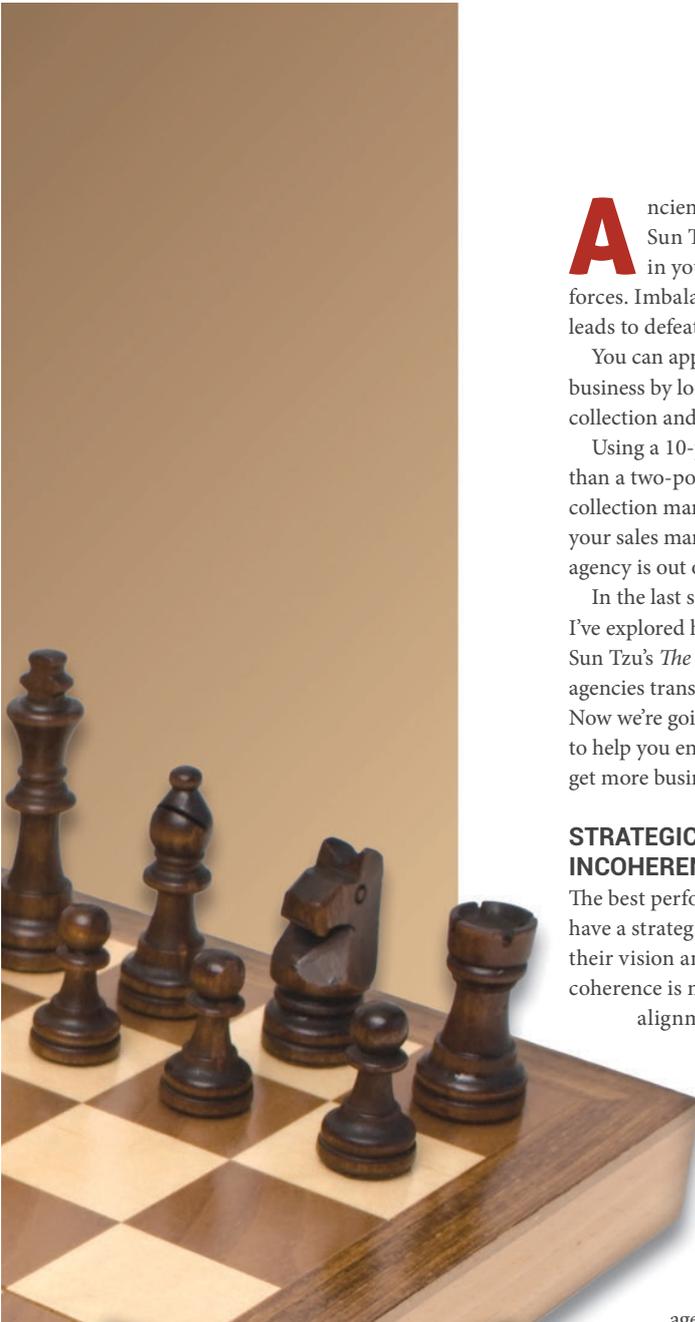


# PUTTING IT ALL **TOGETHER**

Sales guru Marc Trezza clarifies what you need to be doing to market your agency and attract more clients.

*By Marc Trezza*





**A**ncient Chinese military strategist Sun Tzu said there must be balance in your approach and among your forces. Imbalance creates weakness, which leads to defeat.

You can apply this principle to your business by looking at your expertise in both collection and sales management.

Using a 10-point scale, if there is more than a two-point difference between your collection management performance and your sales management performance, your agency is out of balance and sales will suffer.

In the last six issues of *Collector* magazine, I've explored how the timeless advice in Sun Tzu's *The Art of War* can help collection agencies transform their approach to sales. Now we're going to tie everything together to help you enrich your sales methods and get more business.

### STRATEGIC COHERENCE VS. INCOHERENCE

The best performing collection agencies have a strategic coherence between their vision and performance. Strategic coherence is measured by the degree of alignment among the agency's strategy, capabilities, client service, marketing, collection performance and sales performance. Strategic incoherence between operations and sales has been rampant for decades, because the operations nature of most agencies creates a management imbalance that literally blocks its ability to improve sales.

At the end of my presentation on this subject at ACA International's Annual Convention & Expo Conference in July, Tom Stockton, IFCCE, CEO of The CMI Group, asked a great question: "The industry acknowledges that you're the expert

in marketing and sales, and no one in this room disagrees with anything you have presented, so why are so many agencies that are not happy with sales still not doing what you advise?"

My response? There are essentially three reasons:

- Even when unhappy with sales, agencies are not willing to change what they are doing, and buy or build a solution that will implement real change.
- Agencies generally see money spent on operations as an investment and money spent on marketing and sales as a cost, so they are unwilling to pull the trigger even though they have been unhappy with sales for a long time.
- Agencies keep hoping that doing the same thing over and over will eventually get a different result.

Recognizing there is a problem is not enough. Knowledge doesn't mean anything unless you're willing to do something with it. The critical importance of closing the gap between thinking and doing is absolute.

No single metric can measure coherence or capture alignment among the multiple elements necessary for a successful sales effort that delivers significant, sustainable, profitable growth. We've covered many of those elements in the previous six articles of this sales series.

Here are four questions you should ask yourself to shed light on your agency's strategic coherence:

1. How well do your marketing and sales plans fit together with the realities of the marketplace?
2. How well do you manage sales compared to how well you manage collections?
3. How clearly is your value proposition (why *you* instead of even the most qualified agencies) expressed to prospects?
4. How does the professionalism of your salespeople significantly outshine that of the competition?

If you give each of those areas a maximum of 25 points, how close to 100 points are you? If I don't get my clients to *at least* 90 points, I'm not doing my job. If your score

*Editor's note: This is the last in a series of seven articles examining innovative sales techniques based on The Art of War by Sun Tzu. Read the first article in the May issue of Collector magazine.*

is below 90 points, your imbalance factor is just too high.

What is your vision for your agency's future? If you are happy with the way things are and are absolutely positive that no client losses, changes in the economy, increased sales performance by your competitors or any other outside economic factors could negatively impact your agency's future financial security, then you have nothing to worry about.

But if your competitor starts taking away your market share or a significant client gets a new manager who brings in someone else, then having failed to take the necessary steps to protect yourself, you may eventually feel like you're rearranging deck chairs on the Titanic.

The market is fickle. Healthcare may go to single payer. Perkins loans may go away. A market like HOAs may simply dry up. A major client becomes part of a consolidation and now you are out, or a competitor may get out ahead of you and close deals that could have been yours.

Given the reluctance of today's creditors to change agencies, those deals may never become available again. Without an effective, highly professional marketing and sales program, there is no real capability to offset any of those losses. Playing catch-up is more difficult and sometimes too late. Sun Tzu emphasizes timing is critical. Your only real protection is to get there ahead of your competitors.

## REBRANDING YOUR AGENCY

Agencies focused on the future will make marketing and sales the facilitator of economic activity and prosperity. Committing the funds needed to support new, more strategic priorities is crucial.

As I tell all of my agency clients, sales should be your first line on profit. That means using sales to replace unprofitable clients with more profitable business, and renegotiating fees with marginal profit clients. That requires a high level of training and negotiation expertise.

The plan must include a redesign of the entire sales process—from how salespeople are managed to how they sell. It means investing in a more enlightened methodology and approach. Since all agencies provide essentially the same services, with the same tools and the same resources while following the same rules and regulations, we must finally, once and for all, put a stake in the heart of feature-based, seller-based selling.

That means that the agency needs to rebrand itself based on relationship building—essentially selling who you are, not what you do. Sell what you do and all you can compete on is fee. Sell who you are and a whole world of possibilities opens up. But telling it and selling it are two different things, and it won't happen without proper sales training.

What steps will you take to improve the client's experience? How will you translate

that to sales? Do you have the necessary capabilities in-house? If you don't, are you prepared to build or buy them?

If you can't build, you have to buy. You have no choice except to bring in outside expertise. It must be collection-specific expertise—generalists cannot help you here.

The strongest agency CEOs will shape the future of our industry by redefining how we interact with the outside world. They will create solid relationships built on trust and client-defined excellence—and they will build their robust financial future by expunging the antiquated sales methods that plague our industry and take their sales efforts to a new level of professionalism.

They will give better training to salespeople to attract new clients through "Insight Selling." That requires a level of strategic coherence and management balance between operations and sales that builds a tactical advantage over competition.

Early adopters of this new, more professional approach to sales management are just starting to emerge, and will be gaining significant market share while improving profit margins. They will create escalation dominance in the marketplace and gain footholds they will likely never relinquish.

For the rest, sitting on their hands as the "Insight Sellers" pass them by, business

# Sun Tzu's Rules



### **Win all without fighting:**

Capture your markets without badmouthing competitors.

### **Avoid strength and attack weakness:**

Sell in a way unexpected by competitors.

### **Deception and foreknowledge:**

Maximize the power of market information.

### **Speed and preparation:**

Move swiftly to overcome competitors.

### **Shape your opponent:**

Employ strategy and tactics to master the competition.

### **Character and leadership:**

Provide effective leadership in difficult situations.

that could have been theirs will be lost, in many cases forever.

*The Art of War* speaks to sophisticated, 21st century collection marketing and sales. Sun Tzu's strategy and tactics can help you develop unique client relationships and build a reputation for responsiveness that becomes viral in your vertical markets.

Sun Tzu says, "Nothing is more difficult than the art of maneuvering for seizing favorable positions beforehand." The difficulty is in deciding to change, committing the resources, bringing in the expertise and then deferring to the expert's judgment. For those that do not, their competitors will be the ones maneuvering for favorable positions before they do. Future growth will go to agencies that have better-trained salespeople with superior tools, who get the support they need.

We must recognize that the "buyer of yesteryear" no longer exists, and we must adapt. Today's prospect has been through agency changes and is inundated with calls from agencies using seller-based sales tactics that stopped working long ago.

As a result, most buyers have no desire to speak with agency salespeople just to hear that same old song and dance. The salesperson with the best chance of actually engaging with a buyer is the one who demonstrates a true collaborative approach combined with a higher level of professionalism and knowledge.

### THE CEO PERSPECTIVE

The key issue for agencies is that the sales world outside their walls has shifted and any reluctance to commit to change will only make things worse.

The objective is to win, which means sustaining continuous victories. Winning is not achieved with a single victory, no matter how large. You must win consistently, year after year.

But getting a client and keeping a client are two different things. The agencies that ensure their financial future will be those that delight their clients with the level of service and cooperation they deliver. They don't just make a sale, they work hard to understand the client's definition of excellence—then they deliver that definition of excellence in an overwhelming way that guarantees not only a

long-term relationship, but referrals and viral "good press" as well.

Lastly, failing to pull the trigger only surrenders the victory to your competitors. Once again, waiting for a little more time, more funds, more prospects or more clients is failure to realize that "a little more" is not enough. While one agency is waiting for just a little more, a competitor is focusing on achieving a lot more. Don't stand still while your competition is making moves. Organize now for extraordinary achievement.

Combine the strategic and tactical wisdom of Sun Tzu. Do not think tactically only—that is short-term thinking. Strategic coherence means investing in your future. Bring sales management into balance with operations management. Give your salespeople the resources, training and support needed to excel in the markets of today and tomorrow.

Focusing on collection management is easier (despite all its challenges) because most of the elements are within your control. In sales management, everything outside your walls is out of your control. That requires a higher level of expertise than most agencies are giving it.

Bring your agency into balance. If you are unhappy with sales, employ the wisdom of Sun Tzu. What could be worse than failing to act and watching competitors leave you behind?

### HOPE IS NOT A SALES TOOL

The future belongs to those with the will to act. Collaborative "Insight Selling" is the future. It's time to embrace change. Provide needed structure and support while moving beyond "how we've always done it." Make hard decisions. Remove obstacles. Provide real training and then deal with poor performers.

Help salespeople adapt. Even for a solid collection operation, long-term financial security depends on successful sales.

Don't let the tail wag the dog. When it comes to an agency's financial future, sales is the dog. ❏

*Marc Trezza is president of Search Net Corporation ([www.searchnetcorp.com/](http://www.searchnetcorp.com/) agency). He has been providing sales management solutions to collection agencies since 1990. He can be reached at [snetrezza@mindspring.com](mailto:snetrezza@mindspring.com) or (518) 263-3500.*



## KEYNOTES

**1** Early adopters of a new, more professional approach to sales management are just starting to emerge, and will be gaining significant market share.

**2** Rebrand your agency based on relationship building—selling who you are, not what you do.

**3** Don't stand still while your competition is making moves. Organize now for extraordinary achievement.