

CASE STUDY



VECTOR FIRM

CONNECTING STRATEGY TO ACTION

VectorFirm Helps Security Integrator Grow RMR



CLIENT CHALLENGES

KST Security is what many would call a traditional, project based electronic security systems integrator. Their revenue make-up was approximately 93% project based and 7% T&M service and service contract based. KST knew that they had to grow the recurring revenue side of their business, especially since they had grown into a good sized company on projects only.

Their sales team had always been rewarded for bringing in the “big” jobs, however this was little motivation and no sales process for selling maintenance agreements, hosted services, or other professional services that created recurring revenue. Furthermore, KST did not have any sort of commission program in place that motivated sales to sell RMR in any form.

Leadership from KST knew they had to increase their recurring revenue. Although they had grown significantly, their revenue was based mostly on project business. Their success in selling large projects had actually created their challenge. Every element of their organization was based on selling projects and “big jobs”. The culture of the sales team, sales process, tools, and compensation plan were all created to capture large projects. In order to increase their RMR sales, the company was going to have to make many changes, which is why they turned to Chris Peterson of Vector Firm.

HOW VECTOR FIRM HELPED

As part of Vector Firm's Growing RMR Program, Chris initially met with the KST management and sales people and performed detailed discovery process. Through his initial assessment, Chris was able to learn what had made KST successful up to this point. He also looked at KST's business software, step-by-step sales process, commission plans, offerings that create RMR, and the capabilities of the sales people to sell services. Diving into the details of the sales operations enabled Chris to examine more than just the performance of the sales people. He was able to uncover the core issues that were holding KST's sales team back from selling more RMR.

KST President, Skip Sampson said "I expected Chris to learn our company, and how we have traditionally done things. I wanted to be able to measure what Chris's program did for our RMR revenue growth. Because of how we're structured – lean on the management side – everyone is trying to do more with less. So Chris engaged the sales teams and management teams on a bi-weekly basis as he unrolled the Vector Firm program. Chris was focused on teaching our team the overall sales approach to selling RMR in addition to projects. He knew each of our salespeople individually as well as our management. He held each of us accountable for completing assigned tasks and reporting back results to the group. He drove the changes that needed to take place in where we were giving our attention."

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Skip Sampson
President, KST Security

RESULTS

Due to Chris' assessment, process modification, sales tools build-out, and sales training, the KST sales team is now looking for the right clues, asking the right questions, and executing the right activities to continue to increase their RMR.

The culture and behavior is shifting to one of providing the right service for each customer – whether that means a traditional system, a maintenance agreement, a hosted access control system, or managed services. KST's customers will receive the best solutions for their needs, and KST is consistently increasing their RMR.

*"Chris' ability to meet our company's culture was a factor in us gaining traction right away. As a result, we've **doubled** our new RMR sales year over year."*

Gannon Switzer
Vice President, KST Security