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181 Pages of Cash Management Success!

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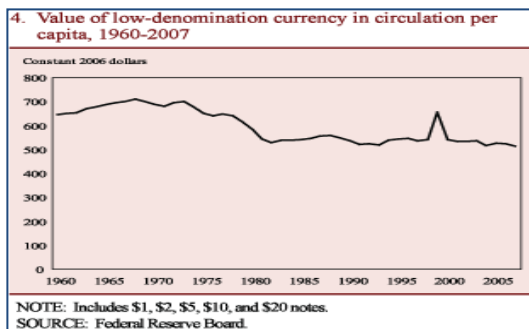
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Vendors Use Different Methods When Developing Systems

As you read and study this book—you should remember that software vendors often use different methods for designing and coding computer programs. For example, some vendors create Alerts that the User sees when they login into the Cash Management system and other vendors send Alerts as E-Mails. There are pros and cons with each approach—but they are certainly being handled differently. Throughout this book you will see differences in how vendors deliver features. If you are unsure about any feature we reference—contact your vendor and ask how they handle a particular task or feature.

What's Happening to Cash?

Several Cash Management applications are affected by the amount of cash a business uses. A report published by the Federal Reserve Bank in 2008 showed a 5% decrease trend in the overall use of cash. For most Cash Management sales and support personnel—the decreasing use of cash is not surprising. Debit and credit cards, ACH, Bill Pay usage have increased significantly while cash and check usage have



continued on a 5% to 8% downward spiral.

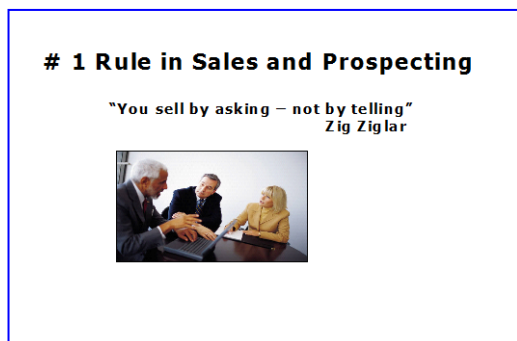
The Fed did a great job on the cash study and pointed out the difficulty of counting cash. It can be lost, stolen, swapped, exchanged, put in a piggy bank, etc. It usually shows up at the Fed when banks send it in for replacement because the bills can become worn and tattered.

In terms of sales, some Remote Deposit Capture prospects will not be in the market for a system until their use of cash decreases to the point of not requiring a trip to the financial institution each day.

Savvy salespeople simply put a little note by these prospects that indicates they should be called on next year and move on to prospects with less cash requirements.

The Answer is in the Question

Two of the best sales training companies in the U.S., Ziglar Training Systems and Dale Carnegie Sales Training, have the same mantra, “You sell by asking—not by telling.” While that declaration may seem simple, it is one of the hardest lessons for salespeople to learn since human instinct is to inform instead of ask. We think that asking questions implies that we are less intelligent than we really are.



The Carnegie approach is to ask a simple question like, “If there was a way to reduce the cost of making a deposit, would you be interested?”

It may seem simple, but it is extremely effective in qualifying prospects. Some people say, “No, I do not have time,” and some say, “Yes, tell me more.” The prospect’s answer will let you know where you stand with them, and the question is polite and professional.

If asking questions is not an intuitive process for you, use the questions provided in the Prospecting Section. Practice the questions with your eyes closed until you


internalize them. “Would Remote Deposit Capture be a good product for your company?” is not a good question because it does not qualify the prospect; it only raises a question in the prospect’s mind. A better question would be, “If I can show you how to make a deposit in five minutes instead of fifty-five, would you be interested?”

Cut to the Chase

Qualifying Your Prospects

Example:

“If there was a way to reduce the cost of making a deposit – would you be interested?”



In movie making, “cut to the chase” means to hurry and get to the good part—the exciting part. In sales, we also want to cut to the chase and see the close.

Before closing a sale will happen, there will be some “schmoozing time” necessary to ask questions and strengthen the relationship with the prospect. Using the question in the graphic to the left may seem awkward at first, but after you use it a few times it will become second nature. The question is good because it will immediately qualify the respondent.

There are dozens of reasons why prospects do not instantly buy your products:

- No interest
- Cannot afford it
- Bad timing (company sold)

Regardless of why, you need to be able to identify a “dead lead” as quickly as possible so you do not spend a lot of time with the wrong prospects. However, once you make the investment in the call or mailing, make sure you add the recipient’s name to the “stay in touch” list, and mail a marketing piece to them each month. This will keep your name in their mind when they think of Remote Deposit Capture.

The Right Answer is Yes

Make sure you open with a qualifying question that has to be answered in the affirmative. This will engage the prospect. Then, ask open-ended questions that encourage prospects to talk about their business problems. Most prospects will talk freely about their problems, sometimes excessively. If you know that an Internet Service Provider (ISP) is moving their office 60 miles from your closest branch, an excellent question might be, “How does having an employee spend five minutes a day instead of driving two hours to make a deposit sound?” You can bet the answer will be “it sounds great.” Focus your questions on their specific situation. Have several questions ready to ask and make sure you listen intently to the answers.

What Did You Say?

Take notes when you talk to prospects and enter them into your Customer Relationship Management (CRM) system. You can count on reviewing them several times. Your prospects’ answers will serve as the blueprint for future marketing communications.

Several years ago, a major insurance company rolled out a new life insurance policy. They called in training experts to teach the sales staff exactly which questions to ask and which benefits to explain. Initially, the program was a screaming success, but after a few months it started to falter. The trainers

came back in to evaluate the situation and discovered that the sales team had stopped asking questions and started informing. They had switched from asking to telling, and predictably, the results reflected that. Once the salespeople were retrained and reinforcements were added to the sales coach's training program, they regained much of the lost ground given up when answers were substituted for good, solid questions.

The Moral of the Story

- Learn to let prospects do what they like best—talk about themselves.
- Don't assume anything—always ASK!
- Questions let the prospect tell you how to sell them.

Use the Right Question

This Cash Management reference is loaded with sales questions. Successful salespeople think, gather data about the prospect they are going to call on, customize the questions they are going to use, practice voice inflections and visualize closing the sale. However, it only works if you use it.



Questions are unique tools and they can instantly involve people. Both of these advertisements are original and effective, but their success lies in using one of the most powerful techniques in advertising—the question.

Questions Demand Answers

According to Webster’s Collegiate Dictionary, a question is defined as “an interrogative expression often used to test knowledge.” Questions are powerful tools that, when asked, cause us to actively think of an answer. Advertisers harness the power of questions in their campaigns to engage the target audience.

If you were to ask one person in a group to name the capital of Tennessee, the entire group would begin the thinking process and arrive at the answer, “Nashville.” The question technique is universal and impacts us from childhood to adulthood. Picture an elementary school class; when the teacher asks little Johnny a question, the rest of the class eagerly shoots up their hands, wriggling in their seats. As adults, we do the same thing except we don’t wiggle as much.

Work with the questions in this book and practice them on a recorder until they become second nature. Your prospects will not stand a chance at getting away without buying!

We separated the questions by products and services so you can have a quick reference for preparing for sales calls. Keep these questions in your top desk drawer so you can get to it quickly when you need to call a prospect or customer.

We included “Frequently Asked Questions (FAQs)” to help you anticipate questions that the prospect might ask. As part of the visualization process for each sales call, read a question and then close your eyes and “see” the prospect asking the question and yourself answering it.

As a large help to other professionals, send us any question you think of and we will give you full credit in the next edition.

Tom Houston
Author

Victory Diary

When you miss a sale or feel like you are in a slump, you should come back to this page to get that “pick me up” that comes from seeing your victories. Few things will make you instantly feel better than the Victory Diary. Be faithful and keep the diary up-to-date. Periodically read it and visualize each step of the sale and then go do it again.

When you are calling on another tractor company, think about the last one you sold. Why did Harold Smith buy? Call him and tell him you are calling on Joe’s Heavy Equipment in a different city, but you want to use him as a reference. You can almost see him smile across the phone.

<u>Name of Victory</u>	<u>Contact</u>	<u>Clincher</u>	<u>Competitor</u>
1. Smith Tractors	Harold Smith	Trust, Relationship	First National Bank
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Prospect Profile



Company Name: _____

Primary Contact: _____

Address: _____

City/State/Zip: _____ / _____ / _____

Phone Number(s): Office _____ Cell: _____

E-Mail Address: _____

Web site Address: _____

Company Background

1. Is prospect a bank customer? (See credit files for additional information) _____

If no, where does prospect bank? _____

a. If yes, who is contact officer? _____

b. When was prospect last contacted? _____

c. What products does prospect use? _____

2. Did prospect contact bank? _____

3. Does prospect want information only? _____

a. If yes, what products?

i. _____

(a) Benefits: _____

ii. _____

(a) Benefits: _____

iii. _____

(a) Benefits: _____

4. What is prospect's SIC? _____

5. What is D&B rating? _____

6. What is BSA rating? _____

7. How many employees does prospect have? _____

8. How many locations does prospect have? _____

9. What is prospect's annual sales? _____

Personnel Background

1. Who are the key decision makers? _____
_____ / _____
2. What are key player's hobbies? _____ / _____ / _____
3. Is there anything interesting about prospect(s)?
_____ / _____ / _____
4. Do any of the prospect's employees belong to, or have a relationship with:
 - a. Rotary, Chamber of Commerce, etc.? _____
 - b. Family in our institution? _____
5. Was prospect previous leader of any civic organizations? _____
6. Should a relationship building call be made now? _____

Financial Checklist

1. Review account analysis for last two months.
2. What is average DDA balance for last quarter? _____
3. How many DDA items clear through account(s) each month? _____
4. Overdraft history:
 - a. Number of times in last 12 months? _____
 - b. Largest NSF in last 12 months? _____
5. What is loan history?
 - a. Current rating _____
 - b. Type of loan _____
 - c. Highest loan _____
 - d. Any historical issues with loans? _____

Sales Call Report

Sales Call List

<i>Account details</i>		
Account name	Project or opportunity	Phone number
Texas Heavy Lift	Owner occupied RE purchase	214-123-4567
Location	Primary contact	Call date
Round Rock	Brian Smith	11/11/2009
Other Contacts	notes	Call time
	Referral from Jay Maxey	3:00
<i>Call purpose and expected outcome</i>		
<p>Texas Heavy Lift is a well run forklift sales and service company with 10 years of profitable history. They were disappointed by their primary bank's term sheet regarding the purchase of an industrial building from Texas Steel Partners, Inc. This created an opportunity for us to evaluate and propose an improved set of terms.</p>		
<i>Customer participants (name, title, role)</i>		<i>Our company participants (name, title, role)</i>
Brian Smith, Owner		Jim Evans, EVP Jay Maxey, SVP
<i>Call Summary</i>		
<p>Texas Heavy Lift is looking for a 10% down loan, with a fixed rate term over five years. They want to preserve as much cash as possible to withstand a slowing economy.</p>		
<i>Competitive issues and obstacles</i>	<i>Future Follow-up</i>	
Competing against Bank of America	Jay Maxey needs to explain the SBA term sheet in detail.	

Sales Call List

<i>Account details</i>		
Account name	Project or opportunity	Phone number
Barbara Carter, Attorney	Texas Trustee Account referrals	214-789-4321
Location	Primary contact	Call date
	Barbara Carter	11/24/2009
Other Contacts	Notes	Call time
Melissa Garza		
<i>Call purpose and expected outcome</i>		
Purpose was to visit with Barbara about referring Bankruptcy Trustee checking accounts and Debtor in Possession accounts to bank.		
<i>Customer participants (name, title, role)</i>	<i>Our company participants (name, title, role)</i>	
Barbara Carter	Tom Lansin, VP Cash Management	
<i>Call Summary</i>		
We visited about many different opportunities. She agreed to introduce bank to Brian at the Texas Trustee's Office. He is the bank analyst.		
<i>Competitive issues and obstacles</i>	<i>Future Follow-up</i>	
Getting on the US Trustee's approved list.	Meet with Brian	

Alerts and Controls

Pricing Alerts and Controls

Pricing	
Monthly Fee	No Charge
Prerequisite	Cash Management

Most Internet Cash Management systems provide extensive “Alerts & Controls” and each can play an important role in managing accounts. Only a few financial institutions advertise Alerts & Controls, therefore, many commercial customers do not know they are available or how to use them. We recommend tackling this feature-set as you would any major application. Print a list of each Alert and Control that is available in your system, and then update the following questions to ensure everyone understands one of the best “no charge” features of Cash Management.

Alerts Benefit Summary

1. Alerts provide “no cost” awareness of possible fraud on accounts.
2. Alerts can be customized as the business chooses.
3. Business manager/owner can be immediately alerted in the event of an overdraft or other account conditions, based on parameters they set.
4. Important tasks, such as employee anniversaries and paying company liability insurance, can be scheduled and managers notified as needed.
5. Alerts and Controls provide management controls at no additional cost.
6. Controls can establish account restrictions based on employee’s job requirements. This provides separation of duties, which reduces possible employee fraud.
7. Account Controls can allow the company’s CPA to print the company’s checking statement for the Operating Account—but restrict access to the Petty Cash Account. Controls can also restrict features, such as Bill Pay and Funds Transfers. The Controls are comprehensive and allow access defined by the business owners or managers.

Prospect Sales Questions

1. If there was a way to immediately alert you to fraud in one of your accounts or help you better manage your cash flow, would you be interested?
2. Can I take a few minutes and explain how Alerts & Controls work?
3. Are you familiar with Alerts? You set the criteria, and, if any one of the settings is met, you are immediately notified by E-Mail. For example, a few Alerts include high balance, low balance, wire transfer received, and a specific check paid. These are just a few of the many alerts.
4. Does that sound like a free service that will help you manage your accounts?
5. Can you see how Alerts can help detect fraud in any of your accounts?
6. Do Alerts sound like a service you would like to try?

7. Did you know that you can use Alerts to remind you of important dates? It is a great feature to help you remember when it is time to pay the annual business insurance or an employee's anniversary.

Controls Benefit Summary

1. Did you know that Account Controls are an important management tool that is a standard feature in our Cash Management system?
2. Are you familiar with Account Controls? They are parameters that you can set to restrict an employee's access to information. For example, if you want an Accounting Clerk to setup an ACH for weekly payroll, but want the Accounting Supervisor to initiate it, Controls give you that capability. You decide exactly what you want each employee to access, set it, and Controls restrict access until you change it. How does that sound?
3. Are you aware that Controls can allow your CPA to print a copy of your Operating Account statement at month-end, but restrict access to all other Cash Management functions?
4. Did you know that you can set the maximum dollar amount an employee or supervisor can wire transfer from any of your accounts?

Frequently Asked Questions

Q. Can I set limits on how large a wire transfer can be by employee?

- A. Yes. Each employee can have a different wire amount, and each account can be allowed or restricted.

Q. Can I restrict all employees except the CFO from setting or changing Alerts and Controls?

- A. Yes. One of the restrictions you can set is who has access over Controls and Alerts.

Q. Can I receive notification when a wire transfer or ACH is received?

- A. Yes. You can receive an E-Mail immediately upon the institution receiving funds.

Q. Can Alerts notify me when a specific check is paid?

- A. Yes. You can set Alerts to notify you when a check or ACH is paid.

Q. What is "Suspend Employee?"

- A. That is a feature that lets you to suspend all activities for an employee when they are on vacation or away from the company for an extended period. No one else can use their login.

Q. Can I setup Controls to only allow a supervisor to transmit ACH Payroll?

- A. Yes. One of the main purposes of Controls is to restrict the access of each employee.

Q. As the business owner, can I have unlimited access to all features?

- A. Yes. In the Control section, you would check each box to "allow" your access.