

AKAM BULLETIN

The Association for
Key Account Management

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**What do you think about
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editorial



Dr Diana Woodburn

AKAM Chairman



www.a4kam.org



AKAM

The Association for
Key Account Management

Technological University Dublin,
School of Marketing, College of
Business, Aungier Street, Dublin 2,
D02 HW71 Ireland

Registered in Ireland No: 599726

Email info@a4kam.org
Website A4KAM.org

KAMaraderie

I'm really excited to confirm our first face-to-face meetings for nearly 3 years! We hope to meet as many of you as possible in Dublin in November (see p4) and have some great discussions about KAM and key customers in particular. The full day meeting on the Wednesday continues our successful formula of expert presenters alternating with networking breakout groups to debate and develop their ideas. I can't wait to have some proper KAM conversations after all this time!

On the Tuesday afternoon Prof Joe Coughlan will lead a small group workshop on Finance and Forecasting for key account managers. Sorry to say, I've come across far too many key account managers who are woefully unable to handle the sometimes complex financial issues and opportunities around key customers or, indeed, even some of the relatively straightforward ones. If you're not confident talking to finance people in your customer on your own company - and you should be - this workshop is for you. Group size is limited, so sign up early.

We are also accepting applications now for next year's Postgraduate Certificate and course in KAM (p7). It's a great opportunity for organisations to get their less experienced Key account managers properly educated and qualified in KAM, but also for individuals to gain the KAM knowledge that their company might not have supplied. It's designed to be delivered entirely online, so you can do it in your own time, wherever you are in the world.

Plus.... it's time for you more experienced key account managers to enter the Key Account Manager of the Year Award (p10). We want to recognise, publicise and celebrate great key account managers, because they're worth it! And perhaps you're one of them? You'll never know unless you apply. We make that very easy - tell us what you've done for your customer and your company in just 500 words. This year there is extra help to understand how to apply in a webinar on 7th October with last year's winner and one of the judges. And you don't have to be a member to enter.

There's some great advice from Dominykas Cibulskas on getting round barriers to KAM (p13). And we have combined the results of the survey on Performance and Rewards with the outputs from a Programme Directors Forum in a substantial article on the subject (p6) - thanks to all of you who responded to the survey. It's disappointing but not news that, although other performance criteria are apparently applied and talked about, they fall away when it comes to rewarding performance, which is largely based on sales results. Responding key account managers don't think this is the right approach, and neither does AKAM.

Lastly, we really want to know what you think of AKAM. Whether what we do is useful to you, how we can help you, what might we do differently? This short survey is online but it's all laid out to view on page 12, it won't take long to complete. These are things AKAM needs to know, please help us understand.

Hoping to see you in Dublin and best wishes,

Diana

Dr. Diana Woodburn
AKAM Chairman woodburn@marketingbp.com or info@a4kam.org

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calendar 2022

Webinars on Zoom

To register for members-only webinars [click here](#), for open webinars [click here](#)

▶ **Open webinar**
Friday,
7th October

What makes a high-performing key account manager?

Thierry Josselin, Key Account Manager of the Year, 2021

▶ **Open webinar**
Friday,
9th December

How to Manage Internal Stakeholders

Adrian Davis, President, Whetstone Inc.
Principal Partner, The Summit Group

Face2Face Workshops, TU Dublin

Tuesday 8th
November,
13.30-17.30

Half-day AKAM 'Technical' Workshop Finance and Forecasting for key account managers

Prof. Joe Coughlan, Maynooth University

Wednesday 9th
November,
9.30-16.30

Featured event - Focus on Customers

How to win with Procurement
Jens Hentschel, FIVIS

What does a customer want from KAM?
Stephen Martin, Huws Gray Ltd

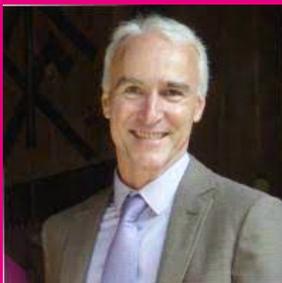
Purchasers are from Mars
Dr Bert Paesbrughe, IESEG

- 4-5 **AKAM events: 8th & 9th November in Dublin** - Focus on Customer + AKAM Technical on Finance and Forecasting
- 5-10 **Rewarding KAM Performance** - Are we getting it right? Survey results + views from the Programme Directors Forum
- 12 **The road to successful KAM roll-out** - How to ensure KAM implementation

Plus
- 6 **PostGraduate Certificate in KAM**
- 9 **Key Account Manager of the Year 2022**
- 11 **What do you think about AKAM?**

Open Webinar Friday 7th October

What makes a high-performing key account manager?



Thierry Josekin
Axcelis France
Key Account Manager
of the year 2021

Thierry Josselin, of Axcelis France, won the Key Account Manager of the Year Award in 2021. In this webinar Thierry and Alistair Taylor, one of the Award judges, will work out what kind of actions and behaviour results in a great performance as a key account manager – and the kind of performance likely to win this year's title!

Match yourself with their criteria to find out how to up your game, and maybe even become Key Account Manager of the Year 2022 (see p 8). You'll learn how to get to the next level with your customer and company anyway.

Step 1: Understand what you're aiming at - join the webinar

Step 2: Write a short account of your performance and submit it (for more info, <https://a4kam.org/key-account-manager-of-the-year/>)

AKAM's First Face2Face Post Pandemic Meeting

November 8&9th - Dublin

AKAM meetings are truly interactive. There are lots of opportunities for you to discuss and develop critical ideas with participants and experts; that way, you can learn much more while building your personal KAM network.

[LEARN MORE & REGISTER](#)



Featured Event: Focus on Customers

Wednesday, 9th November |
TU Dublin | 9.30 - 16.30

AKAM Technical: Finance & Forecasting

Tuesday, 8th November |
TU Dublin | 13.00 - 17.30

Focus on Customers- Wednesday, 9th November, TU Dublin | 9.30 – 16.30

Key customers are complex and, in all probability, so is your own organisation. It makes it easy to misconstrue what customers really

want, and what will succeed with them. A lot of time and resources are wasted on offers and activities that make no difference, why the real levers are overlooked – through ignoring them or just ignorance?

So this meeting focuses on

customers with three presenters, experts in their fields: one is a real customer on the receiving end of KAM; another will concentrate on Procurement – really important but not the only ‘customer’; and the third is an expert on collecting the genuine ‘voice of the customer’.

How to win with Procurement



Jens Hentschel
Founder, FIVIS

- What Procurement expects from their suppliers and their KAMs.
- How to build a winning business relationship with them

What does a customer want and expect from KAM and key account managers?



Stephen Martin
Service Support Director, Huws
Gray Ltd Building Supplies

- Suppliers make too many assumptions about what customers want
- What's different about the best suppliers versus the average?

Purchasers are from Mars, Key Account Managers are from Venus.



Dr. Bert Paesbrugge
Professor of Sales Management,
IESEG School of Management

- The painful gap between customer-centricity and reality
- Key elements of an excellent Voice of Customer program

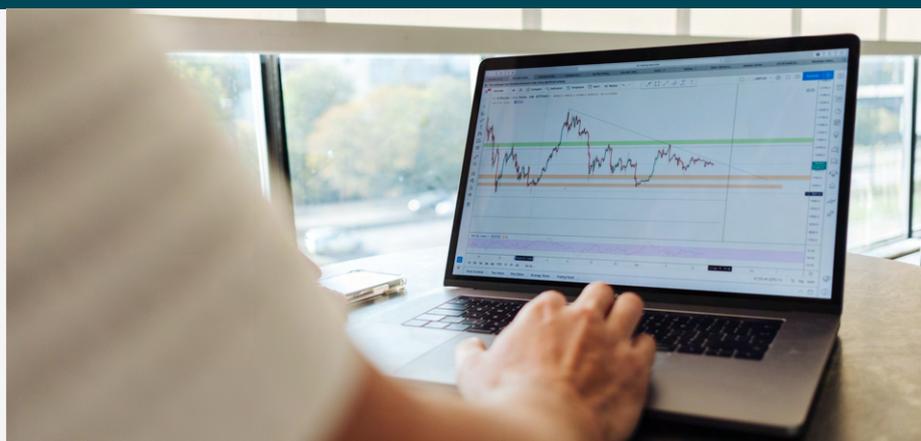
AKAM's back! Two invaluable, Face2Face workshops at TU Dublin

AKAM Technical

AKAM Technical | Finance & Forecasting | 8th November, TU Dublin | 13.00 – 17.30

Do you handle financial issues confidently? Seemingly minor decisions can have major financial impacts in key accounts. This is your chance to gain access to a rare opportunity - the right kind of financial training for a key account manager.

This interactive hands-on session will focus on forecasting and budgeting for sales in a key account context. Participants will work on Excel based scenarios which will provide knowledge on how to build costs and budgets for key account forecasts and how to present these as business cases for authorization. This promises to be a useful session for those wishing to build on their existing financial knowledge base.



This Finance & Forecasting session includes:

- Costing and budgeting for key accounts.
- Forecasting in strategic account plans
- Presenting business cases for authorization

Speaker:



Professor Joseph Coughlan
Maynooth University

Professor Coughlan has educated thousands of individuals in business finance and his graduates have key positions in Irish and international industry.

Membership packages for Individuals

- ▶ **Full individual membership** gets you:
 - workshops/conference meetings, normally (pre-and post-Covid) 3 AKAM Technical workshops alongside 3 full-day participative meetings around Europe
 - member-only webinars
 - access to Member Resources, 200 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

For Organisations

- ▶ **Corporate Membership** gets your organisation:
 - Virtually unlimited number of memberships with access to the website, webinars and meetings (when possible)
 - 2 memberships of the Programme Directors Forum
 - seat on the AKAM Board with opportunity to influence its direction
 - close engagement with and support from AKAM

Designed for large companies and universities wishing to reach and support their KAM people 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.

- ▶ **Programme Membership** gets your organisation:
 - **10 memberships**
 - 2 memberships of the Programme Directors Forum, normally meeting in person once per year plus bimonthly virtual meetings
 Designed to give expert and peer support to KAM Programme Directors to help them develop KAM in their organisations. You will benefit from the experience and practical advice of peers on issues chosen by the members. Tangible benefits for €2500pa. [Click here](#)

Special offer: 'Cluster' membership - 4 for the price of 3.

If there are 3 people in your organisation who would like to join as Full members, we'll give you one extra Full membership FREE. Go to A4KAM.org/ [Join AKAM](#), easy sign up with any credit or debit card.

Rewarding KAM performance: survey findings

Many thanks to all of you who responded to our 10-question survey on Key Account Management performance & rewards. What did we find out?

Rewarding KAM - actually, rewarding key account managers - is far from simple. Rewards are generally linked to performance, and there are different views of what constitutes performance in KAM. Furthermore, while most organisations hope that rewards act as incentives, there are some approaches which actively disincentivize desirable outcomes. This article will look at some of these issues and incorporate the results of our latest survey on the subject.

NB The survey sample includes strong representation from pharma: major differences from the rest will be noted.

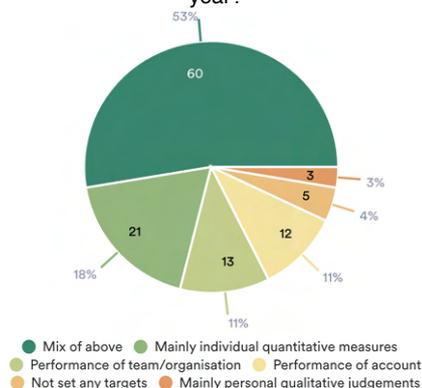
Is performance about quantity or quality?

And is it about the quantity or quality of inputs or outputs? To what extent is it about elements for which key account managers are responsible? There can be many factors beyond the control of the key account manager that intervene in achievement of delivery of sales and payment - like supply rationing, project implementation issues, acquisitions and takeovers and many more. Key account managers don't generally have much impact on such issues, but they are surely responsible for their own behaviour.

Assessing performance

112 key account managers responded to AKAM's survey on performance and rewards between July and September 2022. Assuming that each organisation would define the performance required in terms of individuals' objectives, the survey asked, 'What kind of targets/objectives/KPIs are formally set for you at the beginning of each year?' Most have a mix of quantitative and qualitative objectives set for them, particularly individual quantitative measures

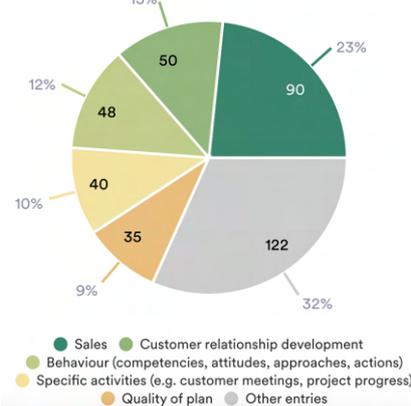
What kind of targets/objectives/KPIs are formally set for you at the beginning of each year?



(c. 20%). A few (<5%) are not set any, which is a surprise.

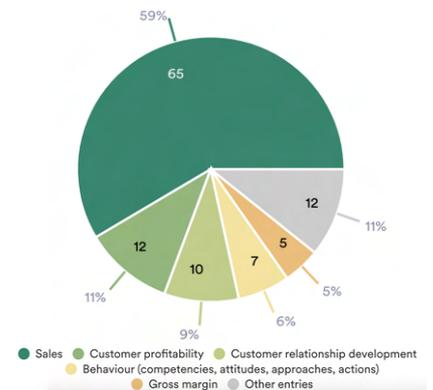
To find out which were most important the survey asked, 'On what is the assessment of your performance as a key account manager based?' Respondents could choose multiple factors and averaged 3.5 each, so at first sight it seems that organisations are applying a balance of criteria. Financial criteria, i.e. sales and customer profitability made up one third; relationship development, behaviour and activities a further third; and other factors the last third.

On what is the assessment of your performance as a key account manager based?



However, that masks the fact that 80% of respondents cite sales as at least one of bases on which their performance is assessed. And when asked, 'Which is the most important factor (receives the most attention)?', the emphasis on results, particularly sales, is much more stark. Nearly 60% say it is sales, and a further 16% cite customer profitability and gross margin, so the performance of three quarters of respondents is really judged on financial outcomes.

Which is the most important factor (receives the most attention)?



Are organisations getting it right?

Key account managers don't agree with the dominant use of sales in their assessment. When asked, 'In your view, what factors should be included in the assessment of your performance as a key account manager', 4 factors are chosen on average and financial outcomes almost disappear: they certainly aren't one of key account managers' top five factors. Indeed, the top five are all clearly within the responsibility of the key account manager, highlighting their view of the dislocation between inputs they can deliver and outcomes influenced by many others:

In your view, what factors should be included in the assessment of your performance as a key account manager?

Customer relationship development	18%
Customer Feedback	13%
Behaviour	13%
Quality of plan	12%
Specific activities	11%
Others	33%

Continued on Page 8

2023 Postgraduate Certificate in KAM

Register now for the 2023 Postgraduate Certification in KAM - totally online

Starting mid-January, through to September 2023.

[LEARN MORE & REGISTER](#)



Samuel Mmusi,
South Africa, Student 2022

"I am really grateful for this offering, it was way beyond my expectation. The quality of education is high and appropriate for what I do as a Key Account Manager, and it has broadened my knowledge of the type of work I do and the role I play in my organization."

Who should do it?

Created for people in work, designed particularly for:

- from new up to 3/4 years' experience as a key account manager
- other positions aspiring to be key account managers
- more experienced key account managers who have missed out on proper KAM training.

'I'm so glad I've done it. It's been super-helpful.'
Monique Esmay, USA

What's involved?

- Study from January to September 2022
- Access online lectures when it suits you, part-time
- 6 live online tutorials
- Practical assignments based on set exercises and exploration of your organisation and a key customer
- Significant commitment of time, but all of it practical and useful in the job
- Fee 3000€, no extras

"A wonderful explosion of learning"
Mirella Tarulli, Australia

What do you get?

- Thorough grounding in KAM
- Independent qualification
- 30 ECTS (European Credit Transfer points)
- Subject expert lectures with engaging exercises
- Demonstration of KAM insight and competency to employers



Santiago Medina,
Colombia, Student 2022

"It was an excellent journey to enhance the knowledge in key account management while also learning on how to properly apply the theory in practical cases. With interactive lectures, tutorials to share experiences and a deep dive on creating an efficient account plan, the course provides all the necessary resources to boost the key account management program in your organization."

Pure KAM. Because if KAM is what you want to do, why spend your time on something else?

The PostGraduate Certificate in KAM has been accredited through a collaboration between AKAM and the Technological University of Dublin.

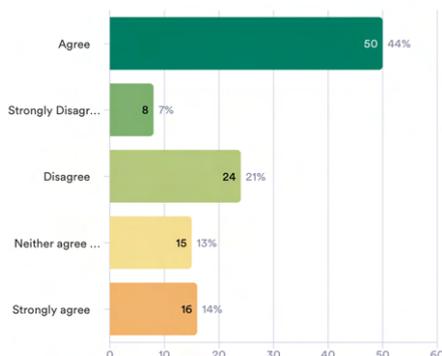
[LEARN MORE](#)

Rewarding KAM performance: survey findings (cont)

So, interestingly, the conclusion would seem to be that key account managers are at odds with their organisations in terms of how their performance should be valued and assessed.

But at the beginning of the survey they were asked whether they think 'My organisation's approach to performance and rewards properly reflects my job as a key account manager and my performance' and half agree, which rather contradicts the results of the previous question - although a third still disagree. Maybe views change as respondents get deeper into the issues?

My organisation's approach to performance and rewards properly reflects my job as a key account manager and my performance



Nevertheless, overall the survey suggests that a lot of organisations are not getting performance and rewarding right. Key account managers, the 'owners' of the performance, don't necessarily think that the right balance has been struck.

Quantitative versus qualitative

One possible cause may be the managers often prefer to use metrics rather than qualitative judgement to assess performance, but that can be a 'cop-out'. Metrics can be manipulated and may not be as neutral and objective as they assume. However, presenting them as independent, unarguable facts serves to distance the line manager from the assessment. Then they don't have to feel uncomfortable

about delivering a negative review – it's not their judgement, not their responsibility.

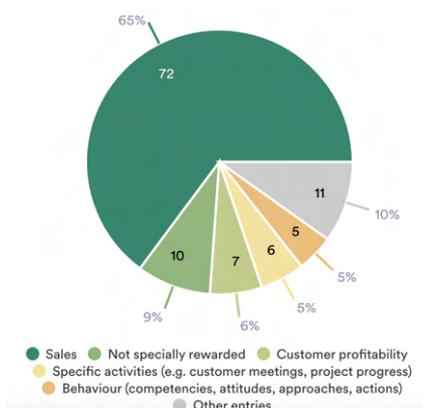
Of course, metrics have a role to play but should not be used exclusively. Simply rewarding by metrics requires no management thinking and is inappropriate in assessing complex activities and behaviours like KAM.

Rewards = incentives?

The issues with performance assessment become more acute when linked with rewards. Generally, rewards are seen as incentives, and if that's the case, the way they are applied will drive key account managers' approach.

When asked, 'On what basis is your reward calculated?', the response is overwhelmingly 'sales': two thirds of respondents say so (as did pharma). 14% of the non-pharma sample are not specially rewarded at all, but this doesn't happen in pharma.

On what basis is your reward calculated?



It's arguable that this emphasis on sales will be by far the strongest driver in determining key account-managers' activities. It implies that they are encouraged to take more immediate routes to achieving sales results, potentially discouraging investment of time and energy in actions that have a longer-term payoff.

What rewards?

In an earlier research project (xxx) three types of rewards were found:

- Bonus cash
- Salary increase
- Recognition

Cash bonuses were the most commonly used, probably because companies are comfortable about paying them from achieved business, and feel that they don't constitute any future commitment. Actually, that often isn't the case, as key account managers become habituated to receiving a bonus and some companies feel obliged to fulfil expectations, even when the market is down and sales less than in previous years.

Commitment is the issue with salary increases because they continue after the period of success, regardless of future results. They can also distort the organisational hierarchy, so that a successful key account manager could end up earning a higher salary than their line manager or another job in the company seen as equivalent. This kind of reward is much less popular.

Recognition consists of a range of rewards which may or may not have a cost attached to them. Things like weekends away, entertainment events and training courses obviously cost some money, while trophies, publicity and access to senior people are more or less free of charge. However, recognition is probably more powerful and lasting than bonuses: money is easily absorbed and forgettable, when recognition is more memorable and can even be a means to change cultures. For example, a trophy for KAM teams conveys a very different message from an individual sales trophy.

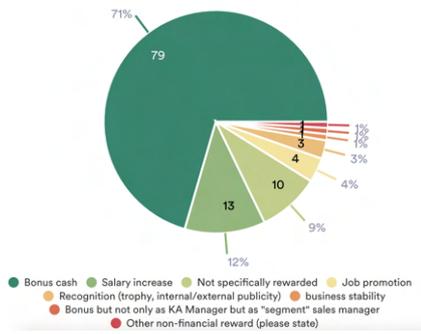
Recognition only works if the individual values the reward. For some people, being known to and meeting the global CEO would be a great event, but it might even be a burden to others! They might be much more motivated by a weekend on the beach. It requires the line manager to really understand the individual and put an effort into

Rewarding KAM performance: survey findings (cont)

coming up with the right kind of recognition for each. Sadly, earlier research concluded that not many organisations had line managers of the calibre to do that job.

And so organisations mainly fall back on cash to reward KAM. When asked, 'With what are you rewarded for your performance as a key account manager?', nearly three-quarters reported bonus cash, only 12% a salary increase.

With what are you rewarded for your performance as a key account manager?



Rewards = drivers

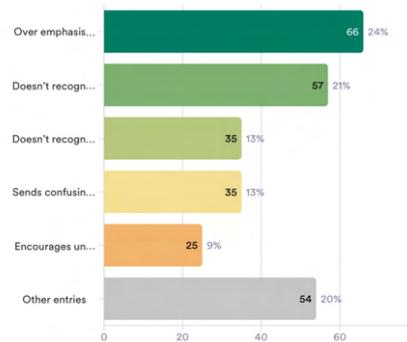
The size of the bonus relative to salary may determine its strength as a driver. A quarter of key account managers reported that their bonus is less than 10% of salary for them. In response to the question, 'If you receive a bonus for your performance what approximate percentage of salary is it normally?'. It's 10-20% for about a third (a bit more in pharma) and a fairly similar number get 20%+ (fewer in pharma). It must be a powerful driver for the few who receive 40%+ bonus on sales (virtually none in pharma), which is more commonly a model for salespeople, and even 20-40% seems likely to strongly influence activity.

If you receive a bonus for your performance what approximate percentage of salary is it normally?



Key account managers had some decided views on the question, 'Are there any downsides of the current approach? If so how would you describe them?' Multiple answers were allowed, but they averaged just 1.25. Top of the list were 'Overemphasises sales/short term results', and 'Doesn't recognise important inputs like relationship building and strategic account planning'. 'Doesn't recognise the customer's point of view' and 'Sends confusing/mixed messages about the key account manager role' were also significant.

Are there any downsides of the current approach? If so how would you describe them?



Rewards characterize key account managers

The reward scheme is a strong indicator of how an organisation views its key account managers. Where they are rewarded on the financial success of the company they are seen as part of the management team, and where rewarded on sales to their accounts they are seen as salespeople.

There are two types of key account manager, with key differences:

- basically salespeople, motivated by low security/ high risk/ high immediate reward/ winning
- key account managers motivated by high security/ low risk/ longer term reward.

Companies recruiting 'oven ready' key account managers tend to overvalue sales success as a criterion, which will result in the acquisition of more salespeople for

the KAM job. That perpetuate a dominant sales culture in KAM, which can be difficult to recognise and therefore hard to overcome.

Companies normally need both salespeople and key account managers, but shouldn't mix them together: the organisation can't cope with the distinction and ends up blurring them all together. Salespeople should be kept separate from key account managers (separate team, separate department).

Salespeople do the deal, walk away and don't get involved with delivery afterwards. Key account managers need to be good relationship builders with longer-term goals who manage larger customers with longer installations and ongoing processes, and should be judged quite differently.

Rewarding sales

There are differences of opinion among managers on whether bonuses for sales to the key account manager's own key account(s) are beneficial, partly depending on:

- views of whether driving short-term sales behaviour was positive or negative
- beliefs about whether it's possible to have 'hunting and farming' all in one person. (Ed: in my view, hybrid hunters/farmers are very rare)

Hunters may give 'a shot in the arm' to a key account or KAM team, but they tend to want to move on quickly, and don't give the customer the continuity they prefer.

Rewarding sales is likely to promote short-term/ self-centred behaviour/ more immediate sales growth, compared with longer term/more team behaviour/ more relationship

Key Account Manager of the Year Award, 2022

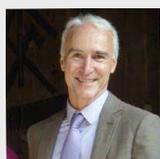
Recognising & celebrating top key account managers

[LEARN MORE & APPLY](#)

You don't think that's you? You may be wrong. Why not let us be the judge of that?

It isn't necessarily about the biggest sales result. The judges are looking for:

- Depth and breadth of customer understanding
- Creativity (of any kind, offer/support/new approach...)
- Customer value
- Contribution to your organisation's strategic objectives

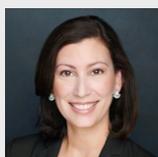


Thierry Josselin,
Key Account Manager of the Year 2021

"The Key Account Manager of the Year award was a great opportunity for me to formalize the methodologies developed over the years and to describe at high level the tools and strategies utilized. Only filling the application form was already a great achievement and feeling!"

KAM is a long game, so it isn't just how you've made a difference for your customer in the last 12 months, we'll consider what you've done over the last 3 years. Tell us about it, in just 500 words. There surely will be things of which you are justly proud!

Even if you don't win, just reflecting on what you have done is really rewarding, giving perspective to what you have achieved and helping to revitalise your approach. Just think about it!



Maggie Free,
Key Account Manager of the Year 2020

"The Key Account Manager of the Year award provided me with the opportunity to present my work and learn from thought leaders in the field. I am beyond grateful for the difference it made for me and with my employer!"

Join the 7th October **webinar** on 'How to be a high performing key account manager and win the KAM of the Year Award 2022'

With **Thierry Josselin** and Award Judge **Alistair Taylor**

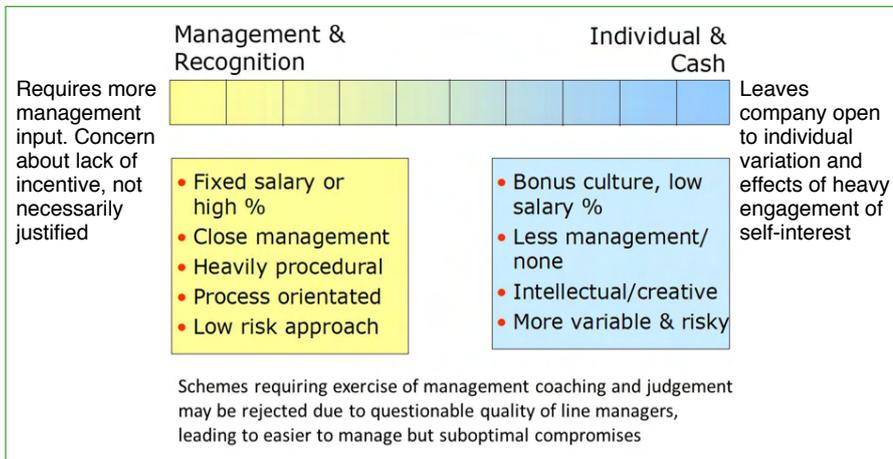
As a high-performing Global Account Manager, Thierry was tasked with delivering a partnership between his company, Axcelis, and a customer challenged to meet the needs of its own customer in the very fast-growing electric vehicle market.

Thierry demonstrated a true passion for key account management, blending strong KAM disciplines with creative approaches. He developed high levels of insight about the customer and market and deployed them to motivate positive team behaviours, and more....

[LEARN MORE ABOUT THE WEBINAR](#)

Winning can do great things for your career - and your company
Click **here** to find out what to do.

Rewarding KAM performance: survey findings (cont)



compared with longer term/more team behaviour/ more relationship development/potentially less immediate sales growth. Diverse companies in a research group agreed that if a key account manager has any sales-based bonus, it should be a substantially lower percentage than for a salesperson, in order to achieve an appropriate balance of behaviours.

The spectrum of KAM management

An earlier research project identified a spectrum of approaches to performance management and rewarding.

Companies at both ends of the spectrum tended to think they should change their approach towards a balance somewhere in the middle. 'Management and recognition' companies were afraid of complacency among their key account managers, while 'individual and cash' companies felt they had no control over their key account managers, who worked solely for their bonus and dropped any activity that would only have a longer-term pay-back.

At the 'management and recognition' end of the spectrum, key account managers tend to be rewarded based on the financial success of the company as a whole and their Personal Development Plan, agreed between the line manager and key account manager

The PDP may be set according to improvements on specific requirements which can be anything, including behaviour, activities, sales and developments in the key account.

'Individual and cash' companies effectively show their key account managers a big pot of gold and leave it to the individual to work out how to get it, with minimal management guidance and support. Even this approach requires target-setting, though. Targets should be very carefully determined for each key account separately, to avoid their becoming distinct disincentives to optimisation, as they often are (see reference Franco-Santos & Bourne, 2008). It isn't always possible to know what targets should be and setting them for key accounts requires a high level of insight and capability, which is often lacking.

The extreme 'individual and cash' approach can be seen as an abdication of management, since it depends on each individual to interpret the job for themselves, and is therefore rather inconsistent and risky. It's hard to see the value of line managers in this approach. Commonly, the leadership team understands and supports KAM, but below that country managers and line managers who have reached their position by being successful at something else – often traditional sales - regard KAM as sales and (mis)manage key Account Managers

accordingly.

A group of companies regretfully agreed that their line managers probably weren't good enough to support key account managers, and wondered whether that was cause or effect? Do they not add value because they aren't sufficiently capable? Or because such capabilities are not valued?

Overall conclusions

- Key account managers' performance still depends heavily on sales results: other factors have considerably less weight.
- KAM performance is most commonly rewarded with a bonus, leading to the conclusion that largely sales-based rewarding with cash is likely to drive key account managers towards short-term activities, and not encourage activities deemed important for successful KAM.
- A good proportion of key account managers don't think their organisation is using the right balance of performance indicators and rewards.
- The way key account managers are rewarded indicates and characterises their positioning in the organisation.
- Key account managers and salespeople should be rewarded and managed distinctly differently.
- Recognition could be used as a more powerful reward, offering better value for money if the quality of key account managers' line management were good enough - which it often is not.

By Dr Diana Woodburn,
AKAM Chairman

For further information on this topic, members can [click here](#).

Reference Targets: 'The impact of performance targets on behaviour: A close look at sales force contexts', 2008 Monica Franco-Santos & Mike Bourne

What do you think about AKAM? Feedback survey

Please help us! We need to understand. But don't worry – this is going to be quick!
Members AND non-members

[Click here](#) to give us your feedback online

- 1 **Which AKAM activities are useful to you? (tick any that apply)**
 Events/meetings Webinars Member Resources KAM qualifications AKAM Bulletin
 None of these Other (please state)...

- 2 **Which is most valuable to you? (tick one)**
 Events/meetings Webinars Member Resources KAM qualifications AKAM Bulletin
 None of these Other (please state)...

- 3 **Which specific KAM topics would you like AKAM to address? (as many as you like)**

- 4 **What could AKAM do better/more of?**

- 5 **What would encourage you to engage more actively with AKAM? (Members and non-members)** _____

- 6 **How would you describe your overall view of AKAM? (tick one)**
 Very Positive Positive Neither positive nor negative Negative Very Negative
 Please say why: _____

- 7 **Why did you/might you join AKAM? (tick any that apply)**
 Keeps me up to date with KAM ideas Provides KAM support not available from my company
 Allows me to network with KAM people Offers personal KAM education
 Helps me educate my company in KAM Other (please state)...

- 8 **(For non-members only) What stops you from joining AKAM? (tick any that apply)**
 Doesn't give me anything I need Don't see the point of joining any professional organisations
 Already know all I need to know about KAM Too busy to engage Can't afford it (Online €90/ Full €180 pa)
 Can't persuade my company to join/pay the subscription Other (please state)...

- 9 **AKAM membership: are you currently:**
 Individual member Online member Non-member Corporate member
 Ex-Individual member Ex-Corporate member Don't know/none of these

- 10 **What is your role in KAM (tick one)**
 Key account manager/director Salesperson KAM Programme Lead Other (please state)...

Thank you so much for your feedback, it's really valuable to us

The road to successful KAM roll-out



By Dominykas Cibulskas and Jon Gilbert

Creating a key account management programme can be one of the most challenging yet rewarding projects an organisation can implement. Follow a structured approach engaging the whole organisation, and the chances of success are high. However, without the highest levels of support, a comprehensive communications strategy and a clear understanding of objectives, the programme can hit roadblocks compromising its potential.

How can you ensure that those roadblocks do not thwart your KAM programme?

Deciding to implement KAM

The success of KAM in an organisation starts from the decision to introduce the new structure. As key individuals build their

understanding of the benefits of KAM, a move to implement the strategy must be managed correctly.

When the company is making this pivotal decision, ensure the following elements are in place:

- KAM is being driven by a board-level sponsor. Without senior leadership engagement, successful implementation is virtually impossible. The board must be prepared that results will not be instantaneous.
- Realistic expectations of KAM that align with company objectives. KAM is not a short-term fix. Sales strategies bring short-term results. KAM is a major organisational change and can take a long time to bear fruit. The business must be ready to plan for the longer term when implementing KAM and all staff must understand what is expected.
- Challenge any assumptions that this is an upgrade of the company sales programme. KAM is something quite different, developing long-term relationships with your best customers,

generating mutual value.

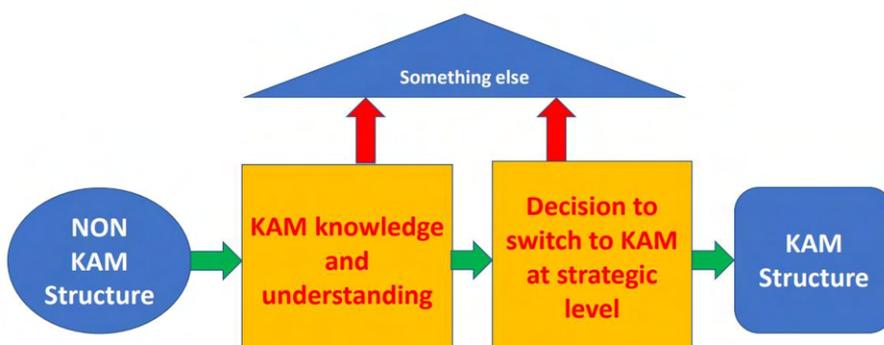
- Ensure there is an appetite to invest in KAM. Time and money will need to be invested to get maximum value over the longer term. This must be understood across the organisation.

Implementation

Once the decision has been made, the quality and management of the implementation project will make or break its outcome. There will almost certainly be a project owner. Make sure this person has the gravitas within the business to drive KAM across all departments. The board-level sponsor is equally vital in developing and communicating the strategy to all stakeholders.

You can significantly reduce the likelihood of unwanted obstacles by adopting the following practices:

- Ensure one person is not left with the sole responsibility of delivery. The requirements of KAM across a business are too broad and varied for one person to be able to manage effectively.
- Build a competence centre or team. This should include personnel from across the organisation. Create a multi-disciplinary taskforce that can run the project, spread communication, and build engagement. This will help overcome the challenge of the solo leader.



The road to successful KAM roll-out (continued)

- One of the absolute must-haves of the implementation project is to communicate to all staff what KAM is, why the company is introducing it, and what it means to them. Any company implementing KAM is undergoing a major change that can take several years and see a wholesale shift in processes, systems, objectives and culture. Getting communication right acts as the foundation for a successful KAM programme.
- Once you have the right personnel on the project, create a plan that defines clear objectives, key milestones, and deliverables. Continually measure and monitor to ensure you are on track. This will help you identify slippage, allowing for prompt remedial action to get back on track.
- If your people do not understand KAM and its long-term objectives the chances are your KAM team will be faced with responses common to those who have hit implementation bottlenecks:
 - 'I don't have the time to do that'
 - 'It's not my job'
 - 'We don't have the resources'
- To avoid company apathy or resistance it is vital that KAM and its importance to the business is communicated from the top down. The board sponsor must take a leading role in this alongside the project owner if a different person. A competence team will support this across all parts of the organisation.

- The implementation plan must define resources needed and ensure these are in place. Failure to do so can lead to overload, missing targets, and the kind of responses described above. Building tension between departments through poor planning and lack of communication is not the way to deliver KAM.
- Prioritise. No business can implement KAM by changing everything at once. Choose three or four key areas that will deliver greatest progress and focus on those things within your plan. Your organisation will need to change significantly. Doing things gradually helps your people become used to the importance of key accounts and to deal with the effects of change.

The diagram (bottom of the page) shows the transition process from Non-KAM to KAM within an organisation. It is a useful guide to the steps required to move the organisation through implementation to a mature KAM structure.

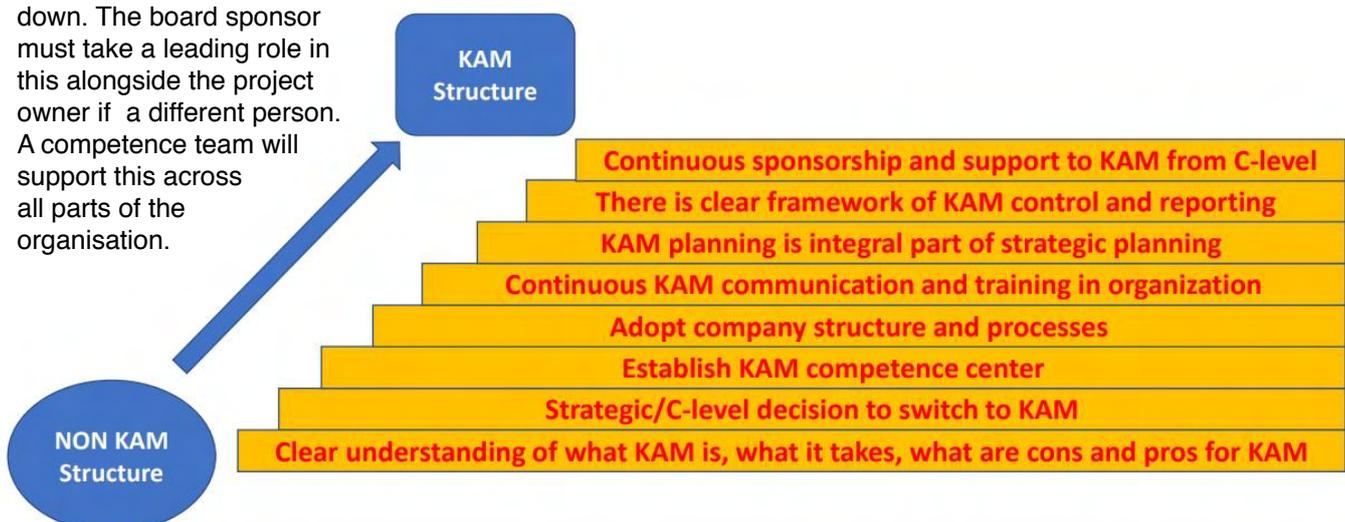
Deciding to implement KAM

Once the plan is in place, the business must decide who its key accounts are. This may sound simple but in practice it takes a lot of thought and a structured process.

The criteria for choosing those accounts will differ between companies but there are some fundamentals to keep in mind.

- 1) Identify those accounts most likely to want to collaborate with you for the long term. Are there clear synergies or strong multi-level relationships already in place between the two companies?
- 2) Where is the greatest mutual value generation? How can you leverage your strengths to make the biggest gains whilst delivering maximum benefit to your customers?
- 3) Which accounts offer the best balance between cost to serve and revenue and profit growth?

It is essential not to add every large customer to the KAM portfolio. In fact, it is advisable to start as small as possible, giving the KAM team and their colleagues the opportunity to design and implement new processes and learn new disciplines without getting overloaded. Between five and twenty accounts is a sensible starting point for a new KAM structure. In fact, if a business is managing its KAM operation successfully, it is likely to have a manageable client list. Global players rarely have more than 100 but even 50 is too many.



The road to successful KAM roll-out (continued)

Key Account Plans

Once KAM is operating, the business will deliver the best results through the quality of its key account plans. Select key account managers carefully and train them well. Remember, great salespeople are often not your best key account management candidates. They need to be able to influence internally and externally. A key account manager will have to think in strategic terms.

Knowing how to create a realistic, financially robust, strategic account plan is a difficult and time-consuming task that requires specific skills. The business has an opportunity to allow the competence team mentioned earlier to work together to create a format of a strategic plan that works for the business in all its areas. This should be agreed by the board, ensuring alignment with company objectives and strategy. The more the board is involved in this process the better. Too often C-Suite leaders admit that whilst they are happy for the business to write key account plans, they never read them. That is because they do not understand the benefits of KAM and are not engaged in it.

Drafting strategic plans are another opportunity to get closer to your customer. This should be a collaborative process, reflecting their needs and objectives as much as your own. This is the time to find new ways to serve customers, to reduce costs or improve efficiency. Can a customer need lead to innovation in product or service development within your organisation? What is happening in the business ecosystem that could affect either business? How do you plan to respond to those challenges together?

Once the format is agreed, the key account managers must be measured on the effectiveness of

their plans and whether they are delivering against them. Remember, this is not a singular operation. An effective key account plan should be continually evolving. Many KAM teams review the plan with their customers at least annually and at more regular intervals internally.



Empowering the KAM team

The organisation will have to accept that the KAM team is vital in building long term relationships with key accounts. As a result, it is imperative that the team is empowered to act on behalf of those accounts. Whether resolving customer service issues, addressing cost implications, finding improvements to processes, or suggesting system changes for better information flow, their input will intrinsically affect how successful the KAM strategy is.

The C-Suite must understand the importance of its KAM team and be prepared to delegate responsibility as much as possible. Assuming the recruitment process has been carried out effectively, key account managers can drive the business towards its key account goals and ultimate business objectives.

Conclusion

Implementing KAM can deliver major growth and the highest levels of customer loyalty to those that get it right. However, it takes a lot of effort and time to achieve. Here are the most important considerations for an implementation programme with minimal roadblocks:

- 1) Be consistent in KAM decisions. That way everyone knows what to expect and why actions are being taken.
- 2) Focus and prioritise. Like everything in life, the things you focus on are the ones you do best. You are more likely to achieve your objectives if they are realistic, aligned across the business and not too plentiful to make success impossible.
- 3) Lead from the top down. Without board level support and sponsorship, the necessary drive to achieve required organisational change will not happen.
- 4) Recruiting the right key account managers is essential. Selecting the right key accounts is equally so. These decisions will materially affect your KAM success.
- 5) KAM is not sales. If the leadership team is looking for short-term fixes to business performance, it needs to focus on leveraging sales. For those that believe long term relationships delivering mutual value are the basis of business success, KAM is the answer. The focus on the long term is the key. KAM can often take several years to reach steady state and see improved business results.
- 6) You cannot over-communicate. KAM requires a major change in process, systems, data, finance, and culture. The project leaders have a serious responsibility in helping all personnel understand their roles and responsibilities, why KAM is being implemented, what it means and so much more. This is the heart of any successful project. Given KAM is about building long term relationships, it could not be any more important.

By Domiykas Cibulskas
dominykas.cibulskas.consult@gmail.com
 & Jon Gilbert