

WATKINS

TRADE MARK

Message / Message:

System for Success
Lead and Manage Guide

*Connecting Generations
Since 1868*

Watkins System for Success: Lead and Manage Guide

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Beginning as a Manager

Congratulations! You are a Watkins Manager!

You may be saying to yourself, “Okay, I’m a Manager...now what?” Rather than thinking of “Manager” as a destination, think of it as a milestone...the beginning of the next leg of the journey. A world of opportunity opens up to you with your advancement. This point forward is the real promise of network marketing and your Watkins business. This guide is designed to help you develop your leadership and management skills to take advantage of this opportunity. What do you dream of achieving? Take the time to decide because with Watkins you can have it all!

As you work your way through “Watkins Way to Manager” eight-week course also go through the activities in this “Lead and Manage Guide.” These activities, along with the eight-week course are your guide to becoming a successful Manager!

Day 1 – 15

Reflect on your “Why”

While working through weeks 1 & 2 of the “Watkins Way to Manager Guide” take a moment to reflect on and write down “why” you joined Watkins and what excites you about the Watkins’ leadership and management journey?

Look back at the “Advancing on the Compensation Plan” section in “*Watkins System for Success Training & Reference Guide*”:

- Which benefits of management motivated you to advance?
- Which responsibilities of management have you assumed?
- What characteristics did you write down that you admire in other Watkins Managers and Executives?
- In what areas do you feel you need additional training?

Steer clear of the “Success Thieves”

The biggest “success thief” of all is “managing” rather than “building” your business. The more you practice the four basic activities—use the product, sell the product, share the business opportunity, and teach others to duplicate your success—the quicker your business will grow.

Other “success thieves”:

- “Reinventing the wheel”
- Fear and self doubt
- Procrastination
- Thinking you need to know everything
- Thinking you already know everything
- Spending too much, too soon on your business
- Spending too little on necessary business tools
- Misunderstanding the relationship between *quality* and *quantity*
- Listening to the advice of negative people
- Creating dependency relationships with the Consultants in your group
- Spending your leadership time on Associates who are not matching your efforts
- Letting disappointment consume your time and energy
- Being unwilling to change and grow

How to avoid the “success thieves”:

Stay focused! If you lose your focus, revisit your “why.” Look at the preceding page. If your goal is Executive, do the things effective Executives do. No one comes to this point with everything perfectly in place. You will learn by doing, so get into action!

Day 16 – 30

It takes belief to be a goal setter!

While working through weeks 3 and 4 of the “Watkins Way to Manager Guide,” work on your goal-setting skills. Setting goals and getting into action takes belief and determination. Writing and sharing our goals make us feel exposed—vulnerable to the possibility of failure. But goal setting is an important part of your management success strategy. The better you get at goal setting and compensating when you go off track, the quicker you will realize the life of your dreams. And there is a big added benefit: You will be able to teach these skills to others who will duplicate your success.

Three components to achieving your goals

Believe...in yourself, in Watkins, in other people. Most important of all, believe in your ability to create the life of your dreams.

Choose...your commitment level, your goals, your strategies, your habits.

Act...doing creates motivation and raises your self-esteem.

Belief may precede or follow action

Sometimes it's hard to believe. We lack confidence and doubt ourselves and our own abilities. Choose your goals and get into action. The belief will follow. Associates in your group will doubt themselves, too. Believe in them more than they believe in themselves. They will often rise to the level of your belief and your expectations.

Give yourself an edge

The biggest part of achieving your goal is committing to the actions that accomplish your strategy. You have an edge when the action is a habit. When your goal is supported by a pattern of behavior that is *habitual*, your success rate is greatly increased.

What is a habit?

A habit is the intersection of:

Knowledge	I know what I want to do and why I want to do it;
Skill	I know how to do it (I can develop the skill through practice);
Desire	I want to do it (the most important part)!

Take a look at your habits

What habits do you have that are helping you be successful?

What habits are holding you back?

Name one thing you could do in your personal life (that you're not consistently doing now) that would make a big impact if you did it every day:

Name one thing you could do in your business (that you're not consistently doing now) that would make a big impact if you did it every day:

Make any action a habit by committing to it for 21 days:

Use the 21-day Success Plan on the following page to form—or break—any habit you choose. Fill in the habit on which you're concentrating. Work on it every day for 21 days. Each day, write what you do to make the behavior a habit in the box for that day.

WATKINS TRACY WATKINS 21-Day Success Plan

Start date: _____

Habit I want to form: _____

WHFM (What's in it for me?) _____

Write down what you do each day to make your behavior a habit

DAY 1	DAY 2	DAY 3	DAY 4	DAY 5	DAY 6	DAY 7
Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>
DAY 8	DAY 9	DAY 10	DAY 11	DAY 12	DAY 13	DAY 14
Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>
DAY 15	DAY 16	DAY 17	DAY 18	DAY 19	DAY 20	DAY 21
Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	Make 5 contacts: 1. _____ 2. _____ 3. _____ 4. _____ 5. _____ Completed <input type="checkbox"/>	EVALUATE RESULTS # _____ Prospects \$ _____ Sales # _____ Interviews # _____ Sponsored # _____ Reorders # _____ Referrals

RESULTS

Is your goal Executive?

Managers who advance to Executive are passionate about every aspect of their business. They realize they have something that is truly unique. Their vision is clear; they work effectively and are persistent and patient. They are so focused that they don't let anyone cloud their vision. They expect challenges and find ways to overcome them. They are leaders.

Characteristics of leaders:

- Leaders keep their “why” always in front of them.
- Leaders have a passionate belief in the product and business opportunity.
- Leaders lead by example; they provide a strong role model of effective behavior and positive attitude. They know that effective leadership skills are the key to duplication.
- Leaders continue to grow personally.
- Leaders have an effective system for generating prospects to fuel business growth.
- Leaders work effectively with Associates in their personal group and strive to identify and advance Managers.
- Leaders are well informed about company promotions and use them to motivate the group.
- Leaders communicate effectively with the group and are generous with praise and recognition.
- Leaders are flexible and adjust as business dynamics change.

Your personal strategy

What's your personal team building strategy? How big do you want your business to grow? How fast? Use the Annual Tracker at the end of this section to quantify your goals. Photocopy and develop monthly goals for personal and group sales and personal and group sponsoring. Then, make a plan to advance Managers from your group. Ask your upline for assistance with the goal-setting process. Soon you will be an expert in this area and will be assisting Consultants and Managers in your downline with their goals.

Avoid “minimums mentality”

Watkins has established minimums to qualify for and maintain positions in the company. Determine your goals based upon your income requirements and personal business plan. Don't fall victim to, “I only need to do...” Help the Consultants in your group and the Managers you will advance from your group set goals based on their needs, not company minimums. Minimums are set for the bottom of average, and you certainly don't want to be the role model for that!

ROI: return on investment

Your personal strategy should include a big return on investment—for both the time and money you spend. Here are some things to consider:

- Always be prepared with the business materials you need to grow. As an example, running out of materials to promote your business could cost you more than time...it could cost you the next superstar in your group.
- If it doesn't increase sales or sponsoring...don't do it!
- Don't waste time recreating tools and training. Use *Watkins System for Success* and the simple tools that have been designed to accelerate your business growth.

- Perfect your follow-up system. Countless customers and Consultants are lost because Associates don't follow up.
- Track income and expenses monthly. It's simple if you are consistent and don't save it all to do once a year. Use the Monthly Income and Expense form at the end of this section or your computer to keep track.
- Find a buddy upline, downline, or cross-line to help you stay accountable to yourself.

Make your follow-up effective and efficient

You invest time and energy in establishing relationships with prospects, customers, and Associates who join your group. Make that investment worthwhile by having an effective follow-up system. Your system can be in your computer, in a file box, or in a notebook. The key is to be able to access who needs follow-up and when it is needed.

Who needs follow-up?

- Prospects to whom you have given information about Watkins
- Prospects you have interviewed who say, "Not now..."
- Customers
- Referrals given to you by a prospect or a customer
- New Associates
- Associates on the Watkins Advantage Program
- Associates enrolled in the PEP Program
- Associates up for renewal
- Associates who are building their business
- Associates who are working to advance to Manager

Avenues for prospecting

Prospecting is the most important aspect of your Watkins business. When you are prospecting, you are **searching for someone valuable**. That someone valuable may be a new customer, a new Associate, a referral, and possibly a new friend. The more you build rapport and listen actively, the more likely you are to **find someone valuable**. To continue to grow your business, you must refine your personal system for generating new prospects. Four avenues for prospecting or marketing are highlighted in the "Getting Organized" section of "*Watkins System for Success Training & Reference Guide*." Reread those pages. Which avenues do you use to build your business?

It's normal to specialize in one or two avenues. But as the leader, you will want to understand how to use the other avenues so you can answer questions and guide new Associates who join your group. Which avenues do you need to learn more about?

Sponsoring & selling

As a Manager, it's especially important that you get good at sponsoring. Pareto's theory will always apply: 20% of your group, regardless of the size, will be responsible for 80% of the group's productivity. It may seem obvious, but the surest way to increase productivity is to increase the total number of Associates in the group, so 20% represents a bigger number. Keep sponsoring! Teach your Consultants to prospect and sponsor. It's amazing how many times people miss the obvious. They try to get more and more productivity out of the 20% they already have, when what they should be doing is sponsoring more Consultants.

Priority Planning

To make sure you are spending your "people development" time with the right people, allocate some "buffer time" every month to priority planning. Photocopy and fill out a Priority Planner once a month. Each month Watkins sends you detailed reports, which will help you identify the Associates to list on your Priority Planner. Also, include any Associates who have expanded their goals for their business. Fill the Priority Planner on the next page using your report from last month to get used to the process.

In Column A write the names of:

- Associates in the Watkins Advantage Program
- Associates in the PEP Program
- Associates in the Loyalty Program
- Associates working to advance to Manager
- Associates who have expanded their goals

In Column B write the names of:

Other Associates who regularly sell or sponsor but are not ready to set a goal to advance to Manager.

Spending focus time with your "A" list is a must. Individuals on your "B" list will contribute to group volume and lead you to new Associates for your "A" list.

Priority Planner

Priority A:

New Associates, Watkins Advantage Associates, New Managers, Associates working to advance to Manager and Associates who have expanded their goals.

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Priority B:

Other Associates who sold or sponsored last month.

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Priority Planner

Priority A:

New Associates, Watkins Advantage Associates, New Managers, Associates working to advance to Manager and Associates who have expanded their goals.

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

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Phone #: _____

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Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Priority B:

Other Associates who sold or sponsored last month.

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

Name: _____

Phone #: _____

WATKINS ANNUAL TRACKER

TRADE SHOW

Name: _____

KEY plan actual

MDB - Manager Development Bonus

	July	August	September	October	November	December	January	February	March	April	May	June	TOTALS
Central Points													
Group Points													
MDB 1st Generation													
MDB 2nd Generation													
MDB 3rd Generation													
Total Downline Points													
# Contacts													
# Interviews													
# Sponsored Central													
# Sponsored Group													
# Active/Personal Group													
# Active/Total Group													
S Commission													
S Bonus													

Monthly Income and Expenses

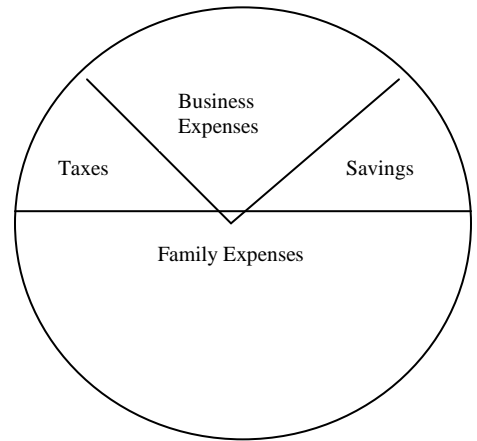
Income:

25% Commission _____
 Other Sales _____
 Bonus Check _____
 Promotional/Refunds _____
 Total Income _____

Expenses:

Advertising _____
 Bank Charges _____
 Car Expenses _____
 Current standard mileage rate
 (rate ____ x ____ business miles _____)
 Or Business Operating Expenses _____
 Legal/Professional (Tax Prep) _____
 Office Supplies _____
 Space _____
 Photocopying _____
 Postage _____
 Product Cost _____
 Promotional:
 Booth Fees _____
 Hostess, Guest, etc. _____
 Associate Awards _____
 Printed Materials _____
 Meetings _____
 Publications _____
 Shipping:
 UPS _____
 Federal Express _____
 Other _____
 Telephone _____
 Training _____
 Travel for Business _____
 Other _____

Total Expenses _____



How you piece the pie is up you! Just make sure you Office take "a piece" of your income from each category.

**The IRS's Golden Rule:
 Save Every Receipt!**

Day 31 – 60

While working through the final four weeks of the “Watkins Way to Manager Guide,” think about how you will work with your new Associates and prospects.

Duplication is the key

Do you have a business that you would like others to duplicate? Take a snapshot of your Watkins business right now. Answer the following questions:

What’s working in your business? _____

Have you completely “Watkinized” your home? _____

If not, why not? _____

How many hours per week do you work your Watkins business? _____

Which days or hours? _____

Are you confident that this amount of time will allow you to achieve your goals? _____

If not, what additional time can you commit? _____

Are you satisfied with what you’re earning? _____

If not, what would you like to earn? _____

What do you earn per month on average:

From personal activity? _____ From group bonuses? _____

How many Associates do you sponsor per month on average? _____

Are you satisfied with this number? _____ If not, what’s your goal? _____

How many Silver Consultants have you trained and developed? _____

Have you enrolled in the Loyalty Program, Watkins Advantage and/or PEP Program? _____

If not, why? _____

How many Associates in your group have enrolled in the Loyalty Program, Watkins Advantage and/or PEP Program? _____

Do you feel confident answering questions about the International Compensation Plan? _____

If not, what help do you need? _____

What one, short-term goal would you most like to concentrate on achieving?

What one, long-term goal would you most like to concentrate on achieving?

What is your biggest obstacle to achieving your goals for your Watkins business?

Responsibilities to your group

Ultimately, each Associate is responsible for his or her own success. So what is your responsibility to the individuals in your group?

- Role model the behaviors that lead to success. Be sure your personal business activity and leadership choices are worth duplicating.
- Teach the *Watkins System for Success* to new Associates who join the group. Give all new Associates a chance to succeed! Know their goals and give them a vision of what's possible.
- Work with the Associates who are working. Match your effort to their efforts.
- Enroll Associates who want to build a business into the Loyalty Program.
- Communicate with the group via phone (one-on-one, 3-way calls, conference calls), mail (postal or e-mail), and meetings.
- Recognize achievements.
- Follow up with your new Associates to help them achieve the **90-Day Fast Start** (part of Performance Rewards).
- Believe in your Associates. Always be on the lookout for future leaders.

Working with the new Associates in your group

Look back at the “Working with the Associates you Sponsor” chapter in the “Building a Team” section of *Watkins System for Success Training & Reference Guide*. Of course you'll continue to work with the Associates you personally sponsor, but as a Manager, your influence expands. Make sure that every Associate who joins your group knows how to achieve their goals using *Watkins System for Success*. Include the new Associate's sponsor in the training process. This will teach the sponsor to teach and will

help you identify future leaders. You will also want to work with your first generation of new Managers until they are strong in this area.

Here is a plan to help new Associates reach their potential:

- Check at least weekly to find out who is new in your group. This information is readily available in your Action Report in the My Reports area of www.WatkinsOnline.com.
- Place a call to welcome the new Associate and see if they have received their kit. Explain the benefits of upgrading to one of Watkins business assortments.
- Begin a New Associate Information Record on each new Associate.
- When they have their Starter Kit, suggest that they begin by following the activities in “*Watkins System for Success Training & Reference Guide*”
- Help them decide on their first order, explain how Watkinizing their home with the “Watkinize Your Home” product assortment will help them learn about the product, and payouts that come with this assortment. Then offer assistance in placing their order.
- Explain the advantages of the Loyalty, Watkins Advantage and Promotional Earnings Pack (PEP) programs.
- Review the activities in the “Getting Started” and “Getting Organized” sections of “*Watkins System for Success Training & Reference Guide.*” Pay particular attention to their “why.”
- Explain the 90-Day Fast Start and Performance Rewards Programs.
- Brainstorm the “Who Do You Know?” list in the “Getting Organized” section of the *System for Success*. Make sure they **write** a list.
- Assist in any way you can to help the new Associate sponsor his or her first Associate.

Set expectations! New Associates are more comfortable when they know what’s expected and what actions equal success. Let them know you’ll match their activity with training help.

Using this plan consistently will ensure that every Associate has an opportunity for success. The biggest benefit is that by watching who responds, you will spot your future leaders.

Your Associates will do what they see you doing

You are the role model. If the Consultants in your group don’t see you selling and sponsoring, they will think, “It must be hard to sell and sponsor. My Manager doesn’t do it, so I certainly won’t be able to either.” But when you lead from the front, others will follow. Get good at selling and sponsoring. Make what you do simple for others to duplicate, and you will assure both your short-term and long-term residual income.

Be your own best “Associate”

You’re “the boss” of your own growing business, but you also need to be your own best “Associate.” Ask yourself, “Would I want to sponsor me?” You will probably be the most productive member of your group for a while, so as you sponsor and look for leaders, work on the habits of success until they become natural.

- Don’t spend too much time “getting ready”...get going!
- Avoid procrastination...do the “dreaded thing” first.
- There’s no one to tell you what to do...get good at goals.
- Learn the disciplines of working from home.
- Bring a “sense of urgency” to your work.
- Stay passionate, persistent, and patient.

Is your “Who Do You Know?” list growing?

Did you take the 5-minute “Who Do You Know?” quiz when you started your business? Have you kept your “Who Do You Know?” list updated? You may have thought to yourself, “I don’t need a written list. I have the names in my head.” Well, you’re a leader now, and it’s time to think again.

There are three great reasons to have a written list:

- **It’s simpler.** To grow a big business, you need a lot of prospects, and no one can keep that many names in their head.
- **It’s your security blanket.** You will constantly meet people to add to the list. Referrals will keep the list growing endlessly. As long as you have people to talk to, you’re never “out of business.”
- **You’re the role model.** If you don’t understand the value of the list from personal experience, how can you train someone else? Your Associates will do what you do.

Why don’t people make lists?

- Fear of failure...what if the people on the list say “no?”
- Fear of success...what if they say “yes?”
- Fear of not following through...what if you’re afraid to call the people on the list?

Understand the reasons, and then make your list anyway: you are the leader.

Working with future leaders

Look for “interest signs” that Consultants in your group may want more from their businesses. Encourage strong Consultants to advance to Manager. These Consultants may be at any level in your personal group, so Priority Planning is extremely important in identifying them.

A word of caution: don’t be afraid to help the strong Consultants in your group advance to Manager. Some Managers are afraid to cultivate the strong people in their groups because they’re afraid that when they advance, the group will be smaller. The smaller group will be temporary, since you and the rest of the group will keep sponsoring. For your long-term success, advancing strong Managers is the smartest thing you can do. Strong Managers provide strong support for their group, which increases the sales and income base for you and decreases your workload for that portion of your organization. They will also duplicate their activity and advance more strong Managers, making your organization deeper and more stable.

Invite Consultants into Watkins Way to Manager Program

“Watkins Way to Manager” program is a structured, eight-week program to help Consultants develop the skills and confidence to advance as strong Managers. Reread the “Advancing on the Compensation Plan” section in “*Watkins System for Success Training & Reference Guide*” and enroll in the program yourself, if you haven’t already done so. Your skills will increase, and you’ll have the confidence to mentor others in the program.

You may want to send an invitation to people in your group who have shown desire and initiative. Try something like this:

We are looking for business partners who:

- Want to be successful with Watkins.
- Are willing to commit 10 hours a week to building their businesses.
- Will join a peer group that interacts weekly to chart progress, to encourage each other, and to learn from one another.
- Want to perfect a duplicatable system that can be used again and again.

The next program begins _____.
Call us at _____ to register!

Mentor Watkins Way to Manager program

You will want to work closely with your management candidates. When you mentor them in the program, you invest in their future—and yours! Talk to them at least once a week to check their progress on the previous week’s assignment. You’ll want to ask them how they’re doing with their “single daily habit,” find out what went well and what they need help with, answer questions, teach skills, and introduce the assignment for the following week.

Try one of these methods to mentor your Associate candidates in the “Watkins Way to Manager” program:

One-on-One: Prearrange a time to meet in person or talk on the phone.

Weekly meetings: If you have several Associates in the program, meetings are a great way to share learning and build camaraderie.

Weekly conference calls: You can meet on the phone each week. It’s another great way to build group dynamics and momentum; plus, it’s a big time saver. It’s also terrific for long-distance Associates who want to participate in the program. Your costs are a small monthly service fee plus normal long-distance charges. Each Associate pays their own long-distance charges. You may want to team up with some other Managers to share the monthly service fee in order to have this communication tool available.

Conference Calling Resources:

Company:	Brain Wave Communications	Eagle Tele Conferencing
Phone:	619-308-3636	217-322-3300 or 800-778-6338
Fax:	619-308-3620	217-322-3027
Website:	www.hwccom.com	www.eagletel.com

This calendar is to be used by both the coach and new Associate for tracking and coaching purposes.

Name: _____ Phone: _____
 E-mail: _____
 Month: _____ Monthly Goal: _____

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday

Results	Week 1	Week 2	Week 3	Week 4	Monthly Totals

Notes and leads to follow-up:

Double the benefits

Get double the benefits from your “focus time” by having Associates observe you when you work. Invite Associates to come with you as you do group presentations, interviews, and events. Have them listen in on 3-way calls as you follow up with prospects or train new Associates. You earn...they learn. Not only do they learn how to do what you do, they also learn the value of “on the job training.” As they duplicate your success, they will become the role model for their Associates.

Choose from Column A

How do you decide who should get the benefit of this personal attention? Look back at your Priority Planner. You will find the names in Column A—New Associates, Watkins Advantage Associates, New Managers, Associates working to advance to Manager, and Associates who have expanded their goals. Next, take a look at Column B. Is there anyone that you have a hunch about? Perhaps you see something they just don’t see yet. If they respond to working with you one-on-one, they may be ready to move to Column A.

Working with the rest of the group

Then there is the rest of the group—Associates who occasionally sell or sponsor and those who purchase for personal use. You’d love to have a thousand of them, right? But how do you make sure they feel connected to Watkins without absorbing lots of your time?

Use mail and email

Email and postal mail are both great ways to make sure Associates stay connected. When you start a “New Associate Information Record,” make sure you note an email address if your Associate has one. Email is an increasingly effective and powerful way to communicate with your team. Include the whole group in quick broadcast notes, and send a private message to anyone you’d like to recognize or coach. A very simple newsletter with information about upcoming events and recognition can be sent by email. The great thing about this kind of communication is you can do it very early or very late in the day when you wouldn’t normally call someone.

Use the phone

A personal phone call for training or recognition is a great way to say, “You’re important!” Regular calls, at least weekly, should be scheduled with Associates in your group who are actively building their businesses. Occasional quick calls to others in the group will help you know if anything has changed in their lives and if they may be ready to pick up the pace of their business.

Three-way calls and conference calls are fabulous ways to make the most of your “focus time.” Many kinds of training are best done in a group, and the phone is a great way to connect people, no matter where they live. Affordable inter-state and international rates are available to make this a cost effective technique for anyone who wants to build a Watkins business.

Use your reports

Mailed Reports

End of the month reports that are mailed to Associates

Report Name	Contents
Personal Genealogy Managers and above	Lists all Group members and their volumes.
Commission Statement All Associates who earn a commission in a given month	Breakdown of Associates' earnings. Shows Group members plus any customers that have had a transaction in the month and the amount of bonus paid on each. It also includes bonus income earned from downline Managers.
International Compensation Plan Report Managers and above	Individual group data for downline Managers and Executives, even if Manager is not earning any bonus on them.
Group Leader Managers and above	Lists volumes for all Managers and above in your downline.
Performance Rewards Statement All Associates, only in the first month they earn Reward Points	Lists month and total Reward Point earnings and balances. Also updated monthly and available at: www.Watkinsperformancerewards.com .

Web reports

Associates can access reports on a daily basis through the Internet. To view or download reports, log in to WatkinsOnline.com, click on "My Accounts," select "My Reports," and choose from the listed reports.

Report	Contents
Volume Inquiry All Associates	Lists up-to-the-minute central and group volume.
Volume Inquiry with TDP Managers and above	Lists up-to-the-minute central, group, and total downline volume.
Action Report All Associates	Lists new Associates who need to submit agreements and Associates in your group up for renewal. Includes mailing address, phone, e-mail, and renewal dates.
Group Leader Report Managers and above	Lists volumes for all Managers and above in your total downline.
Line of Sponsorship Report Managers and above	Also called "Personal Genealogy Report." Daily report of downline Associates in your group with month-to-date volumes for each Associate and program data.
Leadership Report Managers and above	Lists volumes for each Associate in your total downline, grouped by downline Managers and above.
Direct customer list All Associates	Lists data for all of your customers.
Genealogy Report All Associates	Lists the complete data, including volume, for each Associate in your total downline.
End of Month Reports (Zip) Managers and above	Combines all of the end of month reports into one compressed (zipped) file.

Developing Your Skills as a Manager

Make meetings work

Meetings are a great way to get the group together to teach, train, recognize, celebrate individual and group successes, and review programs. Meetings are also a great place for Associates to bring guests who are interested in finding out about the Watkins business opportunity.

Advanced planning

Advanced planning will guarantee that meeting time will be productive “focus time.” Use the Meeting Planner at the end of this section to plan and delegate the various elements. Delegating is important and is a learned skill. Why delegate when it’s often easier to just do something yourself? Because, members of your group like to feel important, included, and involved. When they participate, they feel like it’s their meeting too. And when you delegate the training topics, your Associates will improve their skills. Nothing cements learning something better than teaching it. Delegate tasks: sign-in, refreshments, setting up the display, handling recognition, reviewing company announcements and promotions, and demonstrating marketing and sponsoring techniques.

Location, location, location

The location where you hold the meeting creates an environment. Your home or the home of one of the Associates in your group, a private room in a restaurant, or a meeting room in a local library, community center, or church can work. The important thing is to establish a routine time and place that everyone in the group knows about so they can bring their guests.

How to run effective Watkins meetings

As you develop your Watkins business you’ll discover the benefits of having regular scheduled team meetings to train and lead your growing downline. **Meetings are for the growth of your organization and for the individual team member’s development.**

Whether your meetings are small groups at home, a conference call, a scheduled chat room on the internet, a medium-size meeting at a local hall, or a large group in a hotel meeting room, planning your meeting in advance, developing an agenda, delegating responsibilities, having fun, recognizing and training will always ensure you’re personally making an impact on your team and your business growth.

Your meeting plans, regardless of venue, should always include **fun, inspiration, recognition, and training** to ensure the most successful outcome: Associates motivated to learning more, earn more and achieve more as a result of your leadership influence, support, and expertise. All team leaders who are anxious to build their businesses attend meetings and participate by watching, listening, being one of the presenters, and duplicating with their personal team members.

Fun: You're asking people to give up time they could be using for other business activities or with their family so make it fun! A lively, fun atmosphere with purpose will ensure everyone looks forward to and attends the next meeting. Involving many of your team members will add to creating an upbeat and interesting meeting. Invite participants and guests to share ideas. Remember, "People support more of what they help create."

Inspiration: Team meetings are the perfect place to share success stories at different levels of achievement and for activities you are focusing on. Including success testimonials of new and aspiring Associates is the best way to share the dream and inspire others on your team to stretch for higher goals. Think about how you can create and promote team spirit by involving your Management team.

Recognition: Team meetings are ideal for publicly acknowledging and celebrating progress, achievements, and successes, large and small. Upline acknowledgement and recognition goes a long way to inspire advancement and duplication. Promote advancements, strong sponsoring, and new Consultant productivity results, but don't fall into the trap of trying to recognize where it is not due. Focus your recognition on those who have achieved specific achievements in the specific areas that you focus on and that contribute to solid and sustainable growth.

Training—Education: Every team meeting should reinforce at least one or more of the network marketing basics:

- Product Knowledge
- Selling Skills
- Prospecting or Sponsoring Skills
- Leadership Skills
- Development or Duplication Skills

Focusing on each of these basics will build strong team members and reinforce the basic skills that allow new leaders to emerge.

Always Invite Guests

At every team meeting encourage your downline to bring business prospects. (Consider providing an incentive to motivate Associates to bring guests.) Why?

- Your meetings are inspirational and educational gatherings where achievements are recognized and support and training is the focus—you want your prospects to see this.
- What better way to showcase your business opportunity and reinforce your team's effort to be 100% prospect conscious?
- The force of a group moving in one direction is powerful, and your leadership influence shines and inspires prospects to make a decision.

Planning for a productive team meeting

Decide the venue

Capitalize on new technology but don't underestimate the power of face to face. One of the competitive advantages of our industry is the power of people connecting with people in a personal, friendly way. While we have increased the ways we can stay in touch (telephone, e-mail, newsletters, chat rooms, web sites, etc.), inspiration and motivation means more and comes in higher doses when we are face to face with the people on our team.

Face-to-Face meeting location

Home meetings

When you hold a meeting with a room bursting with people it is easier to generate excitement about:

- Products
- Promotions
- Upcoming events and incentives

A home meeting is best because it's low-key and easy for your team members to duplicate. Be sure to provide warm, friendly hospitality and be an easy role model to follow. Remember it's better to have a crowded small room than an empty large one.

Large group meetings

The time to run a bigger meeting is when your team has outgrown the smaller home meeting space or when you have a new product, promotional launch, celebration, or special recognition event.

There can be advantages to having proper staging and audiovisual support. You can often mirror your larger meetings to reflect the purpose and theme of Watkins' or your upline's larger meetings.

Note: Don't consider holding a large meeting until your business is well established or when you can partner with another leader with similar meeting objectives. Big or small, think of every meeting as an opportunity to showcase your support, excitement and backing of Watkins, and the potential in the network marketing business.

Purpose and Benefit: What do you want to achieve and why should I come to a group meeting (training-business skills and product knowledge, products, promotions and incentive launches or special recognition or celebration events)? Be sure to determine your purpose for the meeting as well as the benefit your Associates will gain from attending or participating in your meeting.

Based on your pre-determined purpose or benefit, develop the "agenda" that will accomplish your pre-determined objectives. After all this work, don't be sidetracked by irrelevant and inappropriate enhancements that do not achieve your purpose. Rethink the desire to involve everyone regardless of whether they contribute to your predetermined purpose. Remember you can involve everyone without having everyone on the program agenda.

Note: Keep it short. Keep it uncluttered. Keep it lively. Start and finish on time. Seek and involve Manager input. People learn by doing.

Agenda: Once you have defined the purpose or benefit of your meeting, write your agenda putting a time frame around each item. Consider the start and end time; if there's too much to cover, cut back. More is not always best. Time won't stretch just because you want it to, and meetings that run over don't inspire your Associates to come again.

Meeting Expenses: Regardless of your rank, it is appropriate to charge a fee to help cover meeting expenses. You must consider in advance how you will assess the meeting charge and how this will be handled. Communicating the meeting fee and collecting it prior to the meeting is the preferred method. Collecting money at the door can distract from your objectives. Consider other revenue generating ideas, such as a small charge for a raffle drawing.

Note: People are more likely to attend if they have prepaid than if they pay at the door.

Delegation and Participation: Review the agenda and determine how you can involve members of your leadership and downline team. The more you involve them the quicker they learn how to duplicate. Give all speakers a clear brief of your objectives and what you expect as early as possible. Always ask to review their presentation before the event to be sure it meets your pre-determined purpose.

For larger meetings, include rehearsal time in your schedule to make sure everyone knows what they are doing and when. A rehearsal will also build confidence in your presenters and identify any problems, such as a presentation that doesn't fit the schedule.

Recognition: Take advantage of every opportunity to provide appropriate and deserved recognition. As with the purpose and benefit, spend time deciding what you will recognize, why, and how. Recognition not only motivates the achievers but also sets an expectation level for others to achieve as well. Be sure to keep in mind specific business-building activities—sales, sponsoring, duplication—along with recognition for achievement in company or team promotions and incentives. Testimonials on how the achievements have been accomplished will provide highly motivational training tips to your entire team.

Call To Action: Close your meeting as upbeat as possible. An effective close should reinforce the purpose and benefit of the meeting. Recap the training and knowledge you have presented; these should match your meeting objectives. Be sure to tell them what you want them to do following the meeting. Be as specific as possible; remember setting expectations helps people to identify a specific goal.

For example: Today you learned about all the new and existing Watkins products that are available for you to sell during the biggest gift giving season of the year. Your sales and sponsoring efforts during this season will contribute to your achieving the goals you've identified today. When you get home, write down your goals on a sheet of paper and identify the steps you'll need to take to meet these goals. Then, call someone in your upline and discuss your goals to help you refine them and solidify your plans. I'm looking forward to supporting your efforts and recognizing your achievements.

Solidify the call to action and their commitment by encouraging the audience to sign a commitment sheet with the specific goal they are committing to. The commitment sheet will act as a follow-up and motivating tool for uplines to support key member's goals on a monthly basis.

Housekeeping details for an effective meeting

- Ask your "Team Leaders" to arrive early so your guests are not entering an empty room.

Note: Be prepared for some guests to surprise you by arriving earlier than expected.

- Make certain that the team leaders you have chosen to speak train in a like-minded way. That way, everyone is contributing to the success of each other's downline by teaching the same duplicatable system. It has to be like-minded to be successful and duplicatable.
- Create a mood. Have upbeat music playing well in advance of expected guests arrivals to create an exciting, warm, and welcoming atmosphere. Be enthusiastic at your meetings. People like to be welcomed: "Hey, it's great to see you; I'm so glad to see you here." Consider being generous with door prizes that can be awarded during the meeting.

Note: it's a good strategy to place your brightest, warmest people at the door to welcome guests. Whether it's a small or larger meeting, name tags make meeting people easier.

- Have a simple sign-in sheet for guests that will help you and your team members immediately follow-up.

Note: Have the guest include their name, the name of the person who invited them, their telephone number, and best time to contact on a guest register. Or, consider a follow-up response slip for an invited guest to complete, which can also go into a prize drawing. Develop the follow-up response slip to include guest register information as well as information to determine wants and needs that can be met with a Watkins connection.

Before any meeting with invited guests, be sure to acknowledge your guests and share with your potential business prospects the purpose of the meeting. When they get a proper feel for what will be expected of them and how they can learn to be a success, they'll find the opportunity hard to resist.

Meeting Planner

Date: _____ Time: _____ Place: _____

Greeter/Sign-in Person: _____ Display Person: _____

Company News: _____ Topic Presenter: _____

Refreshments: _____ Prizes to be awarded: _____

Other Responsibilities Delegated:

Assignment:

Person Responsible:

_____	_____
_____	_____
_____	_____

Meeting Objective or Theme: (What do I want to achieve at this meeting? Make sure I cover the basics, but focus on one area: Prospecting, Sponsoring, Sales or People Skills.)

Recognition: (Make sure I take advantage of beneficial recognition opportunities—accomplishments since the last meeting, company contests, group initiatives, advancing Associates, or reaching a personal goal.)

Announcements, Calendar & Bulletins: (No more than 5 minutes of “housekeeping.”)

Closing: (Motivational thoughts, challenges or contests for next month. The goal is to have them leave excited with a specific action plan! The challenge should relate to the topic covered in this meeting.)

Save this planner along with an attendance sign-in sheet and a listing of any expenses you incurred for awards and refreshments. These documents could be valuable at a later date.

Promote incentives

Watkins offers every Associate the opportunity to earn vacations to exotic locations around the world. As a Manager, you can leverage these trips, Performance Rewards, and other company sponsored incentives to build your group.

Develop a group of goal-setters

Often Associates look at incentive goals and immediately think, “I can’t do that.” They don’t realize that if they break the goal down, divide what needs to be done by the time they have to do it, and make a plan, the requirements will seem very achievable. Your role is to help them make the plan and encourage and recognize their activity. Use the Goal Planning Worksheet in the “Setting Goals” section of the “*Watkins System for Success Training & Reference Guide*.” Work with them to write the goal down, break it down based on how much needs to be accomplished each month, decide on the strategies and action steps, and check progress along the way.

Underpin company incentives

Not everyone in your group will qualify for the big promotions. Underpinning company-sponsored promotions with small promotions and incentives of your own gives everyone in the group the opportunity to develop a “winner mentality.” Be creative! Try promotions like:

- “Beat Your Best” month in either sales or sponsoring.
- “Beat Your Manager” in any given month in either category.
- “Reach Your Goal” every Consultant who reaches their goal for the month wins...in so many ways!
- “Everyone Wins!” every Consultant who sells \$ _____
or sponsors _____
or makes _____
contacts a day wins.
- Remember, the gift doesn’t need to be large. Small rewards are magnified when combined with big recognition!

Handle “difficult” situations

Occasionally, it will be necessary to have a difficult business discussion with an Associate in your group. This may be with an Associate who is not doing what they said they wanted to do in their business or with someone who is doing something that does not reflect well on the Watkins name. Although this type of conversation isn’t pleasant, it’s where your leadership will really shine. When you make the decision to “do the right thing” and treat the person with respect and integrity, you’ll find he or she respects you in return.

Understand how the compensation plan works

As a Manager, you have positioned yourself to take advantage of the largest percentage possible on your personal and group sales and sponsoring.

- 40% Bonus on all sales in your Central
- Up to 40% Bonus on all sales in your Group

You can also continue to advance through the plan to access every available Bonus.

- Manager Development Bonuses
- Executive Leadership Bonuses

Advancing to Bronze, Silver and Gold Manager, then on to Bronze, Silver and Gold Executive is accomplished by helping people do exactly what you have done: advance to Manager. The more quickly you want to grow, the more you need to focus on developing Managers. You are looking for others who can learn what they need to learn so that they can teach others what you have taught them.

Build “wide and deep”

Advance Managers from your personal group—building wide. Building “wide” develops significant income. Teach those Managers to advance Managers from their personal group—building deep. Building “deep” develops security. Your Managers are much more likely to stay when they have Managers in their own organizations.

The power of one

How many people like you can you find to help advance to Manager?

You are looking for people with:

- Self-determination—their decision is backed by commitment
- Self-responsibility—they take personal responsibility for their own success
- Self-motivation—their “why” is powerful enough to inspire them
- Self-confidence—they’re not easily robbed by the “success thieves”

Can you find two people like you? Congratulations! You advance to Bronze Manager. When you teach them to each find two like themselves, and each of them to find two, you will have 15 Managers in your organization, including yourself.

$$1 \times 2 = 2 \quad 2 \times 2 = 4 \quad 4 \times 2 = 8 \quad 1+2+4+8 = 15$$

Can you find three people like you? When you teach each of them to find three, look what happens.

$$1 \times 3 = 3 \quad 3 \times 3 = 9 \quad 9 \times 3 = 27 \quad 1+3+9+27 = 40$$

You have 40 Managers in your organization. Big difference between 15 and 40, right? Not really. The difference is really one. You found one more person like you and taught each of them to find one more.

Can you find four people like you? Congratulations! You advance to Silver Manager. Teach each of them to find four, etc.

$$1 \times 4 = 4 \quad 4 \times 4 = 16 \quad 16 \times 4 = 64 \quad 1+4+16+64 = 85$$

The result is 85 Managers, but the difference is just one more!

Tax pointers for your business

There are lots of advantages to owning a home-based business. As an independent contractor, you need to know your responsibilities. Tax laws change regularly, so you may want to consult a tax professional familiar with the direct sales industry to take full advantage of the many benefits. Keeping accurate records is essential. When you do, you'll find filing your taxes will be a breeze!

Benefits

The biggest benefit is that you get to keep more of what you earn! The expenses you incur because of your business can be deducted. Office expenses, travel and transportation costs, telephone expenses, samples and gifts, business meetings, business meals and entertainment, all these and more are deductible as business expenses with simple documentation.

Responsibilities (US)

You must keep track of your income and expenses. Income includes: the 25% of retail you keep when you make a sale, additional income from other sales, and bonus checks from Watkins. In the US, you will receive a 1099 Form from Watkins if you receive annual payments of \$600 or more (including bonus, award, and gifts) and/or you have \$5,000 or more in retail sales. Expenses necessary to run your business are deductible. Your filing responsibilities include:

- **Income Tax:** Since you work for yourself and are the sole owner of your business, you must file a form called Schedule C (Profit or Loss From Business) along with your regular income tax return. Schedule C is used to report your income, itemize your deductions and figure your total tax due.
- **Self-employment Tax:** This tax acts as the Social Security Tax for the self-employed. You will need to file a form called Schedule SE (Social Security Self-employment Tax) along with your regular income tax return to pay this tax.

Rules

Every advantage you have as an independent contractor depends on your ability to document your business activities and keep accurate records. Deductible expenses must be what the IRS refers to as ordinary and necessary. Keep all your receipts and write a brief note on each explaining how this expense applies to your business. Go through your receipts monthly and summarize your income and expenses on the Income/Expense form or something similar. If you are not thoroughly familiar with current tax regulations, you will find the service of a tax professional very helpful (and deductible!). If you do your own taxes, get the current tax year publication/book (available in most bookstores). There are also a number of excellent computer tax programs on the market that you may find helpful. Your local Federal tax office should have all the forms you need for filing, plus all forms are available at www.irs.gov.

Deductible business expenses

This list will help you determine the expenses that may be deductible for you.

- **Home Office expenses:** If you use a portion of your home exclusively and regularly for business, you may be eligible to deduct a portion of your regular home expenses, including mortgage or rent, utilities, taxes and insurance. Rules on this type of deduction are specific; check with your tax

professional. Remember that the amount you may deduct for home office **cannot** exceed your net income (income less all other expenses first). It may not be used to cause a loss of your business.

- **Office supplies:** paper, pens, pencils, staples, etc.
- **Office furniture:** desk, file, cabinet, equipment, etc.
- **Telephone:** business local and long distance, call waiting, 3-way calling, voice mail, additional phone/fax line, etc. You may not deduct the cost of basic phone service if you only have one phone line to your home.
- **Travel and transportation:** Keep track of mileage to and from all business activities. The simplest place to do this is in your date book. You will deduct your mileage multiplied by the amount per mile the IRS allows. You may deduct airfare to business events.
- **Convention, seminar, and meeting costs.**
- **Samples:** Starter Kits, kit updates, product for display.
- **Gifts and awards:** gifts for Associates, hosts, guests, etc.
- **Advertising**
- **Postage**
- **Business meals and entertainment:** portions of these are deductible and you must be able to show that they relate directly to business.
- **Dues and publications:** This includes professional organizations, publications, and your annual renewal fee to Watkins.
- **Legal and professional fees.**
- **Bank charges on business account.**
- **Child or dependent care expenses:** A tax credit is available if you pay for dependent care so you can work.
- **Insurance premiums:** a portion of insurance premiums paid by self-employed people and insurance premiums to cover business related items are deductible.

Federal forms you may need to file your taxes (US)

Forms can be downloaded at www.irs.gov.

Schedule 1040: Individual Income Tax Return

Schedule C: Profit or Loss from Business

Form 1040 ES: Estimated Tax for Individuals (You are required to file quarterly and pay an estimated amount once your income reaches the current IRS level.)

Schedule SE: Social Security Tax (You are required to file if your income exceeded the current IRS amount.)

Publication 334: Tax Guide for Small Business

Form 6629: Expenses for Business Use of Your Home (Use only once you understand its purpose and benefits and drawbacks.)

IRS Publication 911: Tax Guide for Direct Sellers

All deductions are based on common sense. As the amount of money you earn increases, you will be able to take full advantage of business deductions that you could not when you were earning less. This information provides an overview. Your individual situation is unique. Please investigate, and seek the advice of a tax professional who has experience in the tax laws relating to direct sellers if you're unsure.

For information on filing taxes in Canada, contact any Tax Service office. Telephone numbers and addresses are listed in the Government of Canada section of the telephone book under "Canada Revenue Agency."

