



TPA Strategies for Building and Maintaining a Sales Pipeline

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Integrated Retirement
August 2013



Retirement & Benefits Compliance
Customer Conference

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Pipeline?



Agenda



Setting your sales objectives



Developing a marketing & communications strategy



Building your sales pipeline

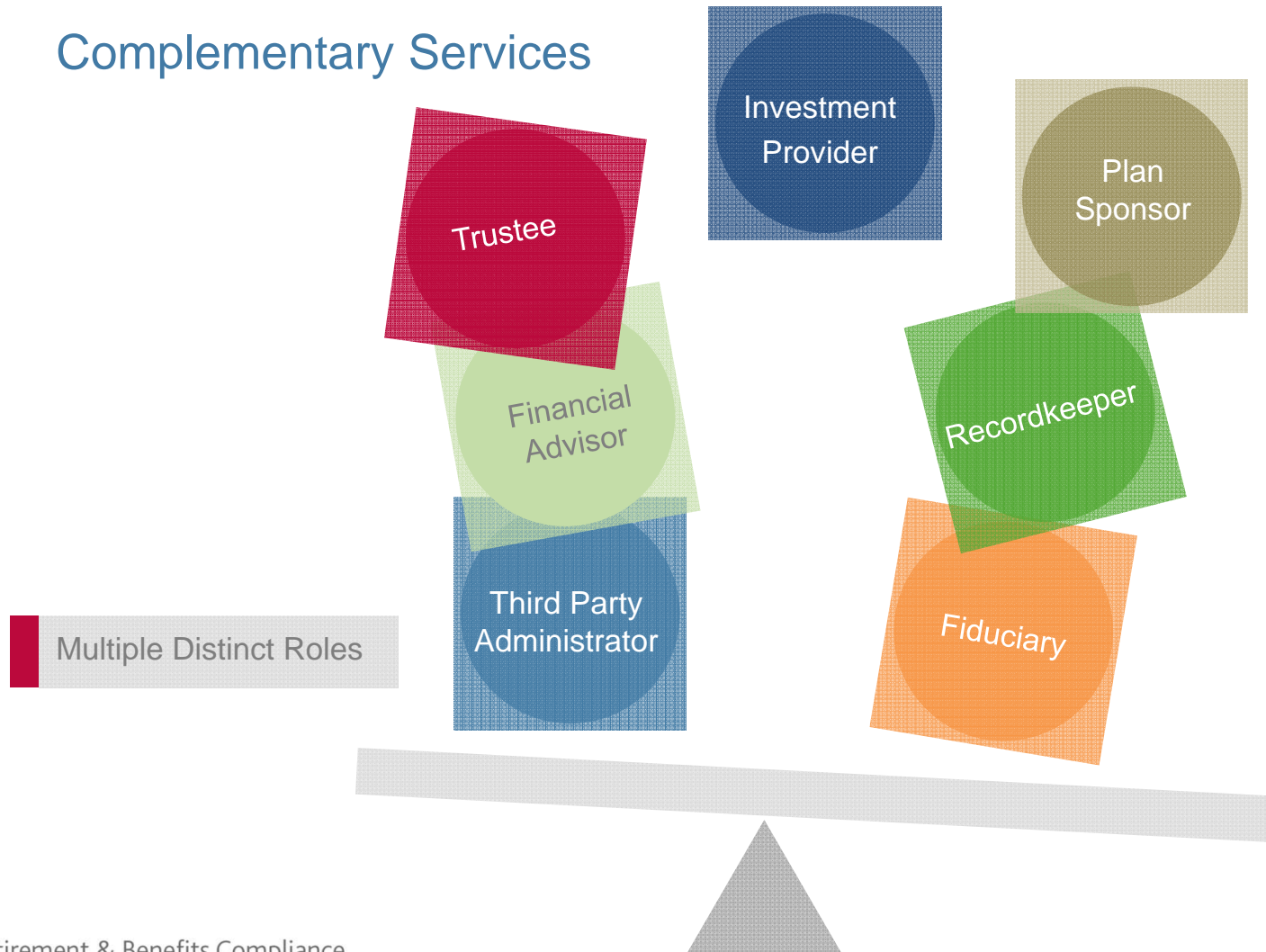


Measuring results

The Retirement Plan Team



Complementary Services



Identify Your Sales Objective



Who is your sales prospect?

- Plan sponsor
- Advisor
- Both



Advisor



Investment Expert

Investment Expertise

- Assist with initial plan investment selection
- Help monitor investment performance
- Help create an investment policy statement
- Conduct employee enrollment meetings

Plan Sponsor Support

- Help plan sponsor identify & prioritize retirement plan objectives
- Assist plan sponsor with 401(k) service provider selection



Analyze Your Current Practice



Evaluate your current business model

- Strengths & weaknesses
- Core client (plan sponsor) demographic

Source of most client sales/referrals

- Number of clients by referral source
- Revenue per referral source
- Profitability (source of “desirable” clients)



Set Your Sales Goals



Define your ideal/target client (plan sponsor)

- Compare this group to your current demographic
- Define your sales targets
 - Number & type of new clients
 - Revenue

Determine who can help you drive sales to this target client as compared to current sales channel

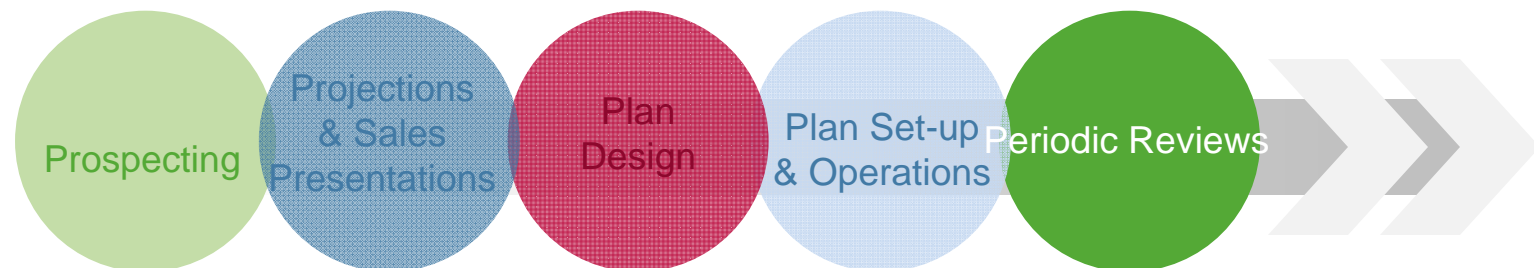
- Internal sales staff
- Centers of influence
 - Advisor
 - CPA
 - Attorney
 - Vendor partner



Develop the Message



- Focus on the benefits to target audience
How you will help the advisor be successful
- More than Forms 5500
 - Support through entire life cycle of plan



Message to Advisors



Projections and Sales Presentations

Projections: customized based on actual plan demographics

- Maximize contributions for owner/HCE – cross-tested plans
- Costs of mandatory contributions – contribution projections based on different demographic projections
- Explore popular plan design options – automatic enrollment & automatic deferral increases, safe harbor 401(k) plans, etc.
- Optimum service model based on demographics & business objectives

Sales presentation

- Joint presentation – holistic solution
- Showcase broad range of expertise

Message to Advisors



ERISA Expertise

Divert compliance disasters

- Impact of related companies or family ownership issues
- Likelihood of testing failure if a heavy concentration of HCEs

Plan corrections support

Resource for technical questions

- Complex technical issues
- New regulations
- Industry developments

Bring strategy into boardroom to close more plans

Value-adds for advisor (and plan sponsors)

- Newsletters
- Education



TPA Support for Advisors



Ongoing Support

Set-up and launch the retirement plan

- Gateway to other service providers
- Conversion/takeover plan issues

Monitor and adjust

- Evolving business needs
- Plan experience
- Ever-changing retirement plan rules



Develop the Message



Why YOUR TPA firm?

- Educated staff
- Years of experience
- Specialized focus
- Relationship with vendor partners
- Systems & reporting capabilities





Prospecting
& locating

Initial
Contact

Qualifying &
Fact Finding

Proposals &
Negotiations

Sold
Cases



Prospecting & Locating Advisors



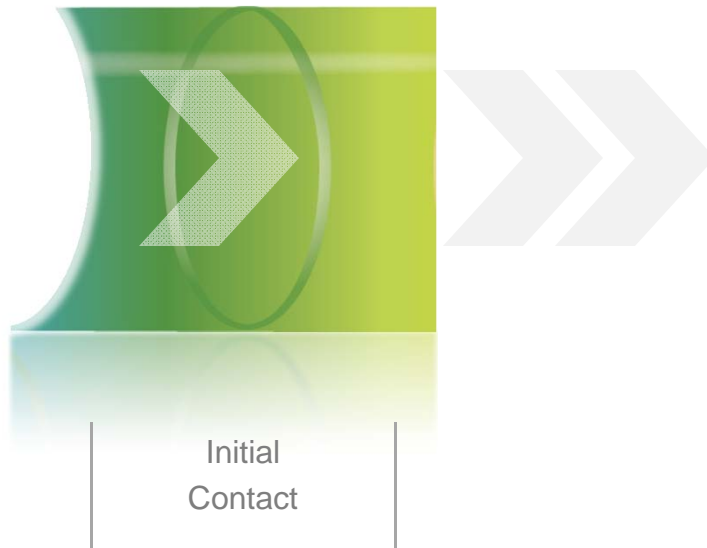
Prospecting
& Locating

- Vendor partners
- DCIO wholesalers
- Business directories & purchased lists (e.g., Crain's)
- Retirement industry conferences
- Regional events
- Advisor referrals



Retirement & Benefits Compliance
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Initial Contact



Communicate your message

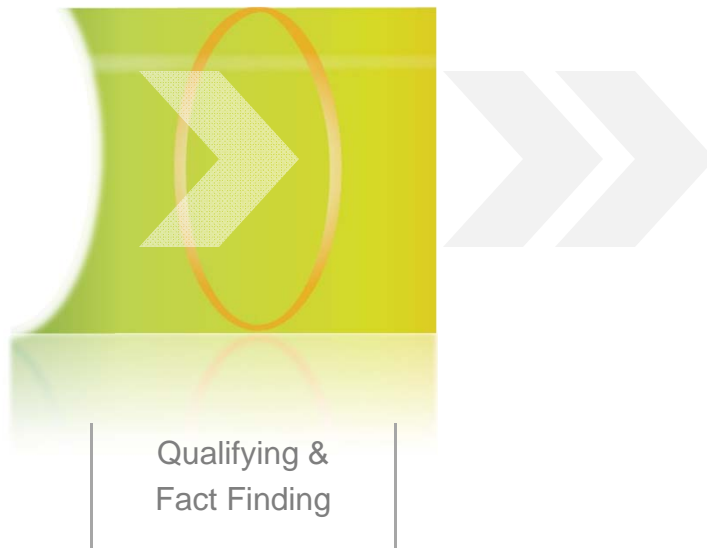
Elevator speech

Create opportunity for follow-up

Focus on their needs

- Understand their “pain”
- Position your services relative to their needs

Qualifying & Fact Finding



- Tenure
Designations (e.g., AIF, CFP)
Business lines & specializations
- Retirement
 - Wealth management
- Retirement plan business
- Number of plans
 - Types of plans
 - Participant count
 - Assets
- Current partners
Marketing & sales model
- Strategy
 - Goals

Proposals & Negotiating



Define TPA role in supporting proposals

- Provide template vs. generate proposals
- Process for exchanging information & identifying solutions
- Preparing advisor to make the presentation
- Information to be collected for takeover plan prospects

Clearly articulate next steps and lead the way

- Advisor check-ins



Proposals & Negotiating



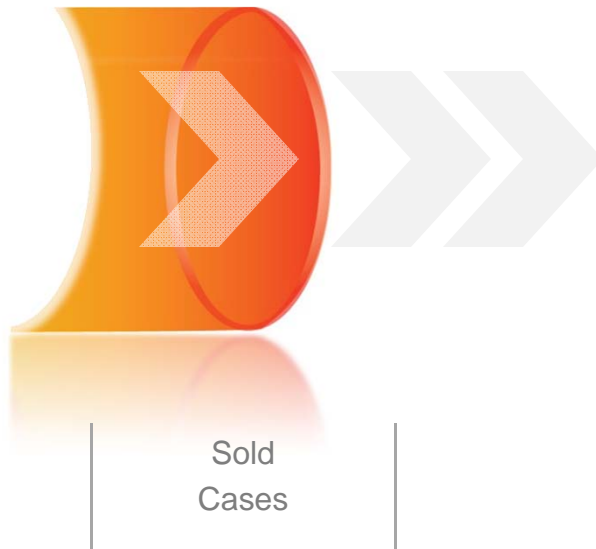
Proposal tracking

- By advisor
- By vendor partner

Lower price = Less of something

- What service can be omitted in consideration for a lower price?
- Does the advisor's model include efficiencies for you?
- Does a volume discount make sense?

Sold Cases



Implementation – ensure smooth transition

Keeping advisor in the loop

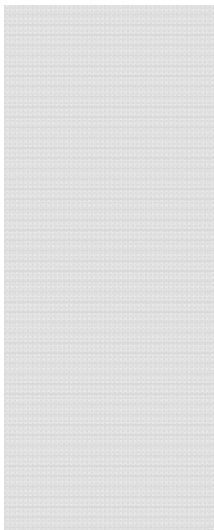
Solicit feedback from advisor

- Celebrate what worked well
- Adjust strategy for weaknesses in the sales process

Thank advisor for the business

Build a strategy for future sales with the advisor

Measure Results



Number of plans are a measure of the advisor sales success

Other advisor metrics to evaluate

- Number of proposals
- Closing ratio
- Revenue per plan
- Profitability per plan
- Retention rate
- Multiple data points per plan – win/loss tracking

Additional metrics

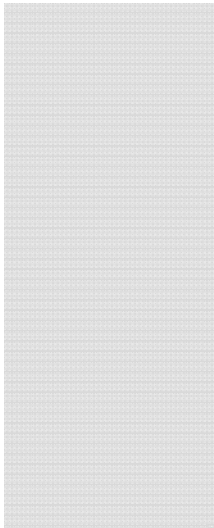
- Sales by TPA sales associate
- By vendor partner

Adjust strategy as needed

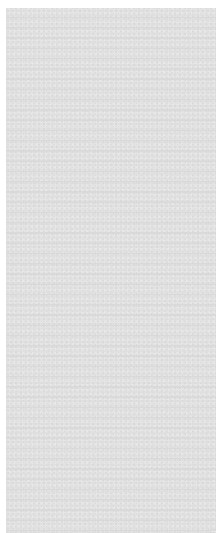
Summary



- Set your sales objectives
- Define your message
- Build your pipeline
- Measure & adjust as needed



Questions?



Continuing Education

Please – before you leave:

1. Sign in

- Verify your attendance
- Check the box if you want your attendance reported to IRS (for ERPA reporting and those with a PTIN only)

2. Pick up your certificate of attendance

- Certificates will not be emailed after the conference