



Strategic Account Management



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Strategic Account Management

Success in strategic accounts programs is clearly linked to an investment of sound best practices, good methodology, and superior, disciplined account management execution.

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ABOUT CPS. Critical Path Strategies helps clients improve the effectiveness of their sales organization. Our portfolio of services addresses the strategic, organizational, and relationship issues that impact selling performance. Our powerful processes enable clients to transform their sales culture, enhance their competitive position, 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.



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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

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



Healthcare
Equipment
Company



Healthcare Equipment Company Benefits from Best Practices Sales Methodology

As the world's leading provider of integrated healthcare IT applications, the company's IT division recognized the need to reorganize its sales organization in order to continue meeting aggressive annual revenue goals. The former sales organization, which operated in product-oriented silos, found it difficult to coordinate actions across the various product lines. Opportunities to deliver high-value, customer-centric solutions were in danger of being overlooked due to the historic cultural focus on point products.

The new sales model was based on a new directive – increase revenue from the largest customers by leveraging all company resources and selling across all product lines. New enterprise account teams, led by seasoned account managers, were charged with reevaluating their largest accounts to identify all opportunities and develop strategies to strengthen customer relationships and maximize revenues by the end of the year.

Critical Path Strategies empowered sales teams to focus on specific opportunities. Change is stressful for any organization, but realigning sales teams to focus on areas outside their normal areas of expertise can be especially difficult. They engaged Critical Path Strategies (CPS) to provide training and tools to help the new account managers assess key customers and develop targeted sales strategies to pave the way for their sales teams to deliver high-value solutions.

"CPS developed a customized workshop designed to build upon the existing skills and experience of our salespeople and transform how they sell to our key accounts," says the director of sales training. Over a five-month period, CPS consultants delivered nine regional workshops for regional managers, enterprise account managers and key product specialists. These individuals formed 48 account teams.

During the two-day workshops, attendees were introduced to the tools and best-practices techniques used by the top one percent of sales professionals. Based on profiles of their key customers, each account team, using

"Critical Path Strategies has helped our sales teams create winning strategies for our key accounts. In only a few months, our enterprise account teams have generated revenue in excess of 88 times the cost of the initial CPS engagement."

- Director of Sales Training





a consistent process, assessed the true state of the customer relationship, built a matrix that identified all customer-focused opportunities—regardless of product line—and developed strategies and action plans to strengthen the customer relationship. This planning process enabled the account teams to chart a thoughtful, pre-determined course of action for their key accounts and laid the groundwork for proactive call plans.

[Enterprise account teams booked 25 percent more revenue using CPS methodology.](#) “Our enterprise account teams identified more than \$46 million in new opportunities at our key accounts using the CPS techniques,” says a program manager. “In a two-to-four month period, CPS had a direct impact on more than 25 percent of revenues, which were in excess of \$126 million.”

Using a Web-based survey, CPS polled the 48 enterprise account team leaders to gage their success since implementing the new sales methodology. Of the 43 respondents, 83 percent noted that CPS techniques had a significant impact on their ability to move toward a “desired future state” with their key customer relationships. Additionally, 81 percent said that the CPS planning process helped them create a solid strategy for developing high-value, customer-centric relationships with their customers.

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Customer Data Integration Company



Harvesting New Opportunities to Serve Existing Customers

This \$400 million customer data integration and services company has earned a reputation among its customers as being an outstanding services provider that is very responsive to the needs of clients. In order to meet an annual growth goal of 22 percent for the company, the executive leadership team recognized that they needed to empower the sales teams to not only react to customer requests, but to have a long-range outlook for other opportunities within each account. They wanted to build proactive programs within the company's key accounts to extend the pipeline view beyond 60 days and help their customers better anticipate future needs.

"Our teams have used CPS processes to increase penetration in existing accounts and position the company as a solution provider that can add value to our clients."

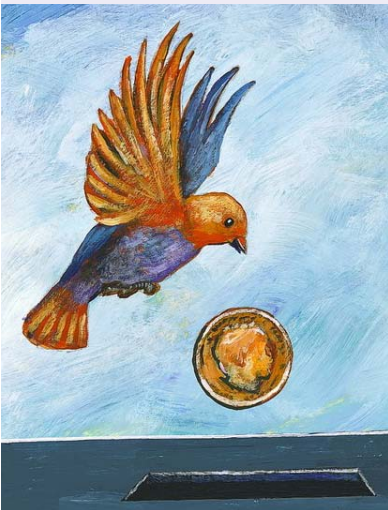
- Group Leader

Critical Path Strategies defined processes and coached for long-term success.

Critical Path Strategies (CPS) was engaged to help develop and define a new sales process. Through interviews with key stakeholders, CPS evaluated the company's current sales strategies, processes, and technologies and made recommendations for a new sales model. The sales teams rallied behind what the company leader called the "Sales and Marketing Culture"—a set of clearly defined strategic processes and tools to drive new business within existing customers and build strong relationships with new customers and prospects.

At the beginning of the year, CPS worked with the sales teams to target the top 11 accounts. During the 12-month program, each sales team, comprised of account leaders, delivery leaders, and sales leaders, was partnered with a CPS coach who helped them analyze their accounts and develop consistent strategies and action plans to present the company as a high-value solution. The sales teams were tasked with achieving a collective quota of almost \$30 million in new revenue from existing customers. On a regular basis, the sales teams and coaches checked the status of assigned milestones, discussed special challenges, and made adjustments to the action plans. Additionally, the executive leadership and account teams participated in quarterly account planning reviews to report on the status of each account and make mid-course changes.





Account teams exceeded their goals and established company-wide processes.

CPS made a commitment to the company that by using a more strategic methodology, the sales teams would exceed the expectations of the executive leadership. Overall, the sales teams achieved 107 percent of their collective goal within the company's top 11 accounts, and over four years increased revenue from \$250 million to \$400 million.

"CPS has enabled our sales teams to see well beyond our initial 60-day view of the opportunity pipeline," says an account manager. "The consistent planning process and resulting long-term strategies have given us a window beyond 11 months."

Upon completion of the top account program, the company's new Sales and Marketing Culture was implemented across all business units of the Services Division and became core curricula for new account teams. The company also implemented CPS Strategy Manager, a LotusNotes®-based application that allows sales teams to collect and collaborate on information, as well as share strategy and call plans.

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Multinational
Software
Company



Sales Teams Increase the Odds and Double the Pipeline

In a few short years, this multinational software company expanded from a successful organization with only a handful of products, to a world leader in enterprise software solutions. This explosive growth, fueled by strategic acquisitions, brought together a wide variety of selling cultures and business processes, as well as more than 600 products. Not unexpectedly, the resulting sales silos led to inconsistent value propositions being delivered to customers and prospects. Additionally, the company realized that while it had a strong presence in the IT community, stronger relationships among high-level decision-makers and executives would be key in its desire to provide customers with total enterprise solutions.

“Critical Path Strategies helped us get above the value line. Instead of simply being an IT line item, the company has positioned itself as a thought leader in business solutions and systems management expertise.”

- Vice President of Sales

CPS provided building blocks for success.

The company engaged Critical Path Strategies (CPS) to provide strategies and processes that would enable the sales force to build and expand senior-level relationships within key major accounts, leverage existing relationships with the IT community, and align its solution offerings with customer business needs.

To determine the company’s vision of the account management model, CPS interviewed 40 senior executives and sales professionals. “The interviews reaffirmed what we all intuitively already knew,” says the vice president of sales. “We needed to leverage and strengthen the relationships in our Tier 1 accounts, and develop relationship plans to broaden customer awareness of our company as a solution provider that will align itself with their business goals.”

CPS next delivered sales workshops to more than 200 sales managers and product specialists. During the two-day workshops, account teams used a consistent process to analyze their key accounts and develop consistent strategies and action plans to strengthen the customer relationships. Specific sales managers were



assigned to nurture the business relationships at these key accounts. The account teams left the workshops with clearly defined milestones and levels of accountability, consistent reporting mechanisms, and the ability to position the value of the company to the customer's overall enterprise.



Account teams made immediate impression on customers and the pipeline.

The action plans developed by the sales teams have become an integral part of customer briefings, resource allocation, and executive sales calls - enabling the entire organization to focus on the company's vision of being an enterprise solution provider.

"Using the techniques learned during the CPS workshops, we virtually doubled the value of the opportunities in our Tier 1 pipeline in only a few months," says the vice president of corporate accounts. "Prior to the workshops, the sales team rated their chances of closing a Tier 1 account at about 48 percent. That figure jumped to 69 percent after the planning sessions."

Since the workshops, the account teams have built packages and solutions that provide value across the customer's enterprise. This service orientation has also paved the way for additional revenue from professional services engagements and technical support.

Additionally, the consistent reporting methodology has simplified communication among the account teams, broken down the silos and helped management easily determine when resources need to be reallocated.

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Multinational
Enterprise Software
Solutions Provider



Account Team Applies Strategic Processes and Achieves 154 Percent of Extraordinary Sales Objective

To strengthen its executive-level customer and prospect relationships, this multinational software company made a strategic decision to align a myriad of sales cultures and business processes into a streamlined account management model. Company executives looked to Critical Path Strategies (CPS) to facilitate a series of process-based account planning sessions, and by the end of the year, more than 200 sales professionals had developed clearly defined milestones, value propositions, and strategic action plans designed to expand senior level relationships within key accounts.

“The CPS planning process is the silver bullet that all sales reps hope for. It’s where the magic is.”

- Account Team Leader

With the sales teams better prepared to position the company as a thought leader in customer-aligned business solutions, the account representatives estimated that their ability to close a Tier 1 deal could jump from 48 percent to approximately 70 percent. The next step was to execute these new long-term action plans, fill the sales pipeline with qualified leads, and make the estimated close rates a reality.

Extraordinary goals yield confidence and executable plans. During the CPS-facilitated planning sessions, account teams were challenged to establish an “extraordinary goal” for each key account. For the team supporting an existing customer—a national telecommunications company—this required a huge commitment. “The sales quota for this account was aggressive already, and the thought of making the goal even larger was daunting,” said the team leader. “However, the process of setting an extraordinary goal—one that we couldn’t clearly see how to make happen—got the team’s creative juices flowing. Instead of focusing on what we *couldn’t* do, we started focusing on what we *could* do.”

Once the goal was set, CPS led the account team through a process that helped them identify the major opportunities that would contribute to the attainment of the goal. An important outcome of the planning process was the realization that although the team and the company had delivered first-rate customer support throughout the life of the account, the team did not have a solid grasp on the customer’s critical success factors.





“It was a win-win for everyone and we ended the sales year at 154% of our objective.”

- Account Team Leader

“As we debated what we believed to be the driving force behind our customer’s business goals, we determined that our first step was to identify an executive-level IT decision maker who could provide insight into the company’s critical success factors,” said the team leader. “We immediately went about creating a relationship strategy that would help us understand the company leadership’s motivation.”

The executive they identified happened to be a man with vision who introduced the mantra of “cost, service, leverage” throughout the IT organization. What better person to explain the company’s business drivers? What began as an overwhelming experience was transformed into a series of logical, documented steps.

Account team treats the customer like a valued team member. With a plan in hand, the account team contacted the customer executive and told him that the team wanted to better understand his critical success factors in order to align its resources more effectively and become a true strategic partner. Intrigued by the notion that a vendor was interested in helping him solve the problems that kept him up at night, he agreed to the meeting. “We wanted his issues to be our issues,” said the team leader. “We had an open and honest discussion about his expectations and what it takes to be a strategic partner. This conversation resulted in his personal commitment to bring together our account team and his directors for a discovery session.”

During the first meeting, the account team listened to presentations outlining the responsibilities of each director and their most pressing, business-critical issues. The account team digested the information and invited the customer to attend a personalized briefing to outline areas where they believed they could serve as a true value-added partner. The team’s focus was on the customer’s business problems rather than product features and benefits. At the end of the session, the account team and customer representatives identified a list of Best Next Actions to help prioritize and activate the account team around a project of most value to the customer.

Changing a business culture from a point-product focus to a business-problem focus is challenging, but the account team worked hard to keep all team members focused on the overall enterprise view of the customer’s needs. Ultimately, the vision they created was customer-based and presented as a true value statement that aligned with the company’s capabilities.

“Our account team was awarded a contract that contributed significantly to our extraordinary goal,” said the team leader. “Although this wasn’t the only deal closed at this key account, it was the first one that was created based on the account team’s ability to identify a key customer executive and follow a deliberate process to nurture a new, stronger customer relationship. The team members are ecstatic that they created a new opportunity and transformed it into a tangible, measurable value for the customer and for the company. It was a win-win for everyone and we ended the sales year at 154% of our objective.”

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Measuring the Success of Strategic Account Management

by Elaine Schmitt



"Like all investments, a company's Strategic Account Management program requires progress reporting to ensure that the firm's most important clients are well served. A focused measurement system that is readily visible and frequently reviewed is essential. This keeps the company's SAM team focused on short-term accountabilities in concert with the strategic plan for each critical account. Metrics foster and reinforce a culture of accountability for each account manager and the teams that support them."

Art Wilson,
CPS Founding Partner

Many companies have implemented targeted Strategic Account Management (SAM) programs for their most-valued customers and prospects, those who traditionally produce or have the potential to produce the greatest revenue and profit. They assign their best people, well-trained and well-versed in customer-focused planning and account management, to develop long-term relationships and partnerships across these customers' enterprises. Strategic Account Management programs are viewed as necessary, but the level of investment is always up for debate. The key question becomes: How can we measure the effectiveness and profit contribution of Strategic Account Management?

What value will be realized through measuring SAM?

Measuring and communicating value increases the likelihood of the SAM training and methodology sticking. At CPS when we facilitate SAM workshops, the majority of the participants indicate that they want their leadership to hold them accountable for the program. When people invest their time and effort into account planning and management, they want it to mean something. That's why morale and momentum increase when management inspects what they expect. It's also difficult to carve out time to plan, so asking people about their account plans and coaching them is a very effective way to encourage them and keep them on task.

What are the foundational principles of measuring SAM?

Efficiency and Simplicity. Make sure you can efficiently measure the outcomes you expect and keep the measuring process as simple as possible. Remember, the purpose of your SAM program is to provide your most important customers with first-class service and add profit to the bottom line. Between three and six key metrics is optimal—anything more often results in diminishing returns.

Account-Specific Metrics. In order to achieve the greatest accountability, the metrics should be account-specific because SAM is about a targeted segment of the overall customer or prospect base. Some of these metrics will be qualitative and some quantitative. When we evaluate things like strategies, relationships, and plans, some subjectivity is necessary. However, if our definition of success doesn't involve some numbers, the goal quickly becomes too subjective and fuzzy. Numbers bring clarity.

According to Subir Chowdhury in *The Power of Six Sigma*, "Trying to improve something without having a goal—a numerical goal—is like trying to lose weight without having a scale."

Leading Indicator Examples

Evaluations from SAM planning sessions—did they focus on the customer's business issues; did they increase their view of opportunity at the account?

Account plans are completed on three levels: account, opportunity, and relationship

Account reviews are conducted at all levels of management

Account plans are used for team, client, and management communications

Executive relationships—account managers are calling at CXO level and enrolling their executives to call on their peers within their customer's organization

Growth of sales pipeline

Call plans are utilized to improve effectiveness of sales calls

Lagging Indicator Examples

Customer satisfaction at the account level

Customer retention at the account level

Revenue growth at the account level

Profit growth at the account level

Velocity of sales cycle

Growth of customer share/spend

Voice of customer—are we helping our clients add value to their customers?

The ultimate answer to “[what should be measured](#)” depends on what your company expects from your SAM program. We offer the following questions to help guide your discussions.

- What outcomes / behaviors do you want from your SAM program—what improvements are you expecting?
- Why are you investing in this program?
- How will you define success?
- Can we measure what we expect and how?

Strategic accounts tend to be more complex and as such the sales cycles are often longer and the stakes are much higher. It's important to measure success at more than one point along the sales process, using both **lagging and leading indicators**.

Leading indicators provide visibility into the likelihood of success. They help us define how we are doing and what we may need to do differently in order to improve the ultimate outcome. **Lagging indicators** surface at the end of a cycle or phase. They are important in defining whether or not we achieved our goal. Combining both leading and lagging indicators enables us to not only improve our ability to forecast success, but to do something about it before it's too late! The examples illustrated here are some best-practice leading and lagging indicators our clients have embraced.

Before finalizing the metrics, it's important to assess the ease of measuring. Which metrics can be pulled out of standard reporting systems? Which require development of a unique report? Which metrics are qualitative and require subjective input? With what frequency should we measure—monthly, quarterly, semi-annually? Again, simplicity is important.

It's very important to make sure everyone is onboard with compiling the metrics. There are several good ways to measure SAM and you only need three to six of them, so make sure everyone is aligned and committed to the rigor.

Communications. The last principle is to agree on the metrics and communicate them upfront—be ready to go when you launch the program. These metrics need to be visible up and down the management chain so that they are actionable.

The more our success is dictated by relationships with a short list of accounts, the more important strategic account management is.

A scorecard pulls it all together.

The principles and metrics described in this article can be incorporated within a scorecard for rapid, visual, high-impact communications. The example below illustrates how an account manager is performing on each strategic account. In this example, the revenue, pipeline, and customer satisfaction results are tracked by account through the standard reporting systems. The Call Plan utilization, Executive Relationship calls, and Account Reviews are tracked during regularly scheduled conversations between the account manager and sales manager.

SAM Scorecard							
Strategic Account Manager: _____				Date: _____			
Account	Period	\$000		High, Medium, Low		Number of Calls	Account Reviews
		Revenue	Proposal Pipeline	Customer Satisfaction	Call Plan Utilization	Executive Relationships	
Account #1	1 st Half	\$2,200	\$18,000	High	Medium	1	Yes
	2 nd Half						
	Full Year						
	Annual Goal	\$5,000	\$20,000	High	High	3	Semi-Annual
Account #2	1 st Half	\$3,300	\$10,000	Medium	Low	0	No
	2 nd Half						
	Full Year						
	Annual Objective	\$4,000	\$12,000	High	High	3	Semi-Annual

On Target	Needs Focus	In Trouble
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The more our success is dictated by relationships with a short list of accounts, the more important strategic account management is. To ensure that the strategic account investment is tended to with the focus it deserves, a regularly reviewed measurement system works well to track and communicate our ability to fulfill the needs of our most important customers. Our clients invest heavily in programs that give them a competitive advantage with their most important customers—this investment must be measured and nurtured.

Read more about the essential components of Strategic Account Management programs in [Building a Successful Selling Organization](#), written by CPS founder Art Wilson. Please visit www.cpstrategy.com.



Expediting the Cycle: Strategy to Implementation



You may have heard that “Time Kills Deals.” Your selling teams must be prepared to develop and execute strategically, opportunistically, and expeditiously. Speed is a factor, and in most cases a requirement, to compete and grow market share.

This means that many components must come together “just in time.” The speed of plan execution can significantly enhance results for you and your customer. To achieve speed and momentum for the sales team, there are multiple requirements (data, resource commitments, activities) that, if coordinated, can help improve the odds of success for the short- and long-term relationship. The A-B-Cs of sales strategy implementation outlined in this article can help the sales team shorten the sales cycle.



Account Profile, Analysis, Access and Alignment, and Allocation of Resources

Account Profile—Basic business intelligence about important customers or prospects is a start. Maintaining a base of knowledge will ensure a clear and consistent understanding of a customer’s enterprise, relevant information regarding their markets, objectives, management team, competition, industry dynamics, financial results, and future plans. Customer records are an organization asset and should be updated when significant changes take place with the customer. These records should be reviewed by the team and updated at least twice a year.

Analysis—Solid analysis of this intelligence will allow the sales team to leverage the customer’s most important business drivers into their sales strategy. Understanding the customer’s financial condition, competitive differentiators, product positioning, and their customers will allow the sales team to better position your company’s product or service. Beware of “analysis paralysis.” Focus most of your analysis time on how your solution will provide value to the customer based on their internal metrics.

Access and Alignment—The quickest most effective path to validate a customer need is by talking to the most important individuals in the decision process. The CPS Customer Value Alignment tool will help align your company’s solution to the most important customer business issues. By doing this, it becomes much more clear who should hear what message from your team.

Allocation of Resources and Assignment—It is important to formulate a clear consistent message and ensure that everyone knows who is responsible for delivering it. The message must be crisp, customer focused, and value based. Each customer executive will have a member of the team assigned to deliver the value-based message. Effectiveness in this area sets the stage for progress.



Brainstorm the Possible, Business-to-Business Relationships, Benefits Stated as Value Propositions, and Behaviors for Results

Brainstorm the Possible—In the CPS process of developing strategic sales plans, sales teams drive establishing extraordinary goals and objectives for account strategies and opportunities. More than just “thinking out of the box,” these techniques and thought processes help the team develop solutions that bring the highest possible value to their customers. Sales teams challenge assumptions. They look at what might be possible if the plan is flawlessly executed.

Business-to-Business Relationships—The sales team’s primary focus should be on establishing organizational relationships that will most enhance the value and quality of the customer’s offering. Value that comes from your company to, through, and with the customer to their ultimate customer is very powerful. The relationship is less vulnerable to organizational changes and shifts when strong business-to-business links are in place.

Benefits Stated as Value Propositions—The solutions your company offers to the customer should be tailored to differentiate your company’s value. Clearly state what unique ability your company has, that will allow the customer to achieve a specific need, with metrics validated by the customer. Your company will be viewed as an enabler of the customer’s business drivers rather than just a supplier. Look for “quick” demonstrations of your solutions’ success.

Behaviors for Results—The sales team needs the customer on the “same side.” Being on the “same side” means the customer acts differently. Examples of the kind of behavior the customer exhibits are:

- Provides validation that they believe your company understands their business needs
- Acknowledges a willingness to further investigate your company’s ideas
- Commits customer resources to implementation
- Provides support for your company’s plans and recommendations throughout their organization
- Agrees to reference your company outside to others





Customer Focus, Collaboration, Commitment to Success, and Communication

Customer Focus—The sales team must become part of the customer's portfolio of resources. The sales team needs to create the feeling that their company will be much more successful by working with them. The sales team must frame their capabilities in the context of the customer's business. Help them "win big and fast."

Collaboration—Complex sales teams that work with multiple products or business lines must collaborate to ensure that consistent messages are sent. Frequently we see that mixed messages from the same company cause internal competition and customer confusion. To achieve extraordinary results, the ultimate collaboration should take place with and for the customer. The sales team must take the initial step to open the conversations and provide an environment of trust for the customer. This will pull the team into the opportunity much faster.

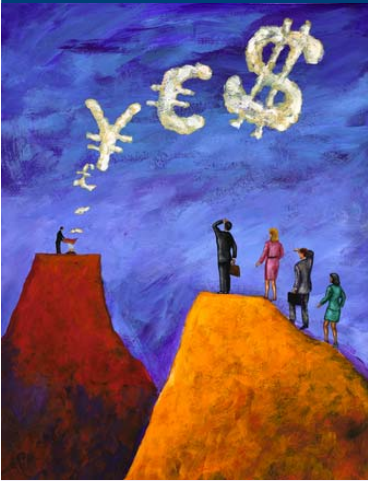
Commitment to Success—Developing winning sales strategies and account plans should involve all sales and service personnel that will have direct contact with the customer. The results can be extraordinary if everyone is on the same page. All members of the extended sales team must be committed to action items, consistent value messaging, and clear customer communication. The extended team must have a "can do" attitude that they can maximize the customer's objectives.

Communication—Everyone involved with the sales team should have access to regular clear communications from the documentation of initial plans to status reports of progress (or setbacks) against projected milestones. Communications should be concise, clear, and easily updated to minimize potential delays or missed objectives. As the relationship with the customer progresses, including the customer in the internal communication process will foster customer trust and collaboration. Team communications is the catalyst to keep momentum.

Keeping the A-B-Cs of sales strategy implementation in focus will help turn the plan into results much faster. Keep it simple. Work on each area and make sure clear goals, assignments, due dates, and commitments are met and communicated to your team and the customer. The net result is higher value for your company and the customer.

Effective Team Communication

by Lani Cathey



Critical Path Strategies has worked extensively with client selling teams. We have seen first-hand the predominant characteristics that those teams display. We have also seen the common thread that allows client-selling teams to work together and achieve extraordinary success – effective communication.

*Critical Path Strategies is fortunate to work with many selling teams that are truly world-class. Effective and successful teams are composed of people who possess a broad range of skill sets and personality types. CPS' work with client teams indicates that best practices of world-class teams includes a shared vision, common goals, a defined strategy, and actionable activities. Each of these best practices demands effective team communication. World-class teams are distinguished by the behaviors and characteristics that they demonstrate. One of these key behaviors is **effective communication**. Why is effective team communication such a crucial element of success?*

Delivering Value to the Customer

In order for the customer to recognize the value of the team, the team must always present a clear and consistent value statement. If the team does not operate with the same plan and deliver the same message to the customer, the value of the team as a whole is diminished.

Resource Constraints

With limited time and a shortage of people, teams must utilize member skills efficiently. Available resources can be used to the fullest extent with effective communication.

Virtual Teams

For virtual teams, formed around a nucleus of key people from across the organization, effective communication is especially vital. These teams typically have different reporting structures and are spread across geographies. The ability to succeed depends largely on a process that promotes effective communication. All teams recognize the importance of effective communication. The challenge is to find the right process that facilitates the sharing of critical and pertinent information.



The framework for effective communication begins with the implementation of a selling calendar through which reviews are scheduled. For example:

Yearly

Account Strategy development, looking at a 12- to 18-month time frame. This yearly session will start the team with a shared vision and common goal for the customer.

Quarterly

Account Strategy and Relationship Status update and review

Monthly

Milestone checkpoints – every month the team reviews the work plan and milestone status

Weekly

Team communication. *Weekly communication* is vital to keep the actionable plans on track.



Weekly communication is crucial. We recommend that each team member complete and distribute a weekly "Footprint." This simple one-page document is valuable in communicating and aligning resources. The Footprint is not a detailed activity report. It is designed to be a straightforward communication of four important categories:

1. The biggest accomplishments completed the previous week
2. The biggest accomplishments planned for the current week
3. Identification of people or resources that are needed for assistance
4. The team member's schedule for the week

Typically, all team members' Footprints are completed and distributed each week on Monday morning. When team members complete and share their Footprint, several goals are achieved:

- Recognition for significant accomplishments
- Detailing of most important "best next actions" for the current week
- Requests for people and/or resources is communicated
- Weekly schedules are communicated among team members

With effective communications, the extraordinary becomes reachable and the team can celebrate success!

Organizational Mapping



Crucial throughout the sales process is the need to determine early (and validate frequently) WHO will make the buying decision. World-class salespeople know that even the very best proposition may go unsold if the correct client people are not identified and thoughtful value agreements are not established and solidified with the ultimate buyer.

The Purpose and Need of Organizational Mapping

The structure of most organization hierarchies has significantly changed during the last 20 years. Often referred to as flattening or leveling, this change has introduced new complexity for sales teams in determining WHO has authority, responsibility and accountability for decisions. For example, "subject matter experts" with unique job titles and people in newly formed functional executive positions can, indeed, become the actual decision makers for key strategic investment plans. This trend makes the classic organizational chart ineffective as a map or guide to who will make the ultimate decision. Frequently, the logic behind organizational flattening is to improve the speed of the decision cycle process and to drive new initiatives in highly competitive environments. Sales leaders who employ techniques that mirror this speed have a distinct advantage because they can stay current with their client's plans and, better react to the rapid changes.

The most efficient salespeople are aware of all the organizational dynamics in this fast-paced environment. They employ techniques and tools to assure they know early, and accurately, who will make the decision, who will approve it, who will influence it, and who will implement the decision. By mapping and updating the client decision process throughout the selling process cycle, best-of-breed salespeople clarify client decision-making roles and assure focused selling time on the most important people. Clients appreciate salespeople who can distill and react to their decision process, because this saves the client time and expense. Also, it adds to their confidence that the supplier / partner will perform efficiently once given the contract or commitment to move forward with the proposition.

The CPS Organizational Mapping Technique

In a collaborative meeting, the sales leader illustrates on a diagram the following roles:

Decision Maker. The person who directs the analysis and evaluation and makes the final decision on the project and the suppliers to be employed.

Approver. The "economic buyer." Typically, a senior executive from whom the decision maker gets final authority for a project or acquisition. Sometimes a steering or management committee performs this function. They will normally have broad functional responsibility and decision-making authority.



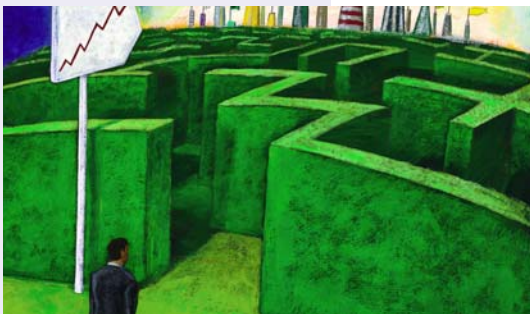
Key User. Individuals in areas that will directly benefit from the project and who will influence the people evaluating alternatives and making the decision.

Influencer (internal and external). People who could “control” staff executives (IT, CFO, HR, Training, Legal), analysts, consultants, competitive sales personnel, professionals who might be charged with project management, friends in other companies, and even relatives.

Change Agent. Respected leader who has the courage and capacity to lead people and organizations in transformational change.

Gatekeeper. A person who can decide who will be allowed entry into the competition. Often this person can say “no” to a vendor during the pre-bid vendor selection, but may not be involved in the final selection process.

Analyzer. Usually a staff person who will assess the technical and financial merits and feasibility of the proposal.

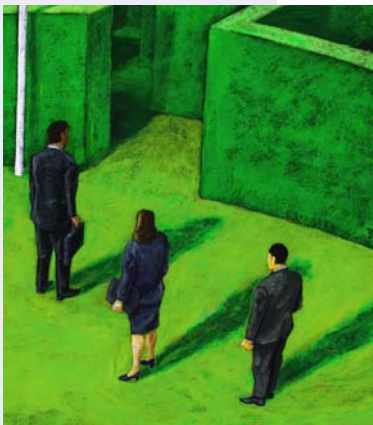


Before specific client names are placed in these roles, the team debates specifics such as a person’s role in this specific decision, accountability, authority, and influence. This technique inevitably leads to crystallization and consolidation of what is fact and what must be learned. A set of excellent questions, timed appropriately and directed at the heart of the sales process, is distilled from this exercise. After the initial collaboration effort, the salesperson or team can efficiently begin validating and/or determining the reality of the client’s decision process. The individuals identified in the mapping exercise are the clients who stand to benefit from our proposal. Therefore, a series of specific calls are planned as validation checkpoints and selling targets. These calls help determine their key business initiatives and personal needs and gain further insight into the decision-making process.

The “map” is then further developed to pictorially draw needed lines of influence and optimal sales coverage. Specific client people with neutral or negative position toward your proposal are identified and highlighted. The map pinpoints these people for coverage with sales calls and positive sales information as part of a collaborative team effort. The team is able to create a thoughtful plan and avoid negative surprises at closing.



Without the mapping exercise, crucial sales strategies are often overlooked or are not communicated to the team. A consistent message can more easily be developed when all sales and support people see the same “picture” of the client. Mapping results in efficient use of sales time and the client is spared potential confusion or redundant coverage. This is especially important when multiple salespeople are calling within a single client organization.



Organizational Mapping also begs the question of what must be learned about the buying process. A set of key questions is developed where assumptions are involved to validate or determine the reality of a client’s decision process. The quality of the questions is key because they require answers (calls on key clients) that feed the development of sound, client-centric sales strategies and gain competitive advantage for the selling firm.

The salesperson or team gains crucial insight by developing and sharing the map with the team and, in some cases, even the client. As an example of an actual situation, the selling team identified a client Change Agent who, when asked, validated and shared specific insight into a unique decision process. This knowledge saved extensive time and energy for both firms. By sharing the map with the client Change Agent, the team was able to quickly correct a situation with the valuable strategic advice they had received and win a very successful implementation.

In summary, Organizational Mapping assures that the sales effort optimizes valuable time and validates appropriate client coverage. An additional advantage is the improved efficiency this tool brings to pre-call briefings. New team members, or people outside the team who are brought into the sales effort, quickly see the client dynamics and are able to better react in a call or presentation situation. Using this technique for sales planning and keeping it current with knowledge gained during client calls *will increase your odds of closing sales and allow clients to see you and your company as a highly valued partner.*