The Growth Initiative – Lead Generation Tools

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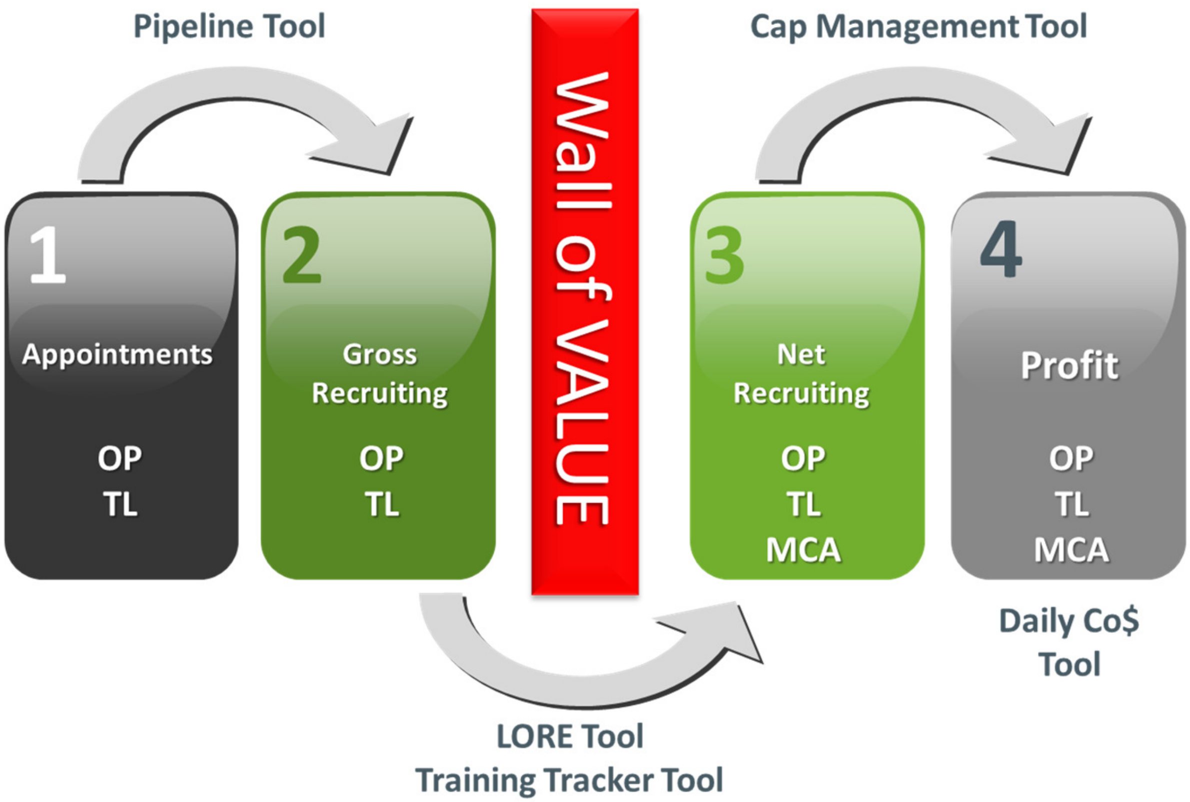

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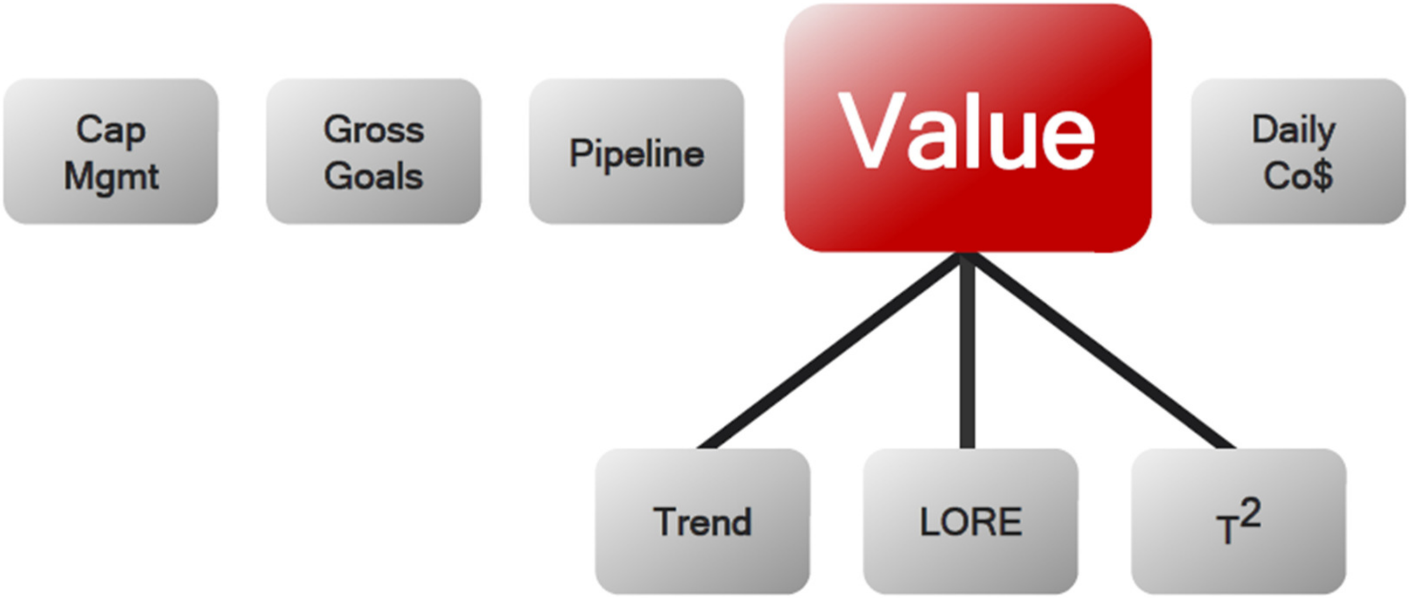
The Growth Initiative Tools



Lead Generation Tools

Cap Mgmt

Gross Goals

Pipeline

- Cap Management – Creates the vision for how many Cappers you must have and when for predictable profitability.
- Gross Goals – Create a strategy for gross goals necessary to hit goals for number of recruits and agent mix.
- Pipeline – Indicates whether recruiting activities support gross recruiting goals and where to focus effort.

Appointments and Gross

APPOINTMENTS and GROSS are tied together
For gross recruits to go up, we must increase the number of appointments.

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“Be strategic and specific.”

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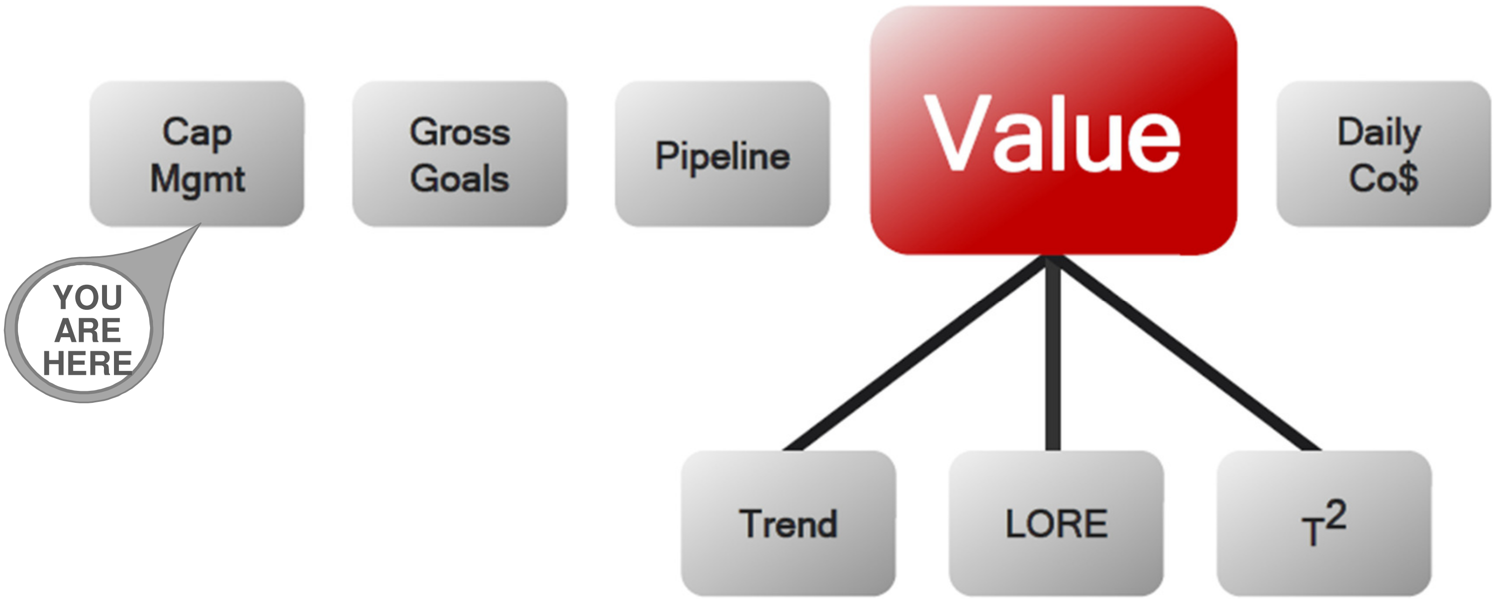
The Cap Management Tool



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Cap Management – Overview

- **A cash flow game plan** for creating stable, predictable profitability to avoid the “cash flow rollercoaster.”
- **A unique advantage** that helps bring Cappers into the Market Center.

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What Is Cap Management?

Answer: Your vision tool for a revenue strategy for the Market Center

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What Is Cap Management?

Cappers should cover expenses

Example:

Market Center expenses = $43,000 per month

X 12 months = $516,000 for the year

Cap = $18,000

$516,000 in expenses ÷ $18,000 Cap = 29 Cappers

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How Do We Use Cap Management?

Cappers should cover expenses

Example:

Market Center expenses = \$43,000 per month

Cap = \$18,000

\$43,000 in expenses ÷ \$18,000 Cap = 3 Cappers needed who have their reset date in that month

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Positioning Cap Management to Agents

Script

"We believe in win-win. I'd like to explore this with you. We're winning if you join our Market Center, and I want to show you how you could win.

"We're in August. If you could come over by the end of next month, you wouldn't have to pay any Company Dollar until November. You'd be at 100 percent, except for Royalty, until November 1. It could help you make the transition, and it would help the Market Center add Company Dollar to a month in which we need it for our business."

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Stay on Track with Guardrails

1. The anniversary date will not move.
2. Cap Management applies only to new capping agents.
3. Agents continue to pay toward their Franchise Royalty Cap.
4. Agent's Cap start date/length of delay must be approved by the OP.

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Cap Management Is Never Complete

- Keep track weekly of when your Cappers are actually capping!
- You may need to add new Cappers to months you had previously cap managed.
- Keep a constant vigil over your expenses and adjust your Cap Management strategy accordingly.

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Winterize Your Market Center

- Even capping agents have slow months
- Add two additional Cappers to months that may be seasonally slow

Look Ahead

- **Leverage the Pipeline Tool** – Anticipate when Cappers will be joining and decide reset dates.
- **Be aware of existing Capper reset dates** – Show them value before they begin paying Company Dollar again.
- **Share your Cap Management strategy** – Get others on board with hitting Market Center goals and predicting Market Center performance.

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Cap Management Tool (Sample)

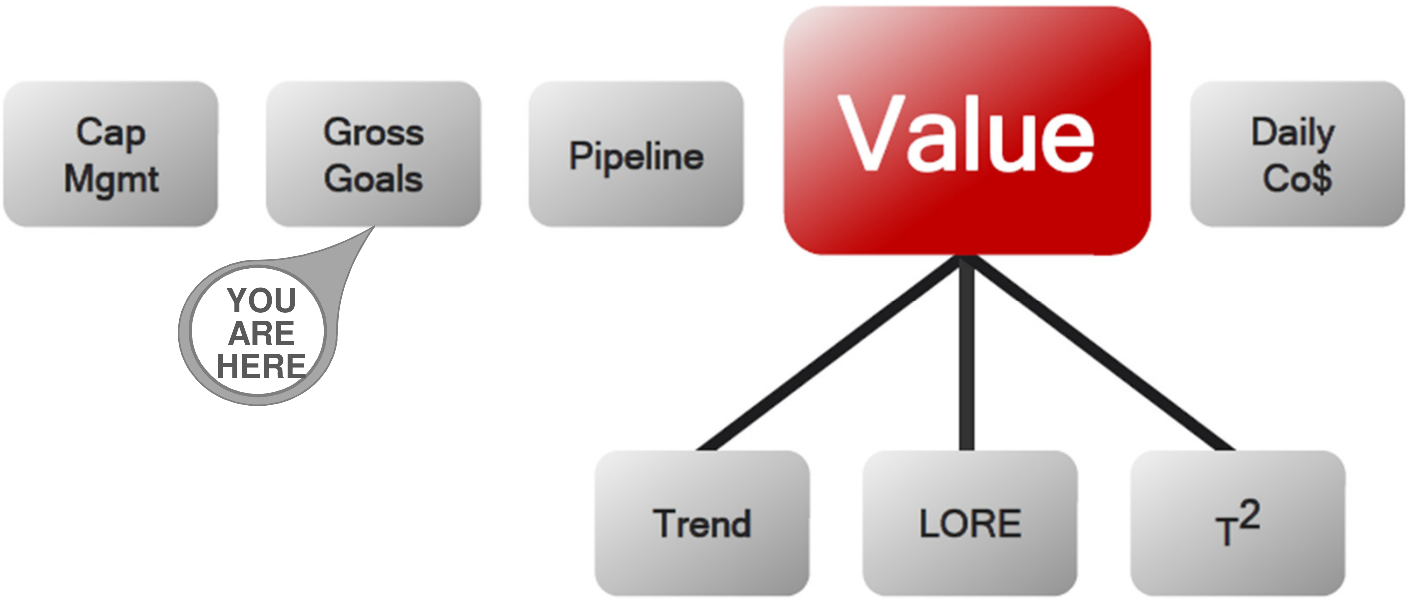
Cap Management for MC# EXAMPLE Full Cappers by Anniversary Month													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Cap Management Cappers = Expenses	Fry	Federer	Hellmann	Gottlieb	Peirce	Keefer	Aranda	Bullock	Dewitt	Deskin	Stone	Peterson	22
	Gillespie	Preston	2	Bennett	4	Love	Johnson	Block	Hyde	Allen	Lacks	Phillips	
Winterize your Market Center	Wagner	Franklin	3			Otto			MacDonald	Dill	1	Merrifield	8
		Wright											
		Isaac											
CURRENT TOTAL	3	5	1	2	1	3	2	2	3	3	2	3	30
GOAL	3	3	3	2	2	2	2	2	3	3	3	3	31
# Needed to reach the Goal	0	(2)	2	0	1	(1)	0	0	0	0	1	0	4

CAP MANAGEMENT REPORT INSTRUCTIONS:

1. Fill in the last names of your current cappers in their anniversary month.
2. Fill in your capper Goals. How many cappers do you need each month to cover expenses? Example $20,000 cap and $36,000 monthly expenses = 2 cappers needed each month. Insert rows if your market center needs more than 2 each month to cover expenses.
3. Seasonality works for you in April - August. Add an extra yellow capper box in the remaining months to Winterize your market center. Add these numbers to the Goal row.
4. Number the empty yellow boxes with the priority order you need cappers in your market center.
5. Once your Cap Management is filled, add 1 additional capper in each month (and that's when the fun really begins!).

Note: Moving an existing capper to a new month is never recommended! Fill in your Cap Management with new cappers!

Gross Goals



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Gross Goals – Overview

- **Keep focused** on the necessary gross recruiting goals
- **Overcome** the backsliding force of attrition
- **Set the Market Center up for profitability**

What are Gross Goals?

1. Current agent count
2. Monthly break-even recruits (agents you can expect to lose in a given month)
3. Monthly net agent goal (agents you need to grow by each month above break-even)
4. Monthly total gross (monthly break-even recruits plus monthly net agent goal)
5. Adjusted monthly total gross (factoring in your actual performance year-to-date)

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How Do We Use Gross Goals?

- **Market Center Agent Count** – Agent count at beginning of the year (this doesn't change once it's been filled in at the beginning of the year)
- **End-of-Year Net Agent Goal** – Number of agents you want to grow by (e.g., Total End-of-Year Agent Count minus Beginning-of-Year Agent Count)
- **YTD Net Agents** – Number of agents you've added (Current Total Agent Count minus Beginning-of-Year Agent Count)

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Focus on the Activities

Truth: Never focus energy on the result; focus on the activities that cause the result!

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Gross Goals Worksheet (Sample)

2014 Market Center Gross Goals

****Enter data in the yellow highlighted cells****

DATE:	July 1, 2014	# Months Remaining	6
MARKET CENTER:	EXAMPLE		

ATTRITION CALCUATION (based on full year)

MC Agent Count:	140	*Inset your December 2013 agent count HERE*	
Attrition 30%:	42		
42	Attrition loss ÷ 12=	4	(rounded up)
4	Minimum Gross per month just ot stay even		

NET AGENT CALCULATION (based on full year)

60	End of Year Net Agent Goal	*Insert your Net Agent Goal HERE*	
60	End of Year Net Agent Goal ÷ 12 =	5	(rounded up)
5	Minimum net per month to stay on track for your end of year goal		
9	**Your Gross recruiting per month required to GROW!** *(Not to stay even, but to GROW!!!)*		

(Use this section to track progress from February-December)

ADJUSTED MONTHLY RECRUITING GOALS

21	YTD NET AGENTS	*Insert your YTD Net Agent Count HERE*
39	Net balance to achieve your year end goal	
6	# of months left for recruiting	
7	Adjusted monthly net recruiting goal	
5	Adjusted monthy attrition rate	
12	**NEW ADJUSTED Gross monthly Recuiting Goal** *(Cell turns green if you are on track for End of Year Net Agent Goal - turns red if you are behind)*	

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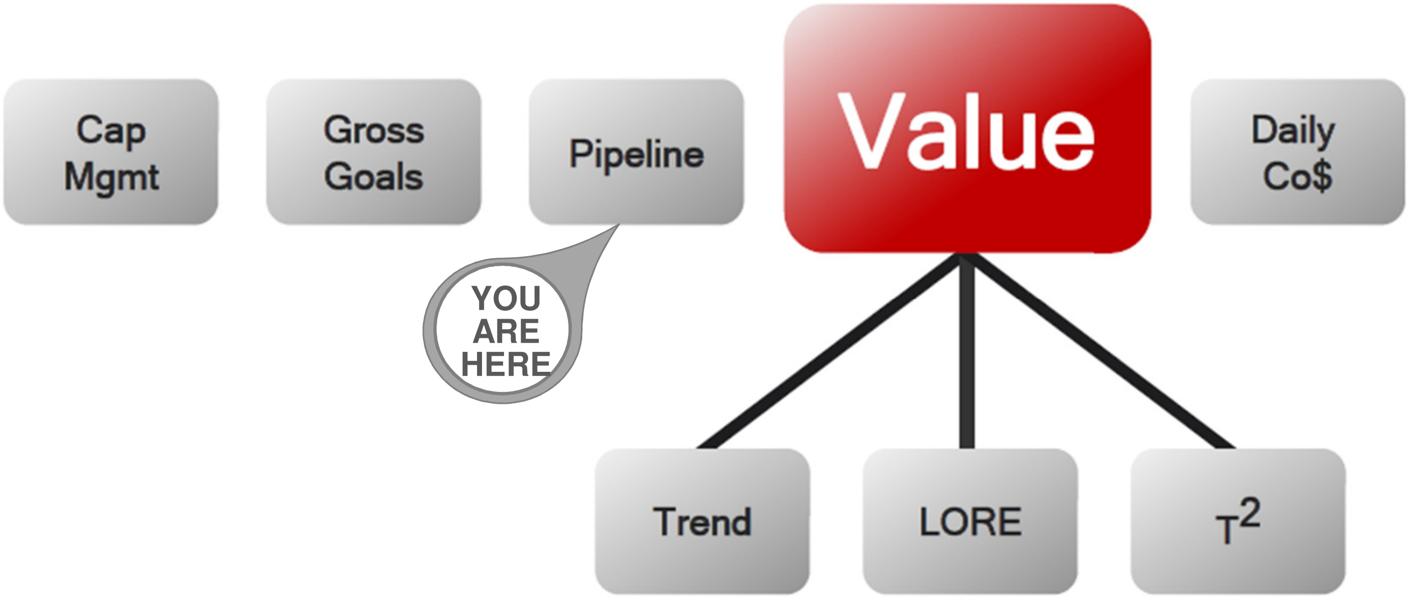
Pipeline Tool



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Pipeline Tool – Overview

The Pipeline tool indicates recruits potentially joining. This benefits:

- **The OP** when coaching their Team Leader to the goals they've set together
- **The Team Leader** when focusing each day on activities to contact recruits and move them through the recruiting pipeline
- **The MCA** when ensuring a smooth transition for the agents

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Question:

How could you know who will join your Market Center 30, 60, 90 days from now?

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Pipeline Tool

- 10 = Coming this month
- 9 = 30 days out
- 8 = 60 days out
- 7 = 90 days out

- 6 = Good meeting
- 5 or less = Appointment

The 7s and above on your Pipeline tool represent your opportunities to hit your Gross Goals and Cap Management goals.

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How Do We Use the Pipeline Tool?

1. Our Gross Goals worksheet says we need X gross agents per month
2. Do I have X number of agents that are 10s for this month?
3. Do I have X number of agents that are 9s for next month?
4. … And so on 90 days out

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How Do We Use the Pipeline Tool?

If you don’t have the people you need in your pipeline …

- Add leads to your pipeline
- Work on moving the existing leads along the pipeline
  (i.e., from 6s to 7s; 7s to 8s; 8s to 9s; and 9s to 10s)

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The Pipeline Tool Creates Leverage

1. Team Leader spends less time onboarding agents
2. Team Leader can focus on recruiting and hitting goals
3. Incoming agents receive the attention to detail and resources they need

Consulting to the Tool

- This person was an 8 last week; are they still an 8 this week?
- How could we create urgency to get them over sooner?
- Given the notes/hot buttons, what's the next step the TL should focus on?
- Are any of the 9s or 10s at risk? How can we address that?
- Does anyone need to be removed from the list?
- Is everyone on a marketing and action plan?

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Truth:

The Growth Initiative tools work together as
one thought process to grow your Market Center!

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