



EMPLOYEE REVENUE GROUPS

CTR FACTOR – TRAINING & DEVELOPMENT

- Minority owned businesses (MOBs) in the US are growing 5x faster than non-minority owned businesses, as a result of rapid growth in minority populations, and over-indexing of entrepreneurial activity in those populations. Gross receipts for MOBs last year was \$1.4 trillion.
- Asian American owned businesses (ASOBs) have \$700 Bn gross receipts, Hispanic American owned businesses (HOBs) have \$475B, African American owned businesses (AFOB) \$150B
- Women owned businesses (WOBs) in the US number 9M, and they had gross receipts of \$1.4 trillion last year
- Veteran owned businesses (VOBs) amount to 2.4 million, with gross receipts of \$1.2 trillion
- Across MOBs, WOBs, and VOBs, not accounting for overlaps, there is \$4 trillion of gross receipts
- If we assume that the professional services spend of these businesses is 1% of gross receipts, that amounts to an addressable market of \$40 billion
- A 0.1% share of this addressable market would amount to \$40 million in new revenue. This is not a niche target anymore
- Typically there are ERGs in professional services firms structured along these lines. They are comprised of members from multiple functions, geographic areas, and industry sectors, and they are very motivated to gain visibility in their careers and make a difference for their communities and company
- However, typically these ERGs are not focused on selling the services of the firm to businesses owned by the constituencies they represent in a systematic and structured manner
- The reasons for this include absence of a few key pre-requisites for ERG members -sales training, prospect lists, structured governance mechanisms, sales support platforms, sales mentoring and shadowing, & sales comp
- CTR Factor's Employee Revenue Group Program converts the traditional ERGs into powerful sales organizations by organizing them into geographically focused, multi-functional, multi-industry sales teams, and providing them the above pre-requisites to enable and empower them to sell
- In Year 1, if these teams could get 10% of the \$40 billion target, which in turn represents 0.1% of the addressable market, **this initiative could generate \$4 million upon launch**