

Tips from the Top

Business insights from those at the top for those at the top.



THE ALTERNATIVE BOARD

*Change Perspective.
Improve Business.
Enjoy Life.*

Touted as the most valuable and beneficial business advisory organization in the world, The Alternative Board® has been featured in leading business news sources from the Wall Street Journal, Business Week, the Washington Post, CNN and many others.



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Inside this Issue

- [How to Have Your Employees Understand Sales Incentives](#)
- [Referral Program](#)
- [Poor-Paying Customers are the Easiest to Close](#)

How to Have Your Employees Understand Sales Incentives

Incentives are an important part of our sales compensation and they are somewhat complex since we pay commissions on each sale, profit margins and financing parameters.

Faced with employees who claimed they "couldn't understand" their compensation, I shifted the burden to them. Now, each salesman hands in a worksheet showing what he thinks he earned in the pay period. If he's correct, we know he understands what makes him money. If he's wrong, we have a chance to go over the plan with him again.

Michael Charman, Sierra Motors, San Antonio, TX

[back to top](#) ►

Referral Program

Often we look to our clients to give us referrals. Another good place to ask for referrals is from your vendors. They know you, they want to keep you as their customer and they want to keep you happy. One of the ways we asked our vendors for referrals was to attach a vendor referral document to each payment. We also sent them e-mails.

Ronald Rogé, R.W. Rogé and Company, Inc., Bohemia, NY

[back to top](#) ►

Poor-Paying Customers are the Easiest to Close

In today's economic environment, an easy close of a sale to a new client may be a tip-off to credit problems. Extra attention to the creditworthiness of a new client is more important today than ever. Credit policies need to be in writing and enforced, emphasizing terms such as payment up front when possible, possibly escrowing funds and collateralizing a sizable order. These and other credit guarantees are important considerations to insure payment for your goods and services.

Patricia Gaffney, Rainmaker Sales Support, Inc., St. Louis, MO

[back to top](#) ►

A Productive "Bailout"

Many of us have either frozen wages or actually reduced compensation in the current recession. As time goes on and as our cash position improves, we have the option of providing a "bailout" (rather than a pay increase) to some or all employees. We can let them know that business is tough but improving and offer them a cash payment of an affordable amount in recognition for their efforts under trying conditions. We avoid locking into a higher wage, while providing immediate cash that will probably be greatly appreciated.

Charles Crawford, ACW Corporation, Wilmington, DE

[back to top](#) ►

Improve Your Employees

- [A Productive "Bailout"](#)
- [Improve Your Employees](#)
- [Auto Insurance—
Annual Tip Insurance
Doesn't Teach You](#)
- [Set Aside Time for Working
on the Necessary Items](#)
- [A Culture of Commitment](#)
- [Quick Tips](#)
- [Private Appointment](#)

Events

*Upcoming Meetings,
Online Events &
Workshops*

**TABTalks! Blog Talk Radio
"Nicholas Economou, The
Latest Thoughts in Time
Management for Business
Owners "**
**Monday, October 12, 2009
10:30 a.m.**

**eSeminar Series - eSeminar:
Hiring Today - Online
Strategies for Doing it
Better, Faster, Cheaper**
**Tuesday, October 20, 2009
4:00 p.m.**

[LEARN MORE](#)

**TABBoard #411
Members Only Meeting**
Tuesday, October 27, 2009

[LEARN MORE](#)

**Seminar/Workshop:
Time as a Commitment:
A Unique Contemporary &
Practical Approach for
Business Owners**
**Wed., October 28, 2009
8:30 a.m. – 12:00 p.m.**

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[back to top](#) ►

Hear How We Help Our Members



Watch Video ►

Your employees are loyal—they have stuck with you during these difficult times. What are you doing for them?

Invest in your employees' professional development. Make sure you understand their career goals and send them to classes, make online classes available to them and start a company "library" with books, tapes, etc. they can check out to read or listen to.

Also, make sure you forward employees key articles or other information you receive that will further their development (we often forward articles we receive from our TAB Facilitator to our managers). You don't have to spend a lot to get a lot in return—employees will appreciate the effort and this will go far in making them more loyal to you and your company.

TAB Denver West Board 311, Denver, CO

[back to top](#) ►

Auto Insurance— Annual Tip Insurance Doesn't Teach You

Typically, auto insurance companies sign up policy holders using Blue Book Market Value of their cars. Once signed up, the insurance company has the original value. If you are in an accident and you total the automobile, you will only get the current book value as of the value the day of the wreck. What insurance companies don't really want you to know is that you should call your insurance company every year and adjust the book value to the current Blue Book Value so your premiums are more in line with what the insurance will cover if totaled—a potential cost savings of 20 percent!

For example, if you bought and insured a Chevy truck for \$30,000 in 2000, you may still be paying premiums on a \$30,000 truck even though the truck could have depreciated to \$7,000. You should only be paying on the \$7,000, because if you are in a wreck, the insurance company will only reimburse you up to \$7,000 rather than the initial \$30,000.

Kimberly May, WnR, Inc., The Colony, TX

[back to top](#) ►

Set Aside Time for Working on the Necessary Items

While discussing the need to step back and relax from the continual daily grind, one of our members made the analogy of the worker who was using an axe to cut down trees but refused to take the time to stop and sharpen their blade because it would mean they would have to stop working for awhile during daylight hours.

Failure to realize that they could cut much faster during the available time if they just stopped to sharpen the blade prevented them from optimizing revenue in optimum time.

By stepping back and taking time away from the daily grind, the business owner is able "to sharpen the blade" and regain the ability to think clearly about their strategic plans and analyze necessary changes.

Mark Richman, Skeleton Key, St. Louis, MO

[back to top](#) ►

A Culture of Commitment

Make sure before you start messaging you have the commitment, focus and accountability built in your company culture to get the things done you say you will. Consider our upcoming **Time Management Seminar** to help you and key staff and complement this with one of the myriad of time management tools/systems. One of my favorites is **Getting Things Done by David Allen**.

The name of the system you choose should be one that matches your culture, your goals and your level of electronic versus paper tool comfort. Either way, the

Tips from the Top are now available in a searchable online format to registered AchieveNextLevel users, allowing readers to now search for best practices in hiring, marketing, growing and leading their companies

To access the free resource portion of the website, you must [register first](#). Once you are logged in, simply [Click here](#), or go to My Community (from the right hand side of the screen) and then My Documents and you can view the Archive of Tips from the Top.

Private Appointment

Want to know what owners of extraordinary businesses know? Request a private appointment to meet with Marcy Turkington, to learn how The Alternative Board may be a resource for your business success in 2009. There's no obligation or cost for the private consulting meeting. Simply click below or call Marcy at 973.940.2020.

[REQUEST A MEETING](#)

[back to top](#) ►

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most important thing is to make it a cornerstone competency in your company! (To read more of this article [visit our blog](#).)

Marcy Turkington, Achieve Business Solutions & TAB-Certified Facilitator & Executive Coach

[back to top](#) ►

Quick Tips

Plus Two

When a client asks for a specific service, we provide information about that service as well as two additional services they did not inquire about.

Todd Bellistri, August Benefits, Inc., Huntington, NY

Use Low Interest Rates to Your Advantage

Our products and services are often very large projects for which our customers typically borrow money to fund at least part of the cost. In this recessionary time, one way I've found to get them to pull the trigger is to remind them that money is relatively cheap these days, so if you're going to eventually do the project, now may be the best time to do it!

Craig McCurdy, Environmental Systems Corporation, West Hartford, CT

Referral Power

When prospects call us in response to some form of marketing they've received, my staff knows to ask who referred them to us. In this way, the caller, even if not referred, knows we get a lot of referrals and it immediately reinforces their expectation of having a good experience with us.

Lorri Cochrane, Certified Payroll, Bohemia, NY

Make Yourself Accessible

When leaving a voicemail for someone you want to contact, don't just leave your name and number. Give them a window when you are likely to be available for a return call. Say, "The best time to reach me would be..."

Tamara Leuchen, Carmel Recruiting, Richmond, VA

Marketing ROI

Use a different 800 number for each marketing campaign so you can track the response and your return on investment. Ideally, use a toll-free company that can give you daily call records (rather than just one bill at the end of the month) so you can see how your marketing is performing. You can use this for both online marketing (such as Google AdWords) as well as offline (such as newspapers, direct mail, print and radio ads).

Christopher Ulrich, Highly Profitable Internet Marketing Campaigns, Melville, NY

Two Providers Are Better Than One

After our Internet provider irritated customers and staff with momentary and longer outages, I arranged for a second Internet provider. I acquired a special router that detects service interruption and immediately switches to the second provider. This provides uninterrupted service to those customers ordering via the

Internet and for my employees' Internet use as well. It is a small price to pay for happy customers and staff—and no lost sales.

Trace Blakely, United Parts Plus, Fond du Lac, WI

[back to top](#) >

ABOUT THE ALTERNATIVE BOARD®

The Alternative Board® is comprised of members who are business owners, CEOs or presidents who run businesses in non-competing fields. During a TAB Board meeting, you receive the benefit of the collective experience of the board members, who offer practical solutions to your problems-not theories.

You can learn more about TAB, which has been helping business owners succeed since 1990, by visiting TheAlternativeBoard.com.

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