed with me in December if I let this go away unchallenged. You asked me to hold you accountable to this.”

See, you have nagging rights because if you set it up properly, they said, “I really want this.” And you asked them, “Do I have your permission to hold you accountable to this? Is this something you really want bad because I am going to tell you right now, you are going to be challenged, you are going to be tough and I am not going to be negligent and let you off the hook. I will let you off the hook if you do not execute. I am just going to lower your number.” What do they say when I tell them this? “You are not serious?”

Now, if that number gets below the number you need for their profitability, then you have to have a different conversation with them about making that adjustment or leaving. The good news about this is they know every week, they are going to have a meeting, which is going to keep them focused daily. And these weeks and months of drifting are incredibly less likely to occur.

My first job out of college, I sold two-way radios for Motorola. And we were on the road salespeople. We worked out of our houses. I had a cold call report. We had a weekly meeting every Thursday night at 5:00. And at those meetings, I had to hand in a copy of my cold call report, which included the client I called on, the company I called on, the name of the decision maker and the phone number, which my boss would audit occasionally. Not often, but occasionally.

Just like with anything, the threat of the audit kept you honest. I was in integrity, anyway. I knew anyway, for me to hit my target, I had to fill three sheets a week. And having that visual, every time I made one, filling it in, and I knew how many were every day, and I kind of even drew lines at the daily mark.

This is how you are going to make it easier for your people to execute is coming up with these kind of reporting tools. Once you come up with them once and I know what I am probably saying is a real pain in the butt, once you come up with them once, you have them forever. And if you choose to modify them, there is a modification. But that is one of the things you are covering in that meeting. You are looking at their past week. And these weekly sessions really can evolve into building them consistent, to where you are going to find within a couple of months of these conversations, the plane of the conversation and the content of the conversation is at such a higher level because, in effect, what you have done is you have helped them master daily execution.

All right now, in summary, what we talked about today, remember somewhere around 60, 90, maybe even 120 days, you want to set formal goals, based on what your employees’ needs are. As I said, 99 percent of the time what their financial needs are are going to plug into a number that exceeds what your financial minimum needs are for them to be profitable.

Two, I challenge you to take their numbers down to the presentation level.

Three, set up weekly or at least monthly coaching sessions with your tenured people to keep them focused, and daily to that first 90 to 120 days.

Implement those things, and you will be surprised how much revenue grows. This is really what's been key to allowing us in the years we were going 50, 70, 85 percent, just tracking these kind of numbers. As owners, we kind of feel like that is all on our back. Take that off your back and put it back on your people, whose goals they are.

Again, thank you again for the investment you made in the system and, in effect, you made in your firm. Implement these ideas and you are going to be able to attract better talent from these last five modules. You are going to be able to get them generating billings quicker or, for those that choose not to execute and that is the key, for those that choose not to execute, you are going to cut your losses quicker, saving you thousands of dollars in ramp up salary draw. Also, you are going to keep the good ones longer. And if you coach them, your profits are going to skyrocket. You will be surprised.

Try this coaching model. It is not going to work miracles week one, month one. I will leave you with this quote, "Thinking is easy, acting is difficult and to put one's thoughts into action is the most difficult thing in the world." That is Johann Wolfgang von Goethe. With that, I want to thank you all again, and we will have our Q&A call this Thursday. E-mail any questions to me and forward to recruiter, Module 5 question in the subject line. Thanks again, guys!