Diane Waltemath; founder
Performance Now LLC

A strategic development & performance management company, focusing on operations, administration, and financial controls

Diane brings an executive background in technology services and solutions. She is the founder of Performance Now LLC and has been consulting in the market for almost 4 years.

Experienced growth: $35M > $250M

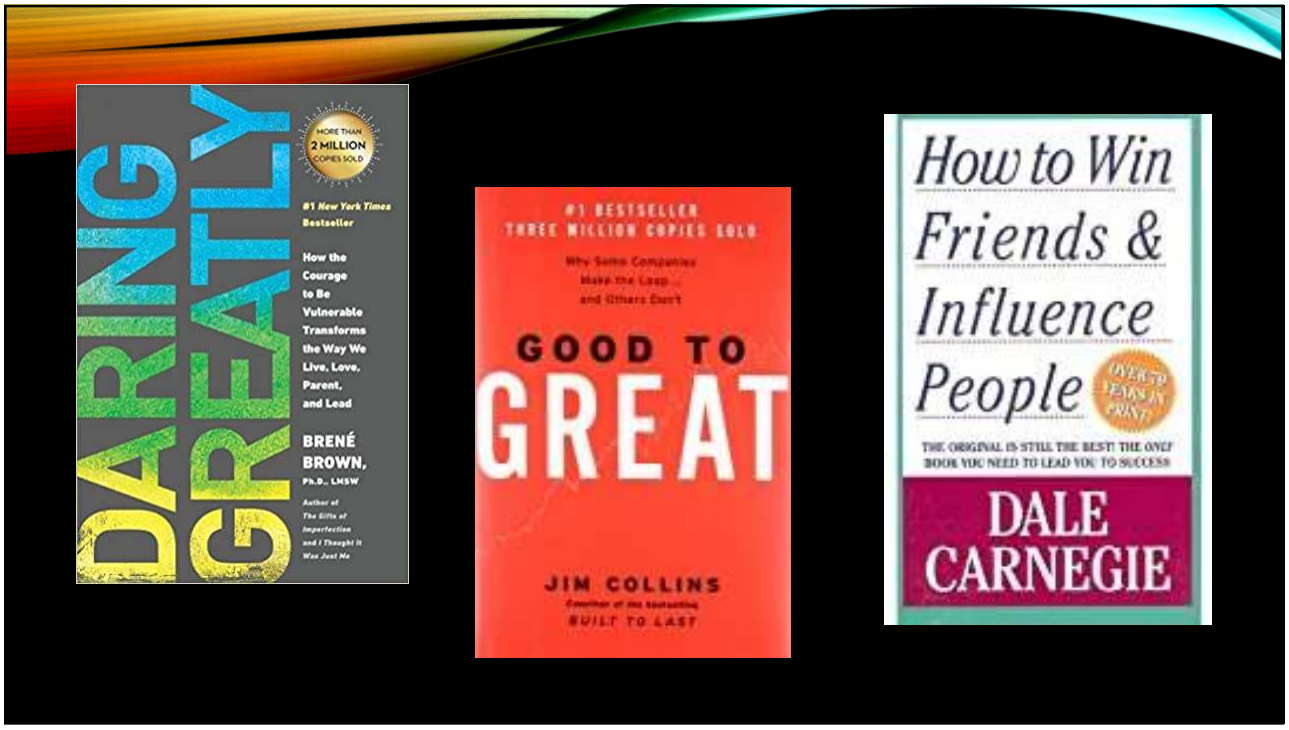
Areas of Expertise

- Contracts
- Leasing
- Operations
- Billing
- Cash & AR, AP
- Customer Integration & Change Management
- Inventory
- Workflow, process, and systems

1

"…a leader is anyone who holds her – or himself accountable for finding potential in people and processes" – *Brene' Brown, "Daring Greatly"*

2



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WHY ARE WE HERE TODAY?

- WEBINAR - Contract Management & Earning NEW Revenue
- Individual Development Opportunity
- Contribution to Business Planning – let's elevate!

Leadership Development

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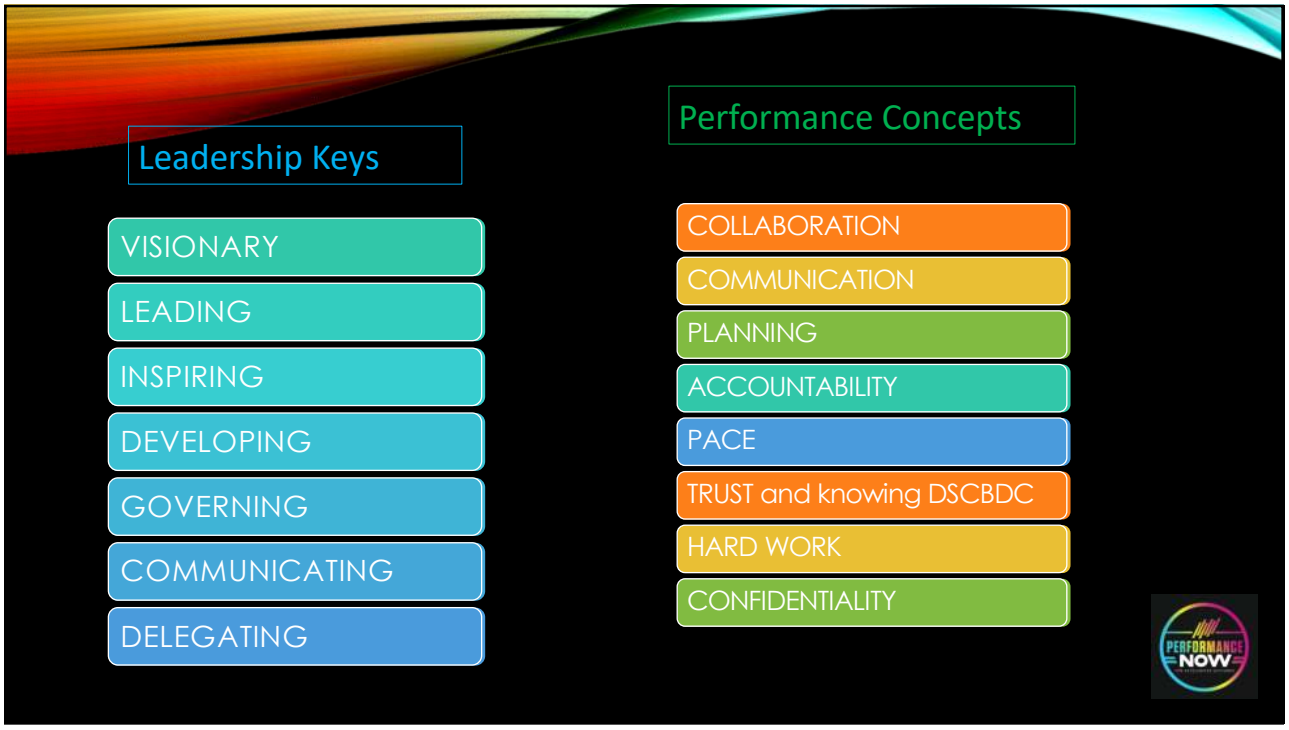
Leadership Keys
VISIONARY
LEADING
INSPIRING
DEVELOPING
GOVERNING
COMMUNICATING
DELEGATING
Performance Concepts
COLLABORATION
COMMUNICATION
PLANNING
ACCOUNTABILITY
PACE
TRUST and knowing DSCBDC
HARD WORK
CONFIDENTIALITY

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The Why?
As we grow, we must constantly look to the evolution of process
To deliver to a larger customer base
With increased performance
Introducing new services & systems
Controlling profit
Increasing automation
Reducing Expense
Contributing meaningfully to business development, and creating opportunities for Self and Team
How we Achieve!
Having a growth mindset that's driven by internal excellence and exceeding expectations
Through our People
By Reviewing Existing Practice with Fresh Eyes and Calculated ROI
By Making Strategic Investments
By Introducing New Systems
By empowering others with controls, and job authority

6

IN ADMINISTRATION & OPERATIONS

1. Make yourself heard
2. Invite yourself to business planning discussions
3. Provide your insight
4. Make your case with $, #'s, and value statements
5. Start with the pain, and look to the future

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SOPHISTICATE BUSINESS PLANNING

- Establish ***relationship & control authorities*** with executive leadership group
- Speak to the ***Career Path*** you are working towards, and what you seek to develop for your team
- Clearly present ***workflow***, job function within, and expected ***controls***
- Introduce Administrative and Operational ***metrics by job function***
- Set goals for ***procedural documentation***
- Set goals to create ***Tools and Forms*** that aid ***efficiency***
- Introduce ***Training Materials*** to accelerate gain & alleviate strain

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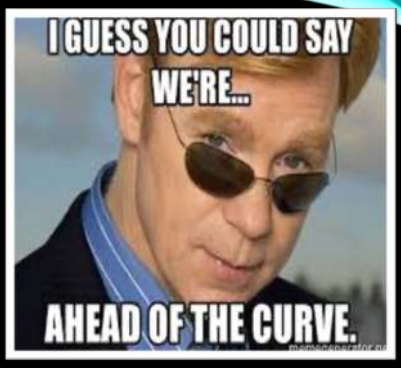
SOPHISTICATE BUSINESS PLANNING

- How many Contracts are we administering in the ERP and *how*
- How many of those Contracts require Monthly touch
- How many Contracts have Mins < $25
- How many Contracts are generating $0 q-over-q?
- What is our Contracted asset : Networked asset ratio?
- How many straight leases exist in your banking portfolios?
- Who is responsible for GP LOC and to what level of success?
- Who reviews/creates Customer Programs offered by the business?
- Who plans for systems to support new Sales Initiatives?
- Do comp plans motivate Reps to sell strategically or simply sell?



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"HOW MANY CONTRACTS ARE WE ADMINISTERING IN THE ERP AND HOW"

- Contract Types = revenue distribution
  - MBAV
  - Cost Per Copy
  - Accrual
  - ITT (ship-in)
  - Managed Services
- Bill codes (3) = asset coverage distinction
  - S&S, Svc-O, Sup-O, PassThru, T&M (how many T&M do you need)

Pro Tip: always be thinking of scaling the business and how to keep process intuitive while improving efficiency, but without EVER compromising quality!

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"How many Contracts require a monthly touch?"

- Contracts in ERP: 1031
- Contracts without Mins: 265
- Contracts with Mins but also with Monthly Meters: 204

265 + 204 = 469…. 469/1031 = 45% Contracts require monthly touch!!!

Pro tip: introduce CPC conversion policies, identify ownership for contract changes with customer

"How many Contracts have minimums < $25"

- Contracts in ERP: 1031
- Contract with Mins < $25 = 189

189 X 12 = 2268 base processing & 2268 payment recording!!!

Pro tip: Adjust to semi-annual or annual base in advance, or set higher min reqs @ the company

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"How many Contracts are generating q-over-q $0 invoices?"

- Service Base < $XXX.XX
- Customer > 18 mos
- $0 Overages 4Q consecutive

Pro Tip: adjust to semi-annual or annual review

"What is our contracted asset to Networked asset ratio?

- Identify local devices by Contract
- With consideration for GP, work to network and/or with Sales to replace or establish programs that eliminate meter capture

Pro Tip: GP assurance in the terms of Service contract. Make decisions with risk assessment and logic!

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Deals pass Administrative Checklist
Deals impacting Service $'s > 10%+/-
Deals impacting Service with LOC GP <
Net-new Model Rates
Billing Credits & Adjustments
Credit Holds & Releases
Commission charge backs
AUTHORITY
EMPOWER OTHERS

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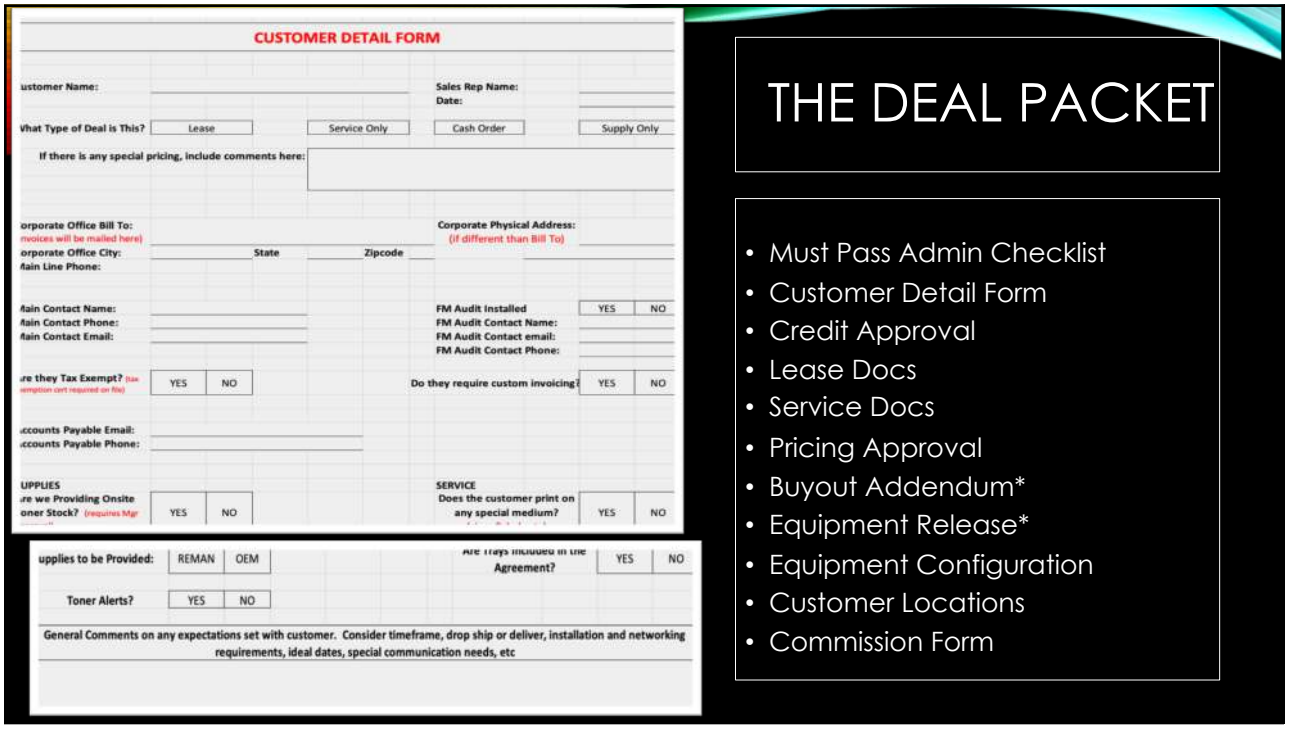
CUSTOMER DETAIL FORM
Sales Rep Name:
Date:
Lease
Service Only
Cash Order
Supply Only
If there is any special pricing, include comments here:
Corporate Physical Address:
State
Zipcode
FM Audit Installed
YES
NO
Do they require custom invoicing?
SUPPLIES
SERVICE
Does the customer print on any special medium?
REMAN
OEM
Toner Alerts?
Agreement?
General Comments on any expectations set with customer. Consider timeframe, drop ship or deliver, installation and networking requirements, ideal dates, special communication needs, etc
THE DEAL PACKET
• Must Pass Admin Checklist
• Customer Detail Form
• Credit Approval
• Lease Docs
• Service Docs
• Pricing Approval
• Buyout Addendum*
• Equipment Release*
• Equipment Configuration
• Customer Locations
• Commission Form

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Contribute to developing Sales Operations at your business!

Take ownership for profitability and introduce controls!

	Sales Deal Checklist	
1	Prospective Form	
2	Copy of Credit Approval	
3	Copy of Lease w/ Terms page	
4	Lease Pool doc (if applicable)	
5	Schedule A (if applicable)	
6	Copy of Service Agreement with Terms page(s) (unless it's a Supplement, then Service Extension doc)	
7	Lease Cost Breakdown worksheet	
8	Equipment Configuration; including rep cost and MSRP calculation	
9	CPP Justification Worksheet; assuring service was priced correctly or have business save these to SDrive for Admin to review	
10	Buyout Addendum (if applicable)	
11	Equipment Release Form (if applicable)	
12	Schedule B; identifying all Makes/Models/Quantities to be covered under the Agreement	
13	FM Audit Report (if available)	
14	Commission Form; signed by rep & manager	

	Administrative Approval Checklist	
1	Is account GP below 40%? If so, any adjustment to contract requires advance admin approval	
2	Is the Service Base decreasing > 10%? If so, requires advance admin approval	
3	Is there a valid credit approval?	
4	Does Legal Name on Lease match Legal Name on Credit Approval?	
5	Is any equipment listed as new for order, discontinued? Doc update needed?	
6	Are Allowances & Overage Rates properly listed on front of Agreement; alternatively "see pool" for tiered pools?	
7	Is the Term properly completed on front of Agreement?	
8	Did the customer Sign, Date, and include Title on front of Agreement?	
9	Do the Allowances on the Pool doc balance to the Group Allowances on front of Agreement?	
10	On net-new lease, did we receive the Service Contract + TCs?	
11	On supplemental lease, did we receive the Service Extension doc?	
12	On the Lease Cost Breakdown, is their appropriate MSRP for designated funding?	
13	Is the correct lease rate used in calculation?	
14	For net-new customer, is CPP worksheet on SDrive matching to service build in deal?	
15	For existing customer, is the correct "prior service amount" listed so NEW Total Contract is accurate?	
16	Does the Service Allowance build on the LCB match the group pools on Lease Doc?	
18	Are there OOA Copiers being placed, were OOA rates properly sourced and included?	
19	If there is a buyout, did we receive 1) the Buyout Addendum, 2) the Equipment Release – *cannot proceed past order to warehouse without receiving these 2 documents*	
20	Did we receive the signed Schedule B?	
21	Did both the Sales Rep + Sales Manager sign the Commission Form	

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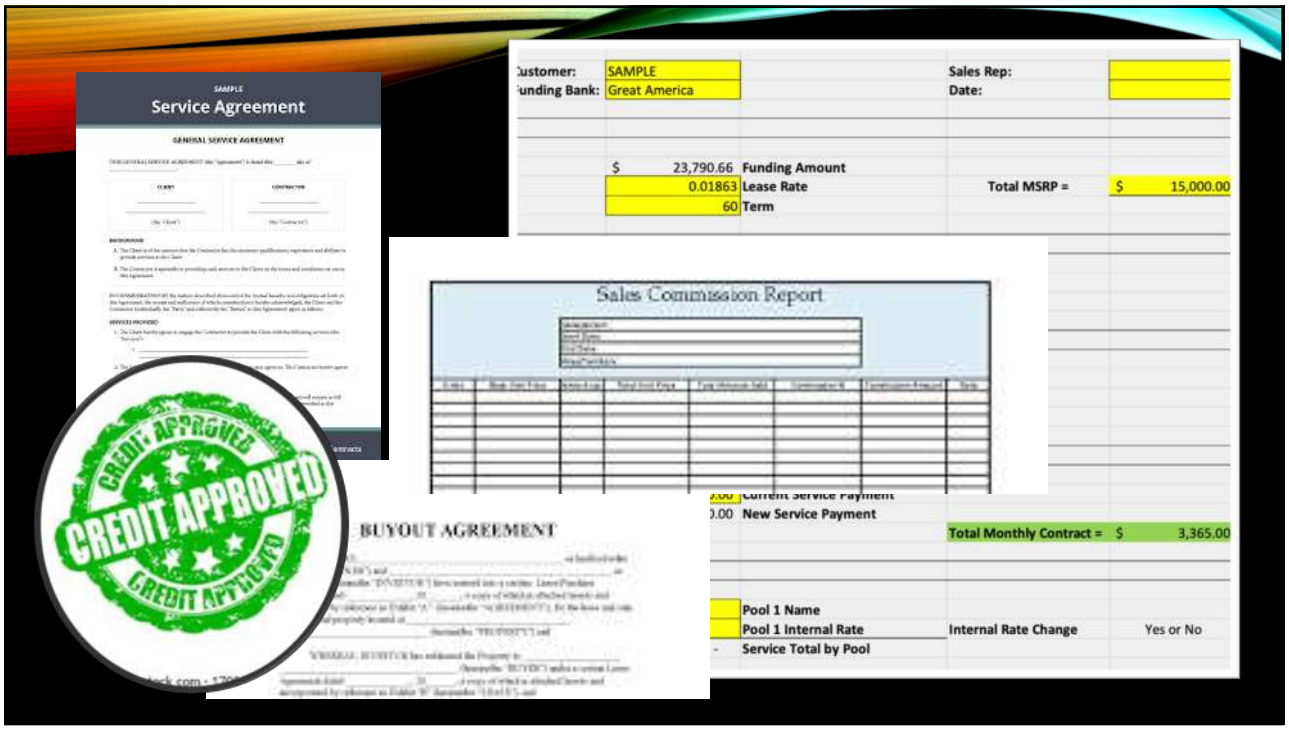

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- Welcome Letter to NEW Customer
- Message from President
- Tax ID & W9
- Request for ACH payment + form
- Sample Invoice with highlights
- Change Management Icon

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MAKE YOUR POINT

LEASING & BUNDLING (sales, strategy, revenue and cash flow)

- **Account Protection** – 5 Copiers on Straight Lease Vs 5 Copiers booked on supplements & bundled with AFM
- **Account Extension/Revenue Gains** – supplements with add-on term + "Service Extension"
- **Increasing Revenue Opportunities** – by bundling Service with the Equipment payment, we create revenue opportunities for contracts experiencing high Service GP.
- **Revenue Opps on TB Invoices** – we can have strategy to increase revenue and profit
- **Fee Sharing & Waiving** – origination, freight, late
- **Evergreen Contracts and Revenue Sharing**
- **Account Protection** – a bundled lease invoice is more difficult for a competitor to unwind and to buyout
- **Customer Efficiency** - 1 invoice to the Customer from the Lease Company; vs 1 from Lease Co and 1 from Dealer
- **Customer Efficiency** – truly 1 invoice ongoing, if as we sell ….
- **Customer Efficiency and Dealer Cash Flow** – 1 invoice for fixed amount, passes thru Customer AP swiftly w/ proper remittance
- **Cash Flow for Dealership** – in times of delinquency, the Leasing company has a stronger financial arm
- **Admin Dealer Benefit** – reduces # of contracts needing to be entered and managed in ERP, creates efficiency in cash applications

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SALES COMP PLAN

SAMPLE

Stream	Quota	Comp	1st Gate	1G Comp	2nd Gate	2G Comp	Notes
Net New Customer	2	$500	4	$750	8	$1,750	Quarterly Bonus opportunity, Requirement base min $500 & AFM contracted @ AVG 40%+
After Market Revenue	$10K	5%*	$15K	7%	30K	10%	AFM contracted @ AVG 40%+
Hardware	80K	25%	125K	30%	175K	35%	Requirement to fund minimum 125% MSRP
MPS Accts	5	$2,000	10	$2,500	15	$5,000	Qtrly Bonus opportunity, Requirement base min AVG $1500, AFM @ AVG 40%+. Additional kicker if hardware is sold and mps AFM is bundled to lease

Incentivize Reps to contract base volumes, and to bundle!
*bump the rate if base is contracted
*bump the rate again if bundled to lease
*bump the rate again if they capture printers too

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LEASING; INTERNAL BUY-OUTS "PRO TIP"

- Establish company policy & Communicate internally
  - Customer accounts must be current with the leasing company, in order for any Trade Up or Internal Buyout to be processed

Option	Term	MSRP	Equip Pymnt	% MSRP	Lease Rate	Sub Fund	Trade Up	Final Funding
FMV	60	$15,000.00	$ 555.00	125%+	0.01863	$29,790.66	$6,000.00	$ 23,790.66
FMV	60	$15,000.00	$ 555.00	125%+	0.01863	$29,790.66	$2,000.00	$ 27,790.66
							GP^	$ 4,000.00

How many deals/year with Trade Up?

Lease Admin Communicates:

"Thank you for selecting ABC Technology as your solutions partner. Your NEW office equipment was installed on XX/XX/2021. In order to process the NEW agreement, our finance office is requiring your existing agreement be brought current."

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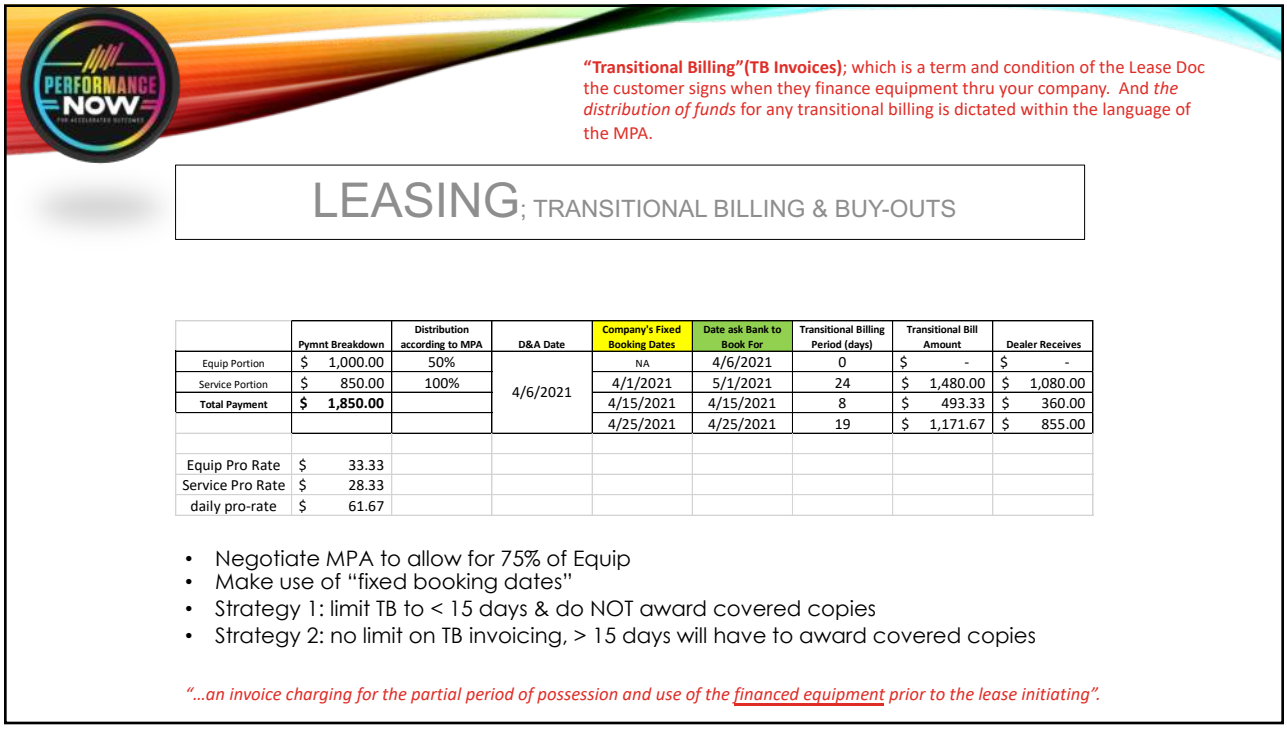

	Pymnt Breakdown	Distribution according to MPA	D&A Date	Company's Fixed Booking Dates	Date ask Bank to Book For	Transitional Billing Period (days)	Transitional Bill Amount	Dealer Receives
Equip Portion	$ 1,000.00	50%	4/6/2021	NA	4/6/2021	0	$ -	$ -
Service Portion	$ 850.00	100%		4/1/2021	5/1/2021	24	$ 1,480.00	$ 1,080.00
Total Payment	**$ 1,850.00**			4/15/2021	4/15/2021	8	$ 493.33	$ 360.00
				4/25/2021	4/25/2021	19	$ 1,171.67	$ 855.00
Equip Pro Rate	$ 33.33							
Service Pro Rate	$ 28.33							
daily pro-rate	$ 61.67							

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TERMS & CONDITIONS; MPA

- Credit approvals not to expire
- D&A not required < $10K
- Transitional Billing % calc.
- Late Fee waiver power
- Remittance application & distribution order
- Regulation B letters issue to Dealer only
- Buyout calculations to exclude fees auto.
- Stipulate specifically allowed fees to program
- Survival of the MPA terms under any/all conditions

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TERMS & CONDITIONS; SERVICE AGREEMENT

- Net-new models to fleet….. "*if over the duration of the agreement, net new models are requested for coverage, they will be added at the then current rates and may be requested for removal at 90 days*"
- Supply consumption… yield limitations stipulated to 5% down with dealer able to charge for excess usage
- Overages & Cost Adjustments…..stipulate % customer can reduce contract by; reference volumes by pool @ %
- Cancellation clause….calculation of "buyout" for early cancellation of service agreement on CPC Contracts
- Cancellation clause…..allow for dealer walk-thru and/or estimated billing for assets removed 1-1-1-1-1-etc.

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DEPARTMENTAL KEYS

- Metrics of Performance; *by Job Role*
- Goal Setting; *30 day cadence*

LEASING:
Funding Efficiency; within 24hrs of D&A
Improved GP by Transaction; $'s

CONTRACTS:
Contract set-up Accuracy
Improved GP LOC

ORDER PROCESSING:
Performance to Scope
Change Management Success

BILLING:
On-time Overage
Meter Collection %

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Workflow & GP Controls

HR
NEW HIRE ORIENTATION & PAPERWORK
EMPLOYEE HANDBOOK
BUSINESS INSURANCE
HEALTH INSURANCE & EMPLOYEE BENEFITS
PAYROLL PROCESSING
BONUSES
LEGAL & DISCIPLINARY ACTION
CULTURE MGMT ROLE

CONTROLLER

AP
EST. CREDIT & NEW VENDOR ACCTS
AUDIT & PROCESS CO. INVOICES
AUDIT & PROCESS IIT INVOICES
RECONCILE COMPANY CREDIT CARDS
PROCESS OUTGOING PAYMENTS – ACH
PRINT OUTGOING CHECKS
SUPPORT CONTROLLER GL MGMT & ENTRIES

MANAGEMENT REVIEW
COST OF ONBOARD
CUSTOMER SATISFACTION w/ CHANGE AGENCY
CONTRACT ACCURACY
SALES ORDER ACCURACY
BILLING ACCURACY
FUNDING EFFICIENCY
AR ACTIVITY
AR PERFORMANCE
METER COMPLETION RATE
ON-TIME BILLING RATE
DATA ENTRY ACCURACY
OPERATIONS TEAM PERFORMANCE
PRICING & GP CONTROLS
AP INVOICES PER CLERK
CASH DISTRIBUTION RULES

(ALL METRICS TRACKED BY INDIVIDUAL + DEPT)

ONBOARDING
INSTALL
TAG & CLEAN
EQUIP TRAINING
DATA COLLECT
OOA TAG/CLEAN FACILLITATION
COLLECT D&A

PROJECT MGMT
CHANGE MANAGEMENT LIASON; ABLE TO HANDLE 12 – 18 TRANSACTIONS AT A TIME; ADJUST FOR SCALE
CREATING THE SO
TRACKING & SCHEDULING
CHANGE MGMT COM
EQUIP TAG + WORKFLOW ID
IIT CONTRACT NEG.
EQUIP TRAINING
.

SALES & LEASING
PROSPECTING, PRICING & DEAL PLACEMENT

ADMINISTRATION
ADMIN REVIEW & ASSIGNMENT TO PM & CONTRACTS/LEASING
GP CONTROLS

OPERATIONS
DATA ENTRY – CUST + EQUIP
BILLCODE MANAGEMENT
COST CODE MGMT
ONGOING ACCT UPDATES
GP CONTROLS

SERVICE & SUPPLY FULFILLMENT

CONTRACTS/LEASING
ASSURING MSRP AND ALL PAPWERWORK NEEDS

CONTRACTS/LEASING
BILLING THE SALES ORDER
DELIVERING FUNDING PACKET
CREATING CUSTOM INVOICES
COMMISSIONS
ONGOING REP REQUESTS
GP CONTROLS, BUYOUTS

BILLING
WKLY: BASE INVS
MO/QTR: USAGE INVS
OVERSEE METER COLLECTION
DCA MGMT
CUSTOM INVOICES
BILLING DISPUTES & USAGE JUSTIFICATION REPORTS

AR & CASH APPS
ACH CAMP
W9 & TAX ID
SWEEP CM'S
SWEEP UNAPPLIED $
SEND TO COLLECTIONS
RECORD CHECKS
RECORD ACH
BALANCE CASHBOOK
PROCESS CC PYMNTS
SETTLE CC IN ERP
PROCESS BATCH
CONSOLIDATED INVOICES MO.
PREP CASH PROJECTIOJN
COLLECTION ACTIVITY
PRESENT CASH PERFORMANCE

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BUSINESS MODEL

SBA
Strategic Business Associates

SUMMARY PROFITABILITY MODEL

Category	% Mix of Sales	GP %	Sales Expense	Admin Expense	Individual Profit %	Weighted Profit %
Hardware	48%	40%	-28.5%	-17.0%	-5.5%	-2.6%
Supplies	18%	44%	0%	-17.0%	27.0%	4.9%
Service	32%	52%	0%	-17.0%	35.0%	11.2%
Rental	2%	45%	0%	-17.0%	28.0%	0.6%
Total	100%	44.7%	-13.7%	-17.0%		14.0%

Operating Profit

DETAILED DEPARTMENTAL CONTRIBUTION MODEL

Income Statement	Hardware	Supplies	Service	Rental	Total
Sales	100.0%	100.0%	100.0%	100.0%	100.0%
COGS					
Equipment	-60.0%				
Supplies		-56.0%			
Service - Salaries			-25.5%		
Service - Parts			-17.0%		
Service - Auto			-3.5%		
Service - Training, etc.			-2.0%		
Rental Dep'n				-55.0%	
Total COGS	-60.0%	-56.0%	-48.0%	-55.0%	55.3%
Gross Profit	40.0%	44.0%	52.0%	45.0%	44.7%
Sales Expense					
Manager Comp	-5.5%				
Rep Comp	-16.0%				
Other	-7.0%				
Total Sales Expense	-28.5%	0.0%	0.0%	0.0%	-13.7%
Departmental Contribution	11.5%	44.0%	52.0%	45.0%	31.0%
Administrative Expenses					
Compensation					-6.5%
Payroll Taxes					-2.2%
Facilities					-2.8%
Health / Medical Benefits					-2.4%
Other					-3.1%
Total Admin Expense	-17.0%	-17.0%	-17.0%	-17.0%	-17.0%
Departmental Op Profit	-5.5%	27.0%	35.0%	28.0%	14.0%

* Note: Out of Area contract revenues go to Service Revenue. 3rd Party Costs go to Service COGS - Salaries. These are factored out of Service GP for comparison to benchmarks if >5% of Service Revenue.

AFTERMARKET GP
49.12%

COMBINED S,G&A
30.7%

DEPARTMENTAL STAFFING BENCHMARKS

SALES DEPARTMENT	SERVICE DEPARTMENT	ADMIN DEPARTMENT	TOTAL COMPANY
Sales Managers / VPs	Service Managers / VPs	Presidents	
Sales Supervisors	Copier Spvrs / Techs	Accounting	
Copier / Fax Reps	Fax-Printer Spvrs / Techs	Internal IT	
Printer / Supply Reps	Shop / Setup	Warehouse	
Sales Trainers	Service Trainers	Billing / Collections	
Telemarketing	Dispatchers	A/P / Purchasing	
Sales Secretaries	Parts Coordinators	Human Resources	
Delivery / Drivers	Contract Admin (if no billing)	General Administration	
Network / Connectivity *	Network / Connectivity *	Admin - Other	
Lease Coordinators	Facilities Management		
Sales - Other	Service - Other		
Benchmark = 34%	Benchmark = 42%	Benchmark = 24%	100%

* Network / Connectivity personnel allocated in both headcount and payroll expense based on job duties.
Note: Dispatchers in Service for headcount benchmarks but payroll expense in Admin.
Note: Selling Sales Supervisors / Managers should be mapped to "Sales Supervisors" and non-selling Sales Supervisors / Managers should be mapped to "Sales Managers / VPs".

STANDARD MFP EMPLOYEE PRODUCTIVITY

Category	Benchmark
Total Annual Revenue per Employee	$ 230,000
Total Annual Equipment Revenue per Sales Dept. Employee (Not including Supply or drivers)	$ 350,000
Total Annual Equipment Revenue per Sales Rep (Including Selling Supervisors)	$ 450,000
Total Annual Revenue per Admin Dept. Employee	$ 950,000
Total Annual Revenue per Service Dept. Employee (Not including dispatchers)	$ 570,000
Total Annual Service Revenue per Service Dept. Employee (Not including dispatchers)	$ 185,000

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"Never give in. Never give in. Never, never, never – in nothing, great or small, large or petty – never give in, except to convictions of honor and good sense. Never yield to force. Never yield to the apparently overwhelming might of the enemy." – *Winston Churchill*

PERFORMANCE NOW

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