



The Association for  
Key Account Management

# Workshop discussion outputs

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Dublin Institute of Technology, Ireland



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Key Account Management

# **Senior management's role in Key Account Management and how to optimize your team's potential**

# Is your company doing anything about wellness and managing key account managers' energy? What improvement have you seen?

Some are and some are not. But we see the value.

- From very limited to none, just hours or free fruit.
- Generic to business, not specifically for key account managers:
  - team enrichment group working with community and charity.
- Group events for all – better teamwork/integration

# What examples of successful senior management engagement in KAM have you seen? How did the process work?

## **Different examples, generally:**

- Often no structure for engagement.
- Senior management need to play a major part
- Must-have Board support
- Should be measured on potential.
- Critical to GAMification

## **Company A:**

- Structured senior management engagement with key customers.
- Account Based Marketing
- Integrated engagement approach (co-creation)

## **Two large companies:**

- 4-layer 'zippering process' between customer and supplier for top 3 strategic accounts, including top to top interaction.
- Senior management 'Volume will come from the large accounts'
- 2-year perspective

## **SME:**

- Starting up KAM?
- Resources/attitude towards Sales?
- Seeking customer intimacy

# How should successful KAM be rewarded? What works for you and your industry?

## Performance indicators

- Revenue/share of wallet.
- Profit (customer)
- NPS/CRT
- Client business improvement (pain/performance/expectations)
- Basic shared/contracted KPIs/SLA
- Retention

## Rewards

- Discretionary
- Reward with 'courses'
- ? based on profitability.
- Team reward.
- Long-term rewards.
- Reward on milestones - like mapping, plans
- Cannot be commission
- Important to RETAIN
- Recognition
- Operational support
- \$\$\$ on targets
- Soft skills



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**The role of Strategic Orchestrator:  
the Key Account Manager and senior  
management**

# How might senior management monitor the dangers of KAM? (i)

## What actually is a key account?

- Revenue, fees
  - identify how much money i.e. profit.
  - can't afford to lose good people
- Document potential.
  - sales strategy
  - refocus account management.
  - infrastructure to support growth and deliver.
- Energy and time consumed by key account
  - need to balance
  - monitor how much support has to go into a customer account versus another
  - activity on CRM, input profile of customer
- Customer engagement
  - managing time to review with customer.
  - are you in their long-term plan?
  - build trust and communication – come to us
- Make them dependent on you.
  - they don't have expertise.
  - they need innovation
- Innovate new products.
  - plan to develop into other markets.
  - sustainability.
- Know your market and competitors
  - identify replacement: map next potential key account, just in case.

# How might senior management monitor the dangers of KAM? (ii)

## KAM is a dangerous word!

### Dangers:

- Dependency.
- Profit erosion.
- Outside factors.
- Choice of customer.
- Dependence on an individual (retention of key personnel).
- Competitor behaviour.
- Review criteria for compliance and integrity.
- Fluctuations in currencies.
- Power of the purchasing Department
- E-tendering.
- KAM affecting manufacturing priorities.

### Monitoring

- Effective use of CRM, internal and external.
- Segmentation
- Review KAM across segments
- Account development plans

# To what extent is senior management in your organisation involved in monitoring, decision making and coaching?

- Regular presentation of KA plans to the Board
- Board members sponsoring key accounts and KAM (not same as coaching)
- Monthly review of a specific KA at executive committee level.
- Empowerment of key account manager to make certain decisions.
- Decision-making framework: peer review/speed/RTACI
- Accessible: key account director able to reach of Board members.
- Defining the right metrics/what is value?
- Linking strategy and KAM
  - KAM as a consequence of strategy
  - KAM influencing strategy
- Devoting Board members/CEO time to KAs, measure impact.
- Drawing consequences of segmentation

# Where might there be fruitful areas for future research?

- Processes (best practices and internal alignment)
  - Supplier relation management interaction with KAM
  - Business development agreement/partnership  
KPIs/resources/what to include?
  - ROI on KAM
  - Profile of successful key account manager
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- How do I sell in the idea - cost and strategy?
  - How do I transition from a direct/indirect sales model to KAM?
  - Who are the KAM poster children/case studies?
  - Impact of increased political skill.
  - How do you sustain it?