

# KAM BULLETIN

The Association For Key Account Management

## In this Issue:

**Case study:**  
**KAM in the**  
**pandemic at**  
**Hiab AB**  
**Negotiation**  
**season kicks off!**

**KAM teams:**  
**NOT optional**

**Action:**  
Enter for the KAM of the Year  
Award 2020  
Gain the new Diploma in KAM

**Challenges:**  
You can't have a relationship  
with a Key Account!  
**Is your company a KAM**  
**denier?**

**plus**  
**Membership:**  
Focus on Programme  
Directors Forum

October 2020







**Dr Diana Woodburn**

AKAM Chairman



[www.a4kam.org](http://www.a4kam.org)



# editorial

## KAMaraderie

I imagine we had all hoped to be in a better situation with the virus by now than we were at the beginning of the summer but, sadly, it's far from over. As supply chains are fractured and restrictions continue we still have to meet the challenge of this 'new normal'. There's more to learn from the interview with John Bailey on p.4, describing how Hiab has managed the crisis with customers. While everyone's adapted to new ways of working and improved their virtual interactions, 'zoomed out' is becoming a common feeling, hence our member webinar with Cristina Mariani in November.

Some key account managers have been working flat out to deal with extra complications, while others have time on their hands, and some have even been made redundant - a very shortsighted approach which customers will not readily forgive. In any case, this might be a good time to reflect on your value to your organisation and your customers and enter for the Key Account Manager of the Year Award 2020. Or embark on the new Diploma in Key Account Management, which is relaunched in this Bulletin on p.7 Or both!

We've reviewed the Diploma competencies and made the process much clearer, adding mentoring support through the first competency. KAM is and should be recognised as a profession and now it's backed by a professional qualification. In these turbulent times, it may be that gaining the only independent qualification in KAM could stand you in good stead for the future. I gained my MBA in an earlier recession when I realised that I was competing (unsuccessfully) with applicants with relevant qualifications, while my degrees in Biochemistry were no help in landing a marketing job.

Reluctantly, plans for our 4th conference in Dublin in early March have been postponed indefinitely, it's hard to know when people might be travelling again. We hope to recommence face-to-face meetings in autumn 2021, and we will be monitoring the situation closely. We'll continue our programme of useful, 50/60 minute webinars at least every 3 weeks - we suspect you wouldn't welcome longer sessions!

EMCOR UK is a great case study (16th October) on the vexed issue of engaging the rest of the company to get their cooperation with delivering what you want to offer to key accounts. Jeremy Campbell and Steve Dolan are prepared to expose the ups and the downs! And on 6th November, executive recruiter Gintarė Bėtaitytė of Amrop, one of the largest global executive search partnerships, explains what employers are looking for in the perfect KAM. Good to know.

Stay well, get in touch ([info@a4kam.org](mailto:info@a4kam.org)),

Best wishes

*Diana Woodburn*

Diana Woodburn

**Check out the New  
AKAM Diploma for  
how to get DKAM after  
your name**



# 2020 calendar

## contents

- 2 KAMaraderie
- 3 Contents & Calendar
- 4 KAM in the pandemic at Hiab AB
- 6 You can't have a relationship with a Key Account
- 6 KAM of the Year 2020: you?
- 7 The new KAM Diploma
- 9 Negotiation season kicks off!
- 10 KAM teams: NOT optional
- 12 Focus on Programme membership

### Webinars

#### Member Webinar

Friday 16th October

#### Sharing customer knowledge - a total organisational approach

Jeremy Campbell & Steve Dolan, EMCOR UK

#### Webinar Open to all

Friday 6th November

#### What is key in searching for the perfect Key Account Manager?

Gintare Betaite, Amrop Executive Search, Baltic States

#### Member Webinar

Friday 27th November

#### Virtual Meetings: how to promote effective business relationships

Cristina Mariani, Alinea Consulting, Italy

#### Webinar Open to all

Friday 18th December

#### What do KAM and HR share in informal influencing?

Mantas Tvarionavicius, PVPA Lithuania & Geoff Quinn, Pfizer Global

### What is key in searching for the perfect Key Account Manager (6th November)

With turbulent times for business ahead, some companies have terminated their KAM initiatives and made all their key account managers redundant. So, sadly, there'll be more looking for new positions - could it be you?



Learning and preparing for what recruiters and their clients are looking for in a key account manager is more important than ever. Gintare Betaite, Partner, Amrop Baltic States, knows what they are looking for and what convinces them that they have found it.

Amrop is one of the largest global executive search partnerships and operates in 45 countries globally.



### Sharing Customer Knowledge – a total organisational approach (16th October)

A thought-provoking case study with the leaders of EMCOR UK's Key Account Management strategy and programme, Jeremy Campbell, Executive Director, Marketing and Business Development, and Steve Dolan, UK Key Account Director.

Gaining an unfair advantage!

- How do you get a Facilities Management biased business to focus on customers and customer value when the main thrust of the business is on providing services?
- How do you get any business to think (better still dream) about customers across every function all the time?
- What exactly is customer value and how do you get an entire business to think about creating customer value?
- How do you align an organisation - and by that we mean the whole organisation - to deliver win/win value?
- How do you get teams across a business to unlock knowledge and share information?

Tune into EMCOR's story to explore the highs and the lows (and to be honest they've had a lot of lows) as they share their practical experience of implementing KAM over the last 15 years. They'll also share with you their approach to the discipline of KAM execution as a simple and repeatable formula.



# KAM in the pandemic at Hiab AB

Interview with John Bailey,  
Director - International Key Accounts

## How has the coronavirus pandemic affected Hiab's key accounts?

In Europe alone there are more than 600,000 transport companies, and transport is the life blood of most sectors of any economy. Our lifting equipment is central to the transport of all kinds of goods, and some of our customers are businesses fundamental to welfare like food, pharmaceuticals and all kinds of equipment involved in dealing with the pandemic.

While the bottom was falling out of markets for some of our customers, others were experiencing a surge in business, and others again had rapidly to switch focus e.g. waste removal traffic fell in commercial, hospitality and some areas of industry while it boomed in domestic waste and essential industries. When online grocery deliveries soared, followed by other online purchases, transport and vehicle hire businesses had more demand than they could supply.

Some countries and sectors never went down and others are beginning to bounce back, although some are recovering very slowly.

So it was impossible - and would have been quite wrong - to adopt a uniform approach to customers. We needed to approach some through unexpected spikes in demand, while helping to cushion others when their markets took a dive.

## Has/ how has the pandemic changed your approach to them, what were your principal issues?

I don't know that the pandemic changed how we deal with key customers overall, we aim to work closely with their businesses as a partner more than just a supplier anyway. But our key customers had to respond to the pandemic with speed, creativity and agility, so we needed to be at least equally agile and creative to meet their

needs - and we had to think of approaches we'd never had to contemplate before.

Right at the beginning we set up a Project Management Office with senior representatives from supply chain, manufacturing, finance, KAM and all key functions of the company. They met (virtually) every week to report on what was happening so that everyone was fully in the picture and could make well-informed decisions much faster than normal. In particular, it brought operational functions much closer to customer issues and really speeded up changes in practice that would normally take much longer to implement.

Every week the PMO issued a statement about developments which formed a basis for keeping in touch with customers.



Hiab is the leading provider of on-road load handling equipment and an industry pioneer with almost 75 years of experience. The company aims to increase efficiency in their customers' businesses around the world.

## What has changed over the course of the pandemic?

At the beginning it was hard to know what to say to customers, but we were determined that they should be contacted every week as a minimum. Some people, when they don't know what to say, say nothing - but we were very clear that this would be the wrong way to deal with the situation. The



customer might have something to tell us or ask us, even if at that point we didn't have anything new to say to them. The contact was crucial to maintaining the current and future relationship.

After the initial shock, I believe we improved consistently in our ability to deal with the challenges and difficulties. As a business, we initiated a number of strategic quick changes that enabled us to perform better as a supplier and get closer to our customers.

## What role have KAM/ key account managers played during the pandemic?

Key account managers were responsible for frequent communication with key customers, emphasising their role in helping customers through their difficulties, and for conveying their issues internally. You can't focus on new sales in a pandemic and you would only annoy customers if you tried! Not surprisingly, very few have been prepared to think about the longer-term future and invest in new equipment.

Meanwhile, the importance of service and spare parts availability increased enormously at the same time as travel restrictions, lockdowns and social distancing came in. This made it more difficult to deliver even normal volumes of service and maintenance. Fortunately, Hiab had introduced a telematics program in 2019, which helped our service support teams. As our equipment was in use with many





essential services, many of our mobile engineers were being classed as key workers. That threw up very many new challenges in ensuring their personal safety and those of their families.

Key account managers needed to listen to and understand customers' real needs to manage the new supply/demand imbalance and help them when rationing was necessary.

The role of key account managers hasn't really changed, but the range of issues they work with increased, requiring a deeper understanding of the workings of Hiab as well as of their customers. So some people had to quickly increase their skills, and everyone has had to learn how to handle virtual meetings. They've learned to become more disciplined with experience: for example, we now insist that every virtual meeting has an agenda sent in advance.

In the past, 'normally', some key account managers might be travelling almost continuously and taking several flights a week, spending a good chunk of their time just travelling. I don't see that returning, because of the presence of the virus making travel risky for at

least the next few years, combined with companies finding they can get more done virtually than thought possible prior to this pandemic. Having said that, face-to-face meetings will always play an important role in building the relationships and obtaining the insights needed to keep our customers moving, which is core to our promise.

### Hiab's message to customers

'Respecting social distancing but staying closer than ever'

### Have the last few months changed your company's view of KAM?

Our CEO wanted to hear 'all the bad things that are happening', which is unusual, I think. Through that everyone gained a better understanding of customers and their issues than they would have through hearing just the good news. Some people in operational functions now have a better

appreciation of what key account managers do, and are closer to customers than they ever were before. Two-thirds of our people have no customer contact, so making sure their actions and decisions are informed by the needs of key customers, in particular, is really important. Though it would seem odd to thank the virus for helping with that!

The balance of media used in communicating will undoubtedly change, hard to know where it will end up. Virtual meetings may mean that key customer contact can be more frequent and more easily involve more people, which would be a good thing.

The pandemic hasn't changed Hiab's view of KAM hugely, though, because key customer proximity and support has been a strong focus for us for quite a while.

### Some organisations have canned their KAM initiatives and sacked their key account managers. What would your response to that approach be?

I think that's a serious mistake, and not easily reversed: key customers have long memories and won't welcome them back with open arms (or even elbow bumps!). One customer CEO told me that he has a black book on his desk, listing suppliers who have been notably absent during this crisis. Those who left his company to look after itself won't do any business there in the future.

I've no sympathy for suppliers who have taken this very short sighted view, and they will pay the price for it.

**John Bailey has spent 40+ years in international sales and key account management, mostly with Hiab AB (john.bailey@hiab.com)**

# You can't have a relationship with a Key Account



**Richard Ilsley,**

AKAM Board Member, September 2020

Richard.ilsley@smcg.net

Do you agree or disagree? Whilst the 'relationship' is often cited as a critical aspect of business development with the key account, it is interesting to consider just what this means. It sounds as though it makes perfect sense to develop a strong key account relationship but in reality it is not possible; you can't talk with a key account – only with its managers.

So developing a strong relationship means developing strong relationships with individuals – but which ones? The most common response is 'procurement' or the 'buyer'. Because the buyer makes the purchasing decision – but is this true? In many cases the buyer is only one part of the decision-making process, if at all, and in other cases they simply execute the decision.

If you take the time to work out the decision making process for a specific key account and separate this from the buying process, you often find that the real decisions are being taken by other managers – perhaps operational managers or senior managers.

And maybe one or two of these managers or groups of managers are critically important for you. It is these managers who will benefit from the value in your product or service. It is these managers who may be interested in value development or co-creation. Conversely, it is very unlikely that the buyer will see any value from you, your value probably doesn't impact the buyer's KPIs.

If this is true for you then it means that you must cultivate long term working

Questions to consider:

- How are purchase decisions made?
- Who is making decisions and who is influencing them?
- Who sees my value?
- What does this mean for me?

relationships with those managers who actually benefit directly from your value, and who are really taking and directing the key supplier decisions.

**Please email [info@a4kam.org](mailto:info@a4kam.org) to share your experience, ideas and thoughts on this point, we're very interested to hear from you.**

## Key Account Manager of the Year 2020 Don't you deserve recognition?

The Key Account Manager of the Year Award gives you the chance to demonstrate your value and competency. And your company will love for you to win.

AKAM wants to highlight great key account managers. Why? Because this is how we can demonstrate the terrific value Key Account Managers can bring to their organisations.

We are looking for Key Account Managers who have applied their talents to the benefit of their employer and their customers over the last 3 years, in organisations of any sector, size or country. KAM doesn't just apply to large

companies: we really welcome entries from smaller organisations.

Just send us 500 words on why this is you by 31st October

Past winners said "I was promoted shortly after winning the Award – I think it really helped." "I felt really honoured to win the Award. This recognition is a terrific opportunity to showcase your great work and help us all learn from one another."

**It could be you in 2020! Show the world what a great job you do!**



**Are you a great Key Account Manager?**

**Do you know a great Key Account Manager? Get them to enter**

**Find out more and apply [here](#), it's very straightforward.**

**Being an AKAM member is not necessary to nominate or apply for Key Account Manager of the Year. This Award is open to all.**

# The new Diploma in Key Account Management



## Validate your professional quality

We know that KAM is a challenging position that demands multi-skilled people to fulfil it. So it's a constant source of frustration that lots of organisations and their HR managers don't seem to understand that. And it's frustrating to excellent, experienced key account managers that they haven't been able to show objective, independent evidence of their competency.

That was, until AKAM introduced its Diploma in KAM. In addition, after a recent review of the Diploma's original structure, AKAM has revised and is now relaunching it with a more accessible approach, including a much easier to navigate explanation of how to achieve it and add 'DKAM' after your name!

[Click here.](#)

As we may all be in various states of lockdown for some time to come, this a timely relaunch of the Diploma is a great opportunity for you to capture. You can validate your competencies and gain the only independent qualification in KAM. And who knows what the future of the job market holds? A proper qualification that demonstrates your competency as a key account manager may make all the difference.

But make no mistake – the Diploma is a professionally assessed, proper qualification and significant piece of work, not a 'shoe-in' – what would be the use of that to anyone?

## Competency-based

The Diploma in KAM is designed for those who have experience as a key account

manager and is not dependent on a fixed course of study. AKAM recognises that understanding and competency can be gained in more than one way, through:

- 'learning by doing' while fulfilling the role of key account manager
- by observing and exchanging experience with peers and managers in KAM
- by formal learning opportunities like courses and conferences by self-study and research.

You gain the Diploma by sending AKAM a demonstration of your competencies either as a written account and/or evidence in various forms, e.g. an actual strategic account plan can show your competency in strategic account planning. (don't worry, we understand and manage confidentiality issues.)

## Broad range

The Diploma covers the essential competencies required by any key account manager, so it must have a broad coverage. At the same time, we understand your history may not have given you the opportunity to be involved in certain areas (e.g. Finance in the public sector), so you can drop 2 of the 14 competences included within four areas, at your choice.

We specify the expectations in each competency in great detail, to leave you in no doubt about what you need to describe to pass that competency – that's a lot easier than having a blank page and trying to work out what we mean. It's all [here](#) in detail. And we even provide write-in pdf workbooks to make the process easier. Plus we'll mentor you through your first competency, to make sure you know how to present the others to facilitate your passing.

## 1. Business and customer understanding

- 1.1 Knowledge of own company
- 1.2 Customer understanding
- 1.3 Value creation
- 1.4 Strategic planning for key accounts

## 2. Selling and business development

- 2.1 Product/service and application knowledge
- 2.2 Consultative selling and business development
- 2.3 Negotiations with customers
- 2.4 Financial understanding

## 3. Organisational effectiveness

- 3.1 Communication
- 3.2 Project management
- 3.3 Leadership

## 4. Relationships and interaction

- 4.1 Customer categorisation and relationships
- 4.2 Internal relationships and key account teams
- 4.3 Collaborating

## How do you start?

[Click here](#) to find everything you need to apply for the AKAM Diploma.

- **How to get the AKAM Diploma:** requirements and fees
- **Diploma competencies in detail:** our expectations to use as a guide on how to demonstrate your competencies, including examples of relevant theory and evidence you could submit.
- **References:** a list of some useful books if you need to review your understanding of relevant theory.
- **Application form:** to register as a Diploma candidate for support and coaching for your first competency.
- **Competency workbooks:** pdf 'booklets' in which to write up your competencies.

**Registration:** Complete registration form and pay part one of Diploma fee of €750

**Mentoring:** Choose mentor, optional but recommended

**Trial:** Complete one competency and submit to AKAM

**Complete competencies:** Write up and collect evidence for further 11 competencies

**Assessment:** Pay part two of Diploma fee, €750, and submit competencies

**Viva:** Validity checked by video conference

**Qualification:** Congratulations! Receive Diploma certificate, add DKAM after your name



# The negotiation season kicks off!



Dominykas Cibulskas, SIA ZB

Are you ready with your excel spreadsheets, arguments, excuses and spells? Do you feel like a kid in a new class at school or a forest animal at the start of the hunting season?

You know it is going to be stressful, because it is clear that your customer will ask more discounts, more investments and more effort, and you are already under pressure from your own management to reduce gross to net, spending, credit etc.

At least it's only once a year! You have survived it before and you will survive it this time too, if you keep your eye on the ultimate target – to maintain **profitable** business with your customer.

But if it is so much stress, do we need these seasonal negotiations? Those of us on the front line would wish them away. But all businesses are about growth and status quo is not considered satisfactory. Usually there are very clear guidelines set in business plans on top line growth, EBITA growth and other KPIs that are considered important for sustainable business development and need to be delivered. Those KPIs are passed to category managers and key account managers and integrated in their motivational system too. Which is why you are invited to talk about future business with your customers.

But if you know how it works you can be well prepared. So where should you start?

**1. Business intelligence** Ideally, you would be told your counterpart's KPIs, business status and business environment, but normally you have to ask or search for the information. Some you can collect from external

sources, like business magazines, TV, web magazines, statistics departments and any other state or private agencies holding publicly available information about businesses. Use your network and don't forget to doublecheck if information is correct. You should do it every day, not once per year - business is dynamic, so facts can change rapidly, especially now.

## 2. Understanding your own company

In bigger and more complex companies there is often a lack of communication between functions, business units and management levels. Make sure you have the full picture and understand what is best for your company. Build your list of contacts in different functions and departments whom you can approach readily and with trust, in case of need. It is great to have a sponsor in top management who can support you in negotiation as well as in the preparation process (ie. Business planning, KA plan preparation). Your company is dynamic too, so stay up to date.

**3. Business planning** When you know your company goals and the counterpart's goals, can you agree on a mutually beneficial scenario? Is there more than one scenario? What is your level of flexibility and willingness to agree? Is it the same on the counterpart's side? Model possible situations and draw several alternative ways to run the business in future. Then map your negotiation, not forgetting to evaluate your bargaining power.

KA plans for different time perspectives are a great help, i.e. one year – very precise, 3 years - good clue about the business direction, but not in details, 5 years – strategic outlook. Such preparation ensures that KA plans are integrated with or derived from overall company business plans, which means you

avoid conflicts inside the company and get top management support. At the negotiation level, it means you understand better the direction you need to take and where you can and can't go.

**4. Changing the agenda** When you have good business understanding, good business intelligence and good business planning – in other words, if you know where you are going - it is not so difficult to drive the agenda with the customer. So you do not need stick to one negotiation season, you can negotiate at every single meeting. Then you can move forward in smaller steps and avoid the annual cliff edge!

**5. Creating added value** It is very important to understand that it is not the ultimate goal to stay in business with your customer at all costs (especially if it is not beneficial for one of you). The key goal is to create extra value for both parties through developing new ideas. BAU (Business As Usual) is easily threatened by competitors. Proactively extend cooperation and engage in new areas and activities which bring extra value to your company and to the customer.

You can add more points to this list if you focus on finding ways to make negotiation less stressful and more fruitful. Take it as a chance to improve cooperation with your partners, internally and in your customer. Do your homework thoroughly and build a good basis for discussion.

How you approach negotiation can change the whole picture – it's up to you. Good luck in your negotiations!

**Dominykas Cibulskas, Partner, Customer Care, Key Account Management & General Management, SIA ZB (dominykas.cibulskas.consult@gmail.com)**



# Is your company a KAM denier?

## Are some of your customers looking for KAM?

### Try this litmus test:

Are your most important customers...

1. Communicating opportunities and initiatives and involving the supplier in their strategies?
2. Expecting an understanding of their business: inviting the supplier to meet a wider range of people in their organization and giving a broad range of information about their business and marketplace?
3. Wanting to explore joint projects involving more commitment?
4. Wanting to talk longer term and develop strategies together?
5. Asking for a more senior account manager with more authority and/or competence?
6. Wanting a transparent or integrated approach and a single point of contact, dealing with them as a single entity?

### Did you answer 'yes' to

2 or more of these questions for 2 or more of your top 10 customers?

We still hear suppliers claiming they don't need to enact KAM because their customers don't want it – or haven't asked for it by name. That may be true of some, but is it right for all strategic customers? Because if it isn't, it's dangerous to ignore the signs and frustrate **any** of the customers who are most important to the company, not just for now, but also for the future.

Certainly, we do not advocate KAM for all customers, even all big ones,

because it wouldn't make a difference in some. But that doesn't negate the argument for offering it to those that do and will repay the effort.

Are some of your customers sending out signals that strongly suggest they should receive KAM treatment? If your company is saying it doesn't need/want to implement KAM, check out these questions to see whether that is appropriate or not.

► ... because then you need to be thinking about offering at least those customers KAM, just to retain the business you already have.

Customers planning to defect to a supplier who treats them the way they want have usually made their decision before they tell you – but by then it's too late.

The pandemic has heightened customers' concerns about supplier risk over price, making them look for more supplier engagement and support, not less. So if your company has backed off or never really engaged in the first place, you need to find a way to sound the alarm and start delivering KAM now!

# KAM teams: NOT optional

## Key customers expect team support

Suppliers need to offer team resource, and yet it seems to be one of the most challenging internal issues they face. But key customers generally assume that there will be a KAM team working with their business. They certainly don't want the key account manager to be the only person working on their behalf! But they are keen to have a 'single point of contact' in their key account manager, whom they would expect to have the overall management of the relationship. What they want would be better called a 'focal point of contact', backed by a team.

The account team must have shared objectives – that's the definition of any team. Some will be long-term and some shorter-term but, as any specific objective is accomplished, there will be others. KAM teams are tasked with the long-term management of the customer, so there should be at least a consistent core of team members: they are a fundamental part of the relationship. KAM teams may pull in extra members when required, but they are not project teams, working towards one objective and then disbanding when that's achieved.

## Team member dedication?

KAM team members are almost always only partially dedicated ('designated' could be a better term for partial dedication) to the key account. Generally they have 'dotted line' reporting to the key account manager, and 'solid line' reporting to their functional head. Occasionally, when the business with the customer justifies it in terms of the volume or the particular nature of the business, a team member may be wholly dedicated to a key customer, but even then, they may or may not report directly to the key account manager.

Normally, team members have other key customers they work with and/or they

also have objectives set by their 'home' function. As a result, the biggest single issue in the effective operation of KAM teams is generally the co-operation of team members, given the conflicting demands of the key account manager (possibly more than one) and their functional head.

## HO and field-based KAM teams

The KAM team is often seen as a Head Office group, but there should also be location-based KAM teams. HO teams tend to be cross functional with a focus on the future and developing the business, while regional teams are broadly responsible for delivery of commitments and have numerous customer contact points. The absence of regional teams can cause critically poor performance and responsiveness to key customers, and considerable conflict in the supplier with disastrous consequences.

Sometimes the key account manager can work through one HO team member representing, for example, technical service in the field, but not always. Often the key account manager has to deal with each Regional Manager directly to access the salesforce (or service organisation. The terms of the contract agreed with the customer centrally should be applied in each territory, but that doesn't always happen.

Regional heads held to account for results in their area may not agree with the expectations of the key account manager/key customer and direct their people accordingly. Key account managers can spend a great deal of time communicating with, providing information to and lobbying Regional Managers and their teams to get time and attention for their key account. Building and leading both types of team can take a sizeable amount of the key account manager's time – at least, it should but often doesn't!

## Recognising KAM teams

These teams are vital to the operation of KAM: it is the account team that brings a wide range of quality knowledge to the customer, delivers the business case, sets the milestones and achieves the results. However, while they are recognised by the customer, they often do not get the level of recognition in their own business that they need to make them effective. Suppliers should consider how they can support their account teams by:

- Constant reinforcement of the team
- Congratulation and celebration of team efforts
- Executive sponsorship
- Opportunities for the team to present the customer to the Board
- Public articulation of interest and support from the Board.

These teams need all the support they can get to operate well over a long period of time. They do not have the advantages of direct-reporting relationships with the team leader, and often team members are elsewhere.

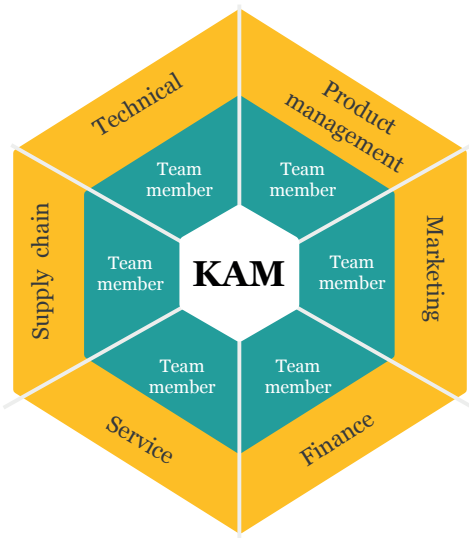
## Virtual teams

Account teams are often called 'virtual' teams, but this term means different things to different people, including:

- Indirect reporting to the team leader
- Voluntary relationships
- Transient team membership
- Members in different locations.

In KAM, indirect reporting is the norm. Voluntary relationships and transient team membership should be minimised: they add to the difficulty of operating the team. Nevertheless, virtual teams are widely used for KAM teams as the principal vehicle for adding value to the relationship with the customer by providing access to resources (capabilities and capacity) and decisions.





A virtual team benefits both supplier and customer by providing a wider range of expertise than can be expected of any individual. The customer knows that the key account manager cannot maintain a position of product knowledge or functional expertise across a wide range, so team members make their specialisms available on a part-time basis.

Team members from different functions supply a mix of skills that is not easily sustained if they are detached from their home function. That includes knowing how to propose and get a decision from their function. Team members from different locations contribute in similar ways, providing insight and connections in their geographies. It's a much more flexible engagement model than having direct reports. People can be assigned to a team without being uprooted from their existing positions. And it means resources can be shared and therefore used more efficiently compared with a fixed allocation of staff.

There are good reasons why virtual teams work well too: they offer more autonomy and empowerment to the individual (though this can, but should not, be seen as problematic by key account managers). There are fewer, better quality interactions, and the negative aspects of face-to-face teams (like time requirement, personal antipathy) are minimised, albeit along with some of the positive impacts.

### Influence of company culture

While many teams in a business are set by the formal structure, KAM teams cut across the structure. So it is the culture of the organisation that is more influential than the structure in determining their success. In a sharing culture where staff and managers are prepared to share resources and power for the good of the business, KAM teams can be very successful. Where the culture is driven by the ownership of power and resources, KAM teams face major barriers.

To compensate for their lack of attachment to the formal organisational structure, these teams need:

- strong leadership
- clear internal structure
- recognised ways of working
- explicit terms of reference.

However, the supplier loses the value of flexibility if the formula becomes too rigid or standardised. Flexibility should be applied by selecting team members and varying their input of time according to customer characteristics and/or needs, but then making members' roles and value clear.

Key account managers need to engage team members' functional heads,

## So here's an idea!

**Make up boards for each Key Account with mugshots of all the team members, their roles in the team and their contact details. Display them in all company locations and intranets. It will make the teams real and tangible to everyone and start two-way information flows about the customer.**

initially and on an on-going basis. They should clearly articulate the business benefit of the team and make it very visible. And aim to highlight the two-way exchange of value between the team and the function by enabling the team member to deliver quantifiable value to the source function. Rather than squabbling over ownership of the outcomes, companies should cut their numbers several ways to look at the value from several perspectives – function, location and key account – so all parties can be satisfied.

**KAM teams can make a huge difference to the value the customer receives and therefore their perception of the supplier.**

From research conducted for Warwick University SSCM:  
Dr Diana Woodburn, AKAM Chairman  
(woodburn@marketingbp.com)

Key account manager		Customer service	Marketing	Finance	Supply Chain	R&D
Area A	Field salesforce	Key account's Head Office team				
	Sales admin					
	Account service					
Area B	Field salesforce	Key account's Regional team				
	Sales admin					
	Account service					
Area C	Field salesforce					
	Sales admin					
	Account service					

**HO and field-based KAM teams**

## Focus on Programme Membership

One of the most common needs of organisations developing KAM is a source of hands-on experience and understanding around implementation issues, but where can you get that when you need it?

**Answer: the AKAM Programme Directors Forum.**

This group consists of nominated Corporate/Programme Members and AKAM Board Members with a wealth of KAM experience, a 'sounding board' and source of inspiration for Programme Members' issues and ideas. The Forum meets (virtually, at the moment) every two months to hammer out approaches to meet the particular challenges chosen by the members. It's developing into a well-informed and practical network that can be leveraged outside meetings too.

You benefit from the advice and experience of an exclusive assembly of seasoned practitioners and others likely to be at a similar stage of KAM development. This blend of advice and empathy must be the best value consultancy you can get!

So far, for example, the Forum has delved into senior management engagement (lack of it, how to get it), why KAM programmes can fail, whether KAM should be separate or integrated with Sales or Marketing, why internal conflicts arise. and there's lots more to tackle!

### Kick-off point

2nd PD Forum: Cedric Roesler on sources of KAM failure

1. Assume that everyone knows what contemporary KAM is
2. Believe that KAM always generates significant results
3. Take for granted that KAM is customer-centric
4. Don't bother about organisational design
5. It takes two to tango. Does it?

Plus 10 Full individual memberships

### Programme Membership

- 10 Full individual memberships, with all the individual benefits
- 2 memberships of the Programme Directors Forum, meeting (normally) in person 1/2 times pa plus bimonthly virtual meetings.

Designed to give expert and peer support to KAM Programme Directors to help them develop KAM in their organisations. Tangible benefits for €2500pa.

### Corporate Membership

gets your organisation:

- Virtually unlimited number of Full individual memberships, with all the benefits above (max. 6 per workshop/meeting)
- 2 memberships of the Programme Directors Forum as above
- seat on the AKAM Board with opportunity to influence its direction
- close engagement with and support from AKAM

Designed for large companies wishing to reach and support their KAM people spread across multiple organisations and regions, alongside gaining support for their KAM programme in complex situations. An opportunity to make corporate membership meet your needs for **€5000pa**.

**Let's talk:** please email first to [info@a4kam.org](mailto:info@a4kam.org) or to the Chairman **Dr Diana Woodburn** on [woodburn@marketingbp.com](mailto:woodburn@marketingbp.com)

## Membership packages

**Subscription to the Bulletin is FREE for EVERYONE! Just go to [A4KAM.org](http://A4KAM.org) and enter your name and email address – that's all!**

As people and organisations involved in Key Account Management have different circumstances and different needs, AKAM offers a flexible range of annual memberships

## For Individuals

### Full individual membership gets you:

- workshops/conference meetings, normally 3 AKAM Technical workshops alongside 3 full-day participative meetings around Europe
- member-only webinars, monthly from April
- access to Member Resources, 150 items on the website and growing
- email networking among peers
- and more support and advice ....

All for just **€180pa**, everything then FREE (not just discounted!).

### Online individual membership gets you:

**ALL the benefits of full individual membership EXCEPT workshops/conference/ meetings.**

If you are unlikely to ever reach an event in person you don't have to miss out on all the other benefits.

Online membership is just **€90pa**.

Join **ONLINE**