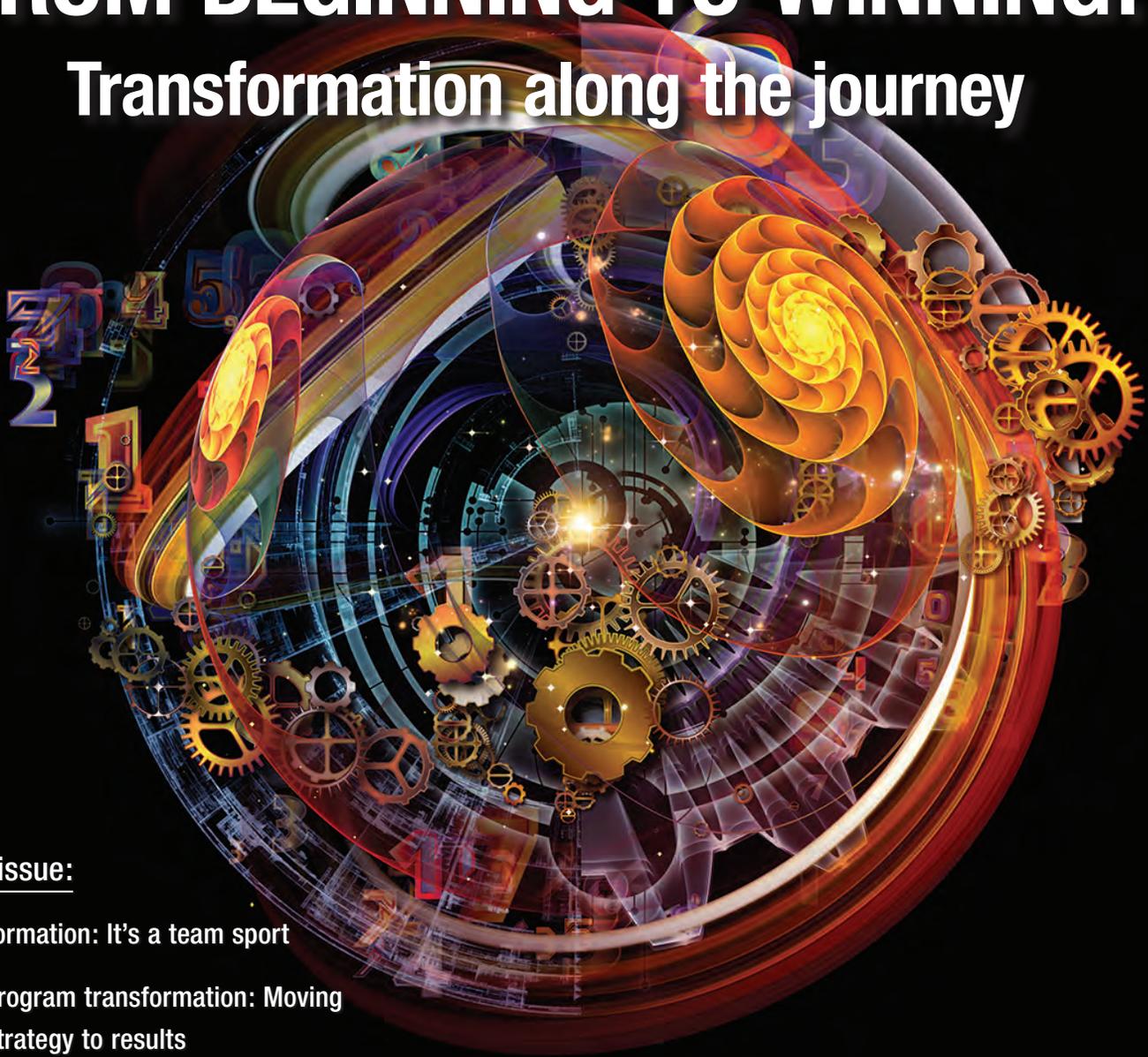


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FROM BEGINNING TO WINNING: Transformation along the journey



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FROM BEGINNING TO WINNING: GETTING OFF TO A FAST START WITH SAM

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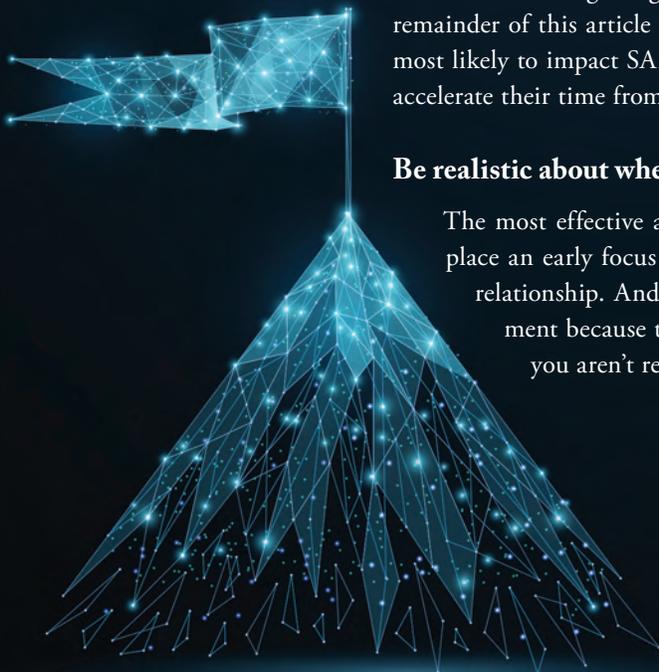
I never cease to be amazed at how much can be learned by simply observing what's readily available to us all through the Strategic Account Management Association. By leveraging SAMA as a personal "learning lab" for the past 20 years, I've had the opportunity to observe something interesting – every single day. When the storyline is how the best companies in the world become more strategic to their most important customers, it's easy to become engrossed in a "movie" starring your customer and featuring value engagement, co-discovery, co-creation and mutual realization.

If it were easy to deploy, implement, adopt and sustain strategic account planning and management (hereafter SAM), then everyone would do it – and they don't. In fact, when you invest the time to really get to know the member practitioners that comprise the SAMA community and ask them to tell their "SAM story," you can learn some fascinating things, not the least of which is that some of the most recognized SAM programs in the world are barely ten years old. "So what?" you might ask. "Why does it matter?" Further, if you ask SAMA member practitioners if they've tried to successfully implement SAM more than once in the past, you'll typically hear a resounding "Yes!" by many.

Why is this the case today, when practically every company of size is interested in expanding their relationships with their most important accounts? The question we're being asked today by companies launching new SAM programs is this: "What are organizations that are getting off to a fast start with SAM doing that others are not?" The remainder of this article will unpack those areas of practice we have observed that are most likely to impact SAM success today, with an explanation of what's helping others accelerate their time from *beginning to winning* with SAM!

Be realistic about where you stand with your customer

The most effective and successful emerging SAM programs that we've witnessed place an early focus on gaining an understanding of how the customer views the relationship. And they do this before rushing to create an account plan document because they realize that you can't develop an effective account plan if you aren't realistic about where you stand with the customer.



This might sound obvious, but be assured that many account plans developed in the past were not predicated on this type of realism. Management said to build an account plan, and the SAM, KAM or GAM did just that... only to find out soon thereafter that the foundation of the plan was “shaky” or misaligned. Hence, the desired objectives didn’t follow and the result was either a plan never executed or a restart of the account planning process.

Organizations that want to get off to a fast start in account planning ensure that they have a clear understanding about how the customer views the relationship, and they avoid making account planning assumptions that are based on emotion or dated information. There are different ways to gain this type of insight, as well as assessment

account planning programs. Most companies are organized into business units through some combination of product and geographic structure, which places goals, objectives and expectations on leadership to meet and exceed targets that are defined by these product lines and geographies.

While this might make sense and seem reasonable to the provider’s organization, customers expect their suppliers to engage and do business with them on their terms and based on how they are structured to do business. It’s easy to say that you intend to stop looking at the customer through the “lens of your product,” but experience dictates that this is much, much harder to achieve.

Organizations that are able to align their cross-functional teams in ways

someone in a sales or account management position exclaim about how much their customer loves them and how great the relationship is, only to find out that the customer didn’t quite see it the same way? Being optimistic and having a positive attitude about the customer can certainly be a good thing, but when taken to an extreme can result in an unrealistic perspective about the relationship, which can be quite dangerous in SAM, especially when launching a new program.

Your strategic account relationship is ever changing, never static, and can move up or down dramatically based on how cross-functional team members engage and align with their stakeholders on the customer’s team. And it varies person-by-person on the customer’s

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tools that can help you benchmark your status with the customer as you embark on your SAM journey.

But perhaps none of these are as effective as sitting down with your strategic or key account and asking them to describe what’s working well, what’s not, and where and how they would like to see change in the coming year in terms of how your organizations will co-create value together.

Ensure that your cross-functional team is engaged – and aligned

Based on experience, it’s hard to imagine a more pervasive symptom of account planning “slow start” than a cross-functional account team that is misaligned. Moreover, it’s quite easy to understand why misalignment is almost the default when organizations launch

that are focused more on customers and less on products/geographies position themselves to achieve account planning momentum more quickly. And they also ensure that all participating account team members have clarity regarding their role on the team, the value that they are expected to co-create with the customer, and the overall strategy to grow and expand the account. Emerging SAM programs should pay special attention here, because the customer can usually tell when there is misalignment within the provider’s house, and they tell us it makes them feel nervous, even at risk, when this is the case!

Assess the levels of your customer relationships – and expand them

How many times have you heard

team, which means that it’s important to understand who considers your organization to be a *planning partner* or *trusted advisor*, as well as who views you and your company as a *vendor* or a *preferred supplier*.

Once you gain clarity about where you stand on the relational ladder with your customer, there’s an opportunity to leverage account planning best practices to proactively grow and expand your relationships on three levels: account, business unit, and individual customer-team member. All three of these are important, and the organizations that are most likely to accelerate their SAM journeys are those that understand their customer relationships and place priority on expanding and elevating them as part of their account planning process.

Co-discover what your customer values most – perpetually

Through our work, we have the opportunity to interview strategic customers for the purpose of gaining insights regarding their views of their providers in the areas of value co-creation, alignment, relationships and mutual growth. When appropriate, I've asked more than one how often they've been asked by their provider's account manager "what success looks like to them," only to hear them say (usually, but not always) that they've never been asked this question.

If an essence point of account planning and management is to develop and maintain a focus on the customer (and it certainly is!), then asking them to describe their plans and objectives for the foreseeable future is a requirement if your intent is to build and align

as a result, will be more interested in participating in the account planning and management process with you.

Co-create value with your customer – again and again and again

Conventional wisdom throughout the SAMA community teaches that value "creation" yields to value "co-creation," as it's virtually impossible to create in the absence of co-creation that involves both parties. Yet what a difference it makes when we engage strategic customers in discussions of value co-creation as opposed to the more traditional sales approaches of treating the customer like a "deal" or the "hunted" and driving sales strategies that are all about the seller's success rather than mutual success through value co-creation.

effective business case for each new opportunity for value co-creation and accrue competitive advantage in the process!

Gain momentum from your past proven value – and leverage it

When account managers engage in co-discovery, develop "plans to win" new business and enter into new opportunities for value co-creation with their customers, they are building a set of significant assets that we refer to as "past proven value." Past proven value is exactly as it sounds: it is the proof that comes from the value that we have co-created with our strategic customer in the *past* and, when utilized properly, can be a source of powerful momentum for the account manager, their account team and their organization.

It continues to surprise us how few

It continues to surprise us how few organizations seek to leverage their past proven value early in their deployments and implementations of SAM...

your account plan with the things that matter most to your customer. Account managers serve themselves (and their accounts) well by having ongoing conversations with customers about the pressures and drivers that are being placed on their businesses, the plans and objectives they have to address them, and the challenges and obstacles that could prevent them from being successful.

When the account manager is focused on conducting ongoing co-discovery with the customer, the account planning process can be aligned with the objectives (and success) of the customer at the account, business unit and individual levels. This can help accelerate the impact of SAM because your account plan will be predicated upon customer success, and your customer,

Your customer is fully aware that if your title contains words like "account manager" or "account executive," then you probably need to do a bit of business with them in order to be successful. But customers tell us that they see a significant difference between those organizations that appear to be "deal-focused" vs. those that are more focused on customer success through value co-creation.

Your SAM journey is likely to get off to a faster start if your approach and dialogue with strategic customers are more about them than about you. By ensuring that the pursuit of new business opportunities begins with the co-discovery process discussed above and focuses first on your customer's pressures, objectives and challenges, you position yourself to build a more

organizations effectively leverage their past proven value early in their deployments and implementations of SAM, because in a sense...it's free! It's based on work that's already been done (or is in process) and it can be a readily available testament to our co-creation efforts with the customer. It's only natural that when we find ourselves engaged in discussions with the customer about how we have been mutually successful together, the conversation can shift to how we might do so again, and this momentum can be a profound differentiator when competing with organizations that have little history (or past proven value) with the customer.

The organization that makes a conscious effort to leverage their past successes with the customer can accelerate their SAM journey by taking full

advantage of their co-creation efforts of the past, especially when these make a statement to the customer that they can trust us to deliver value in the future because we've done so previously. Organizations that intend to "get out of the gate fast" with SAM should leverage past proven value as a source of evidence to the customer that they have and will co-create value with them again. Because when this happens, account teams gain momentum, and momentum accelerates SAM success.



Think of value co-creation in three dimensions (past proven value, current opportunities and future potential value)...

Develop customer sponsors and supporters – by leveraging your past proven value

Think of a partnership of any kind, be it business or community, professional or personal, and ask yourself this question: "What is the source of this partnership, and what has caused it to develop and flourish?" With virtual certainty it will be the case that somewhere in the past it began or was initiated by the co-creation of value, in one form or another, and this is why we continue to observe the impact of customer sponsors and supporters on SAM success.

When the customer has personally benefitted from the past value co-creation efforts of an organization, they are much more likely to become an advocate or sponsor for them, because sponsorship and support tend to be personal. It's certainly an understatement to suggest that it's directly connected to your past proven value, because it's more pervasive than that. It likely originated at a time in which the account

team aligned with the customer and co-discovery conversations began to occur.

These led to opportunities for value co-creation that resulted in past proven value...potentially causing the individual customer-team member to have a preference for which organization (and even account manager) they do business with. In the win/loss analysis that we have conducted for clients over the past 20 years, the development of customer sponsors and supporters is almost always a significant determinant in the outcome of new business opportunities, and in many cases it is of highest impact. So if you want to ensure that your emerging SAM program gets off to a fast start, pay close attention to your network of customer sponsors and supporters, and invest time and resources into growing and expanding it.

Build proactive strategies to grow the account – and execute on them

An account plan without a proactive strategy is usually no more than

an aggregated collection of opportunity plans, and yet time and time again we audit account plans only to find an absence of a clear, concise strategy to grow the business and relationship with the customer. Think of value co-creation in three dimensions (past proven value, current opportunities and future potential value) and consider the combination of these as your customer Value Portfolio™.

When you look at customer value co-creation this way, you find yourself with a compelling story about the account that can be shared both internally with the account team as well as externally with the customer. "Why would the customer be interested in helping a provider build a strategy to grow their business together?" you ask. Because of the past proven value that has been co-created between the organizations, as well as the sponsorship that has resulted. So if you want to accelerate the impact of your SAM program, ensure that each account plan identifies potential future value targets

...consider implementing recognition programs for the purpose of acknowledging SAM excellence and sharing best practices.



for your organization, as well as action plans to pursue and co-create this value with the customer.

Measure the impact of your SAM execution – and continue doing so

How to measure, what to measure and when to measure SAM success are questions that come up routinely when companies are initiating their SAM journeys, and the answers vary from organization to organization. But if you find yourself speaking with someone that has gotten off to a fast start with SAM, there's a high likelihood that you will hear them say that they defined "what good SAM looks like" for their organization early on, and that they implemented performance metrics that were both objective and subjective, long term as well as short term.

The organizations that are adept at recognizing early wins and celebrating customer value co-creation will

find that their account teams will benefit from this kind of information and insight when shared. But they can't do so if it's not socialized across the company, and unfortunately, this is sometimes not as easy as it should be. Whether you're early in your SAM journey or not, consider implementing recognition programs for the purpose of acknowledging SAM excellence and sharing best practices. Your account teams will benefit, and some will even want to "star" in your next posting of customer value co-creation!

Conclusions and recommendations – engaging the customer in planning their future with you

An executive with a leading global company was recently heard to say that "we have account plans but we aren't really doing account planning." A deeper look revealed just what we expected: their customers either didn't know there was a plan, didn't know what was in their plan or didn't care about their

plan – all symptoms of generating account plans without customer input.

Pursuing a more customer-centric approach to account planning and getting the customer involved early in your SAM journey will accelerate your "time to impact" with SAM. And why wouldn't you want to do so? If you ask the customer to engage and help you plan the future with them, there is a much greater likelihood that you and your organization will actually be a part of it!

These topics are also covered in our session (Session 30) "From Beginning to Winning with Your Evolving SAM Program: The Keys to Getting Off to a Fast Start with Strategic Account Planning" at SAMA's 2018 Annual Conference. In this session, practitioners from SAMA member companies share their experiences and provide insights about how they have gotten off to a fast start with strategic account planning. ■

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