

Capital Equipment Distributor



Capital Equipment Distributor Scores Early Success with New Major Account Management Program

"We're Not Chasing Deals; We're Leading Them."

This billion-dollar capital equipment company was founded on a tradition of delivering quality products and exceptional service to customers. Its culture is grounded in shared responsibility and enhanced collaboration among employees at all levels to uphold this tradition. The company recently empowered its customer-facing organization with a new account management program that capitalizes on this cross-company teamwork to better serve its key accounts. The program has paid early dividends.

"This major account management program will enable us to become account-focused versus transaction-focused, and has the potential to help the company deliver extraordinary value to our customers by channeling all our resources into how we can make them more successful."

**- Division Vice President and
General Manager**

With the large number of major accounts served by this company, its leadership team knew they needed to change the orientation of the selling organization from territory coverage to major account coverage. They also recognized that the company could offer a more complete solution to customers if everyone who touched them—account sales representatives, parts and service representatives, and parts and service managers—worked in tandem to anticipate and meet customer needs. The organization needed a proven solution that could improve communications about major account activity, foster team spirit, and increase management's awareness and involvement in the sales cycle.

The new sales model became clear—increase business with the largest customers by leveraging all company resources and selling across all product lines. An organized, strategic approach for managing major accounts was in order, one that would focus on the company's largest accounts to develop strategies to leverage and strengthen customer relationships, identify other opportunities, and ultimately transform how the company supports their key accounts.

Critical Path Strategies (CPS) Provides Springboard for Account Management Success. The leadership team evaluated CPS' processes that could increase penetration in existing accounts and position the company as a solution provider. They saw the value in the proactive framework for organizational mapping, customer value alignment, gap assessment, and opportunity planning.

The executives agreed that the CPS methodology, specifically customized to be meaningful and practical for their company, would be critical in effecting the new account strategy. Working side-by-side with the client, CPS tailored its sessions, tools, and processes to address the client's vernacular, organizational infrastructure, and business needs.





“Using the CPS tools, we get a collaborative effort examining an opportunity. It’s exciting. And the tools create a ‘shorthand’ that everyone understands.”

– **District Sales Manager**

“With the new account management program in place, we invest our time up front to create a plan of action for a customer account, with everyone who needs to be involved, involved. It’s a great way to channel ideas and improve the value chain.”

– **Account Sales Representative**

“I see the biggest benefit in the call plans. I receive a detailed call plan prior to appointments that I’m scheduled to attend. They also provide a ‘heads up’ when a major customer is visiting headquarters.”

– **Regional Sales Manager**

To introduce and help implement the thought-provoking and customer-centric methodology, CPS facilitated a series of 1½ -day working sessions for account sales reps, parts and service sales reps, their managers, and key support personnel. Using various process-driven management tools, the sales reps analyzed one of their real-world key customer accounts, assessing the true state of customer relationships and developing the framework to determine immediate and long-term sales opportunities. They positioned their company in light of their customer’s key business initiatives, identified key players within their account, and developed relationship-building strategies. They left the working sessions armed with executable strategies and action plans for specific accounts that could be implemented immediately.

Account Management in Action. One week following his attendance at a working session, an account sales representative was standing in front of a somewhat hostile customer. The rep had been pursuing this sale for six months but had reached an impasse with the customer. Equipped with the account action plan and detailed call plan that he, senior management and account sales reps, and the CPS partner collectively created around this opportunity during the working session, the rep methodically outlined the transaction’s critical issues and the key points of his value proposition. Over the next 1½ hours, laser focused on what he wanted to accomplish, the rep addressed the customer’s objections, answered his questions, and stayed on message (even when the customer called the competition to confirm data). By mid-meeting, the rep had a vague commitment and a smile from the customer. By meeting’s end, the sale was a done deal. The rep had elevated the client relationship to a more strategic level, overcoming an \$80,000 price difference between his company and the competition!

Making It Stick. CPS tools, including the territory plan and account vision, have become a key, standardized communications component for the company’s management in reviewing the status of major accounts and making mid-course changes and resource decisions, if appropriate. Executive leadership and account sales reps participate in territory and account reviews. All levels of management, right up to the COO, incorporate account reviews into their staff meetings and field visits.

To emphasize the importance of the new account management program (“It’s not a flavor of the month.”), the leadership team has incorporated a metric measuring its implementation success into the company’s incentive compensation program. A significant portion of managers’ compensation will be based on how well the program is implemented among their direct reports. Sales representatives’ compensation will be influenced by the success of the program as well.





Where Do We Go from Here? To date, 80 sales reps and managers have been trained. The account management process will be further customized for employees in other parts of the division. The management team reasons, "The use of the new standardized process by all customer-facing employees means more effective coverage for the customer."

Many of the company's top accounts span multiple divisions or operations, which serve several different market segments. While the major account management strategy has only recently been introduced, management is already seeing their folks think of sales opportunity in terms of all the potential presented by a customer and not just sales of equipment.

"Potentially, the most rewarding aspect of this program is getting sales, parts, and service to work together as a team to serve the customer more effectively. They all call on different people and have different objectives. But the new account management program, and our early success with it, demonstrates how internal collaboration and support creates more leverage with the customer, which benefits everyone."
– Vice President, Marketing

ABOUT CPS. Critical Path Strategies helps clients improve their competitive position by providing comprehensive consulting services to improve the effectiveness of major account sales organizations. Our portfolio of services addresses the strategic, organizational, and relationship issues that impact selling performance. Engineering successful sales teams the Critical Path Way enables clients to develop strong selling organizations, build high-value customer relationships, and accomplish strategic business initiatives. Our clients—emerging companies and members of the Fortune 500 alike—typically measure 100 to 500 times their CPS investment in revenue growth.

For more information about this client, contact CPS Client Services at clientservices@cpstrategy.com.

