

Improving Success

Using Upfront Contracts to Improve

Sales Call Success Rates



Training Facilitation Guide

Course Title: Improving Success with Upfront Contracts

Background: According to CSO Insights (2), sales people who complete highly-rated sales training programs achieve 10 percent higher success rates.

Problem: New-hire sales people may have no formal sales training, have little formal sales training or have poor formal sales training. These result in lower than necessary success rates.

Business Goal: To increase successful sales calls by 10% in new-hire sales people during their first 90 days of employment.

Course Goals:

- Teach new sales people why, when and how to use Upfront Contracts, with confidence
- Have new sales people consistently use Upfront Contracts in their work
- See improvement in call-success rate of new sales people compared to pre-training rate

Format: This course is developed for in-person, synchronous delivery.

Delivery: It is intended for the course to be delivered in a single-session that takes less than 60 minutes. Delivery is a combination of instructor presentation and group activities.

Room Setup: Arrange the room as best suited for the presentation portions of the course. Activity portions are in small groups that require no particular working space

Materials: Materials used for this course include

- Facilitator guide (this document)
- Printed job aid (1 per participant)
- Visual aids as determined and prepared by the facilitator

References

- (1) Provided AIS Group slide deck
- (2) <https://www.csoinsights.com/wp-content/uploads/sites/5/2016/08/Business-Case-For-Sales-Training.pdf>
- (3) <https://blog.hubspot.com/sales/up-front-contract>
- (4) <https://www.dwood.sandler.com/blog/Up-Front-Contracts>
- (5) <https://www.lynnmcinturf.com/SandlerBriefs/V3%20I8%20SandlerBrief%20Aug%2004.pdf>

Introduction and Overview

Time: 5 minutes

Materials Needed: None

Setup Required: None

Description:

If this course is being delivered as part of a larger training session, much of the information in this section may have already been covered.

Facilitator should introduce her/him self and welcome participants to the course.

Confirm all participants have signed in and review housekeeping items such as where the bathrooms are. This is a very short course so there should not be much else needed.

Briefly discuss post-course follow up mechanisms as described in "Appendix B - Support"

Lesson 1 - What are Upfront Contracts and Why use them?

Learning Objectives:

Learners will

- Give a correct description or definition of Upfront Contract
- Give 1 characteristic of a good UFC
- Describe 1 problem that can be avoided by using Upfront Contract

Time: 15 minutes

Materials Needed: None

Setup Required: None

Description:

When I first started in sales my success rate was pretty bad. And actually, the customers I did close were not always happy either. I was discouraged and ready to quit. Then I learned a technique that changed everything with four simple sentences. [pause] Do I have your attention?

Lets learn about Upfront Contracts and what makes them such a game changer.

An Upfront Contract is an agreement, made ahead of time, about what will take place during a meeting or discussion. It's purpose is to specify the time commitment, and clarify what each person's role in the conversation will be. It is an effective technique for setting expectations that is painless, honest and transparent. When used effectively, it creates a strong foundation for every subsequent conversation or encounter with the prospect.

When misunderstandings occur - when customer relationships get off-track - we can often trace the problem back to a weak, or non-existent, Upfront Contract.

An UFC is simply an agreement of what will happen during a call or meeting. You share what you want to get from the meeting, what you will provide to the other party and what the next steps will be. The contract ends with an affirmation from the other party.

It can eliminate guessing, surprises and assumptions and provides a mechanism to refocus the discussion if it gets off track.

This technique can be used for one party to steer the direction of the discussion. This is especially useful in sales when the seller needs to direct the discussion toward the desired end.

In a sales context, this approach can let the buyer know that you (the seller) are okay with any outcome - including "no".

Activity / Evaluation:

Large-group, game show type activity to check knowledge of terms and definitions. Take effort to make this low risk as it is early in the session - have answers be anonymous or have a way to pass.

[TODO give detailed instructions for this game]

Lesson 2 - When and how to use Upfront Contracts

Learning Objectives:

Learners will

- Discuss 3 situations that can be improved by using Upfront Contract.
- Create each individual element of an Upfront Contract

Time: 15 minutes

Materials Needed: None

Setup Required: None

Description:

[TODO hook for this lesson, tie in to previous hook about instructor's sales career]

Upfront Contracts are often used by salespeople, but can be used by anyone to establish the context and boundaries of any call or meeting.

Ex: This will be your first meeting with Cynthia, a hiring manager at a large manufacturing company. You do not have any contractors working in Marcia's group and want to gather information about her team to see if there is an opportunity to provide contractors. An Upfront Contract can let you be transparent about the purpose of the call and let Cynthia know that you respect her time. This ensures she blocks out the necessary time and is not surprised when you ask about her staffing needs.

They can also be used to transition from one part of a meeting to another. A good technique for the end of any call or meeting is to recap the discussions and confirm the next steps. After this summation a new UFC can be presented to start the next part of the meeting.

Ex: Your first meeting with Cynthia went well and you are having a follow up call. You have agreed on two topics for this call: a review of her current projects and a discussion about the contractual aspects of working together.

At the end of the project discussion you summarize the important points and follow up actions. Then present a new Upfront Contract to begin the financial discussion. Again - this confirms that Cynthia has time to continue with the next discussion and is prepared to discuss contractual arrangements.

The UFC can even be used to handle objections. In this context the UFC works because it provides clear expectations about the time and purpose of continuing the discussion.

Ex: During the contractual discussion, Cynthia tells you that the numbers you've given do not work for her budget. You put the contractual discussion on hold and begin a new discussion - starting with a new Upfront Contract -

to address the objection. The new UFC might begin by asking if she has time to break down the financial numbers now. It would state your desire to understand her budgeting process and that you will be up front about how you arrived at the numbers you gave.

The Upfront Contract works because it includes specific information about the discussion, and because both parties agree to the terms of the contract. The Upfront Contract includes:

- The time commitment for the meeting or discussion
- What the other party can expect from you during the meeting
- What you expect from the other party during the meeting
- What are the expected outcomes of the meeting, or the next steps at the end
- Most importantly - affirmation from the other party (i.e. they agree to the terms of the contract)

For example:

Cynthia, I appreciate you giving me 20 minutes today. Naturally, I would like to understand your group's project staffing needs, and obviously you will have some questions for me about our services and abilities. Typically, at the end of a call we will identify the next steps if there are any. Does that sound okay to you?

Activity / Evaluation:

Think about a situation where this type of agreement could have prevented a surprise or misunderstanding. Share that situation with your table-group.

As a group, decide if the situation was a new meeting/discussion, a transition within a meeting/discussion or an objection that was raised.

Discuss how the points of the UFC agreement might have been phrased to avoid the misunderstanding.

Lesson 3 - Creating an Upfront Contract

Learning Objectives:

Learners will

- Demonstrate creating Upfront Contracts in the ANOT format
- Identify weak wording in example Upfront Contracts, explain why the wording is weak and give suggestions for stronger wording.

Time: 15 minutes

Materials Needed: None

Setup Required: None

Description:

[TODO hook for this lesson, tie in to story of instructor's sales career]

As we have seen, the Upfront Contract consists of 4 elements: Thanking the person for their time, sharing what you will contribute to the discussion, acknowledging what they might want from the discussion, and stating what will happen at the end of the discussion.

One tool to help remember these elements is A.N.O.T:

- Appreciation - Thank the person for the meeting and confirm the amount of time you will take. Ex: Thank you Cynthia, do you still have 20 minutes to discuss...
- Naturally - Share your purpose in having the discussion. Be honest and be as transparent as you can be. Ex: Naturally I would like to learn about your staffing needs to see how I might be able to help fill those.
- Obviously - Express what you anticipate they want to get from the discussion. Ex: Obviously you will have questions about our services and capabilities.
- Typically - Let them know what will happen at the end of the discussion. Ex: Typically at the end of a call like this we'll identify action items and next steps.

Regardless of the format it takes, or the tool you use to remember it, the most important part of the Upfront Contract is the affirmation. Ex: Does this sound okay to you?

By getting the other party to explicitly agree to the "terms" that you've laid out you create a mental contract - you create in the other person a feeling of obligation to follow through.

Lets see a couple of examples:

I appreciate your inviting me in today. Naturally, I would like to determine to what extent we could help you out and obviously you will have some questions for me about our capabilities. Typically, at the end of our time today, we will identify next steps if there are any. **Does that sound OK to you?**

I certainly appreciate you inviting me in today. Are we still good for 45 minutes? Based on our last meeting, what I have in mind for today is to learn more about your responsibilities to see if there are ways we can add value. Naturally I would love to identify specific ways that we can begin doing business together. That's why I will start off asking questions about your role, responsibilities and projects. But obviously you will want to learn more about our capabilities and qualifications as a provider of IT talent and project management. Feel free to ask me questions, too. Typically at the end of a meeting like this, we would find out if we can help you now, we can't help you now but we can help you in the future, or we can't help you at all. **Does that sound OK to you?**

Thanks for taking my call. I am <your name>, an IT recruiter with Hypothetical Inc. Do you have a few minutes for me to tell you the purpose of my call? My objectives for the call are three-fold. First, from my perspective, I would like to find out more about your career goals and see if we can add value. Second, from your perspective, I would imagine that you might be interested in any current searches that I am doing for our client here in Chicago. Typically, at the end of the call, we will both identify any next steps if there are any. **Does that sound fair?**

Activity / Evaluation:

Each group is given one practice scenario from the appendix. Each person in the group will create their own Upfront Contract for the scenario using the ANOT format. Identify the A, N, O and T then craft them into a smooth UFC.

Each person will deliver their contract to the group and get feedback for improving the contract.

The group will choose one contract to be shared with the class and someone from the group to deliver it.

Appendix A - Scenarios

Scenario 1

Scenario: This is your second meeting with the prospect. The first meeting, a week ago, was only 15 minutes long. It came from an introduction to this manager by a current hiring manager in a different department in the same company. In the 15 minutes, all you had time to do was introduce yourself, find out the prospect's title and role, and get an agreement for a more substantial follow-up meeting within a week.

Example ANOT: "I certainly appreciate you inviting me in today. Are we still good for 45 minutes? Based on our last meeting, what I have in mind for today is to learn more about your responsibilities to see if there are ways we can add value. Naturally I would love to identify specific ways that we can begin doing business together. That's why I will start off asking questions about your role, responsibilities and projects. But obviously you will want to learn more about our capabilities and qualifications as a provider of IT talent and project management. Feel free to ask me questions, too. Typically at the end of a meeting like this, we would find out if we can help you now, we can't help you now but we can help you in the future, or we can't help you at all. Does that sound OK to you?

Scenario 2

This will be your first meeting with Marcia Clark. Marcia is a Hiring Manager for a large pharmaceutical company, Zerck. Prior to this meeting, you do not have any contractors working in Marcia's group, but you do have three people working with another manager at the client site. You got Marcia's name from Joan Stepper. Joan works in a different department, but is friends with Marcia and told you that she uses contract staffing services. All three of your contractors onsite work in Joan's group. You know that Marcia has a team of 23 contractors and four Team Leads. Joan was unsure as to the details of Marcia's projects, but knows that Marcia brought in new contractors as recently as last week. When you called Marcia for an appointment, you felt that she was only accommodating you since you were referred by a Joan. She said that she had 30 minutes for you.

Scenario 3

You are concluding your first time meeting with Marcus Bryant. Marcus is a Hiring Manager for Ace Software. Below is a brief summary of some of the information gathered during the Investigating portion of the meeting.

- Marcus is the key point of contact for his group. He also has two team leads, Stephanie and Joe, who are involved in hiring decisions. He suggested you make contact with them.
- Marcus manages a team of 10 web designers whose primary responsibility is to maintain and update the company's corporate and branch office websites.
- The company has 35 US locations, including corporate.
- Web Designers primary skill sets include: C, HTML, Java, Dream weaver, Fireworks, Acrobat, Photoshop, and Flash

- Marcus feels like his group functions relatively well and foresees needing to add a few resources in about 3-4 month, although budgets are a little tight.
- The company hasn't given pay increases in two years to current employees.
- Marcus has two kids in college.
- Marcus has the authority to sign off on new contracts with staffing companies, although there is a vendor's list in place. Managers are strongly encouraged to think twice about adding other vendors since there are already 75 on the list.

Scenario 4

ACME Solutions was a target prospect assigned to you by your MD. After three meetings over 5 weeks with Jim Adams, VP of Applications, you have successfully obtained a "new logo" client.

You have already negotiated terms and conditions, cleared legal approvals on both sides and prepared an MSA for Mr. Adams to sign. Your next meeting will be to formally sign all documents.

Subsequently and ongoing, Mr. Adams will be sending all IT job orders to you, in addition to sending them to 2 other non-VMSs providers. You feel that Mr. Adams awarded you the business based on a wider range of capabilities (projects and other verticals) that your company can bring to the table.

At the closing of the new account paperwork, Mr. Adams will be providing 5 new job orders to kick off the relationship. Although you have briefly mentioned your job qualification process, you have not gone into detail.

All documents were just signed and Mr. Adams gave you the five new job orders. The next conversation needs to more fully acquaint him with his role in your job qualification process, and to gain his commitment to support the process.

Write your UpFront contract to begin the conversation about your job qualification process.

Scenario 5

You are beginning an appointment-setting call with a prospect. The prospect interrupts you in the middle of your introduction with the objection, "You need to talk to HR, I can't help you." This prospect is a critical contact at a company you are trying to break into and it is important to meet with her before making contact with HR.

Write your UpFront contract to overcome the objection stated in your scenario above.

Appendix B - Support

These support mechanisms must be developed/arranged in advance of delivering the course. The facilitator should briefly discuss the support mechanisms during the course overview.

Pre Course Support

[TODO Anything for here?]

Course Delivery Support

[TODO create visual aids - PowerPoint? Prezi? Other?]

Post Course Support

Half-page printed take-away job aid. Content reminds of situations when an UFC can help and reminds of the ANOT format. [TODO create an example job aid]

Email or company messenger 1 day after training with information about measuring and reporting baseline call-success rate. Subsequent reminders every 3 days until baseline has been reported. [TODO create 2-3 email templates with increasingly insistent wording]

Email or company messenger request at 5, 10, 15 and 30 days, after training to report current call-success rate. Additional requests at 60 and 90 days post-training. Reporting information includes how many calls, how many calls used UFC, how many calls were successful. [TODO create email template with different wording for each interval]

Post Course Evaluation

Monitoring of call-success rate reports by sales managers to identify salespeople who are, and are not:

- Using UFC consistently
- Improving call-success rates

Training team to follow up with managers to spot-check that participants are applying their training on the job.

Post Course Follow Up

Sales managers are responsible for follow up with individuals who are not consistently using UFC and individuals who are not improving as expected.

Training team is responsible to identify and address patterns of results which might be related to shortcomings of the training. This includes patterns of not using UFC and patterns of not achieving improvement.