



Best Practices in Major Account Management

A questionnaire to help you to identify improvement priorities

Completing the Questionnaire

Purpose:

This questionnaire is used in the early stages of account management projects to identify potential system, strategy or training priorities. It includes 50 statements which characterise “best practices” in our clients’ major account management.

Completing the Questionnaire:

Your response to each statement may be in three parts. If the statement is irrelevant, please leave blank.

(a) Tick column (a) if this statement is substantially true in your business now.

(b) In column (b), please indicate the extent to which you are taking or intend to take action to improve effectiveness. We have offered three levels of intent:

“High” (H) A high priority to change processes and practices in this area.

“Medium” (M) Identified as needing improvement but not high on the priorities list.

“Low” (L) Little action required other than routine “continuous improvement”.

(c) What are the **key issues** or **actions required** in the highest priority areas.

Returning completed questionnaire:

If you would like a free second opinion, please return your questionnaire(s) to John Sergeant or hold for discussion at scheduled meetings.

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	(a)	(b)			(c)
1. Account Management Focus	✓	Action?			Issues/ Action required
		H	M	L	
1.1 We have dedicated Major Account Managers (i.e. without field sales team management responsibilities)					
1.2 MAMs have practical job descriptions and performance measures and are appraised against these at least half yearly.					
1.3 Major Account Managers are accountable for profit (i.e. our company's profit result)					
1.4 The MAM role includes focus on improving customers' profit (customer sales effectiveness, cost reduction, product mix enrichment, etc)					
1.5 MAMs are accountable for customer service and measured on service performance					
1.6 MAMs are able to concentrate on " value adding " activity (i.e. rather than becoming bogged down in routine problem resolution: stock & credit issues, etc)					

	(a)	(b)			(c)
1. Account Management Focus (continued)	✓	Action?			Issues/ Action required
		H	M	L	
1.7 Senior Sales Managers actively remove performance “roadblocks” (i.e. help MAMs to maximise personal productivity)					
1.8 All relevant customer decision makers / influencers have a clear view of your account management structure, roles and responsibilities					
1.9 Account managers have the most appropriate decision support tools (technology and analytical support, planning processes)					
1.10 Account Managers have effective selling tools (range presenters, new product literature, POS materials, concise monthly review formats, proformas for major reviews/joint business development presentations)					

	(a)	(b)			(c)
2. Customer Knowledge	✓	Action?			Issues/ Action required
		H	M	L	
2.1 MAMs know who makes or influences decisions in their major accounts and how the purchase process works					
2.2 There is a formal process for researching customer's business needs					
2.3 We have a clear view of customers' strategies and plans					
2.4 There is a database by account, easily accessible to all service providers					
2.5 Account Profiles (databases) concentrate on customers' decision processes, business strategies or plans, financial priorities, development projects etc (not simply organisation structure, sales history and opportunities for us)					

	(a)	(b)			(c)
2. Customer Knowledge (continued)	✓	Action?			Issues/ Action required
		H	M	L	
2.6 We know our customers' target consumer/end user markets and take action to directly influence these, including "backselling" to their largest customers.					
2.7 We know what initiatives customers intend to take to increase sales (and the extent to which suppliers will be involved)					
2.8 We know what initiatives customers intend to take to reduce costs or improve productivity (and extent of supplier involvement)					
2.9 We have quantified the dollar value to our customers of our solutions to the above					

	(a)	(b)			(c)
3. Account Planning Processes	✓	Action?			Issues/ Action required
		H	M	L	
3.1 We have formal account plans					
3.2 These are prepared at an appropriate frequency (e.g. half yearly or quarterly)					
3.3 They have a strong strategy dimension (as opposed to simply being tactical)					
3.4 We have account profit budgets (to a “controllable contribution” level i.e. gross profit less “spend”)					
3.5 “Sales” and “marketing” strategies and objectives are closely aligned in account plans					
3.6 “National” and “local” key account activities are well coordinated , including sales force communications					

	(a)	(b)			(c)
3. Account Planning Processes (continued)	✓	Action?			Issues/ Action required
		H	M	L	
<p>3.7 Customers are involved in the planning process to the extent necessary to ensure alignment of priorities e.g.: -pre-planning meetings to probe their priorities, review our broad directions</p> <ul style="list-style-type: none"> - involvement in new range planning 					
<p>3.8 We formally and frequently review performance versus plan:</p> <ul style="list-style-type: none"> - internal reviews of activities completed, as well as results v plan - monthly reviews with the account of key performance indicators such as purchases v last year and plan, promotional effectiveness, service delivery - half yearly business reviews as a springboard for future Joint Business Plans 					

	(a)	(b)			(c)
4. Customer Relationships/ “Partnering”	✓	Action?			Issues/ Action required
		H	M	L	
4.1 We have taken steps to ensure mutual business understanding (each others cost/profit mechanisms, strategies and plans, current business priorities, processes and practices, decision processes)					
4.2 We have made distinctions between areas of “ natural ” conflict of interest (e.g. terms, prices, incentives, etc) and of common interest with customers (e.g. forecasting, production/delivery planning, “waste” stripping, service efficiency, communication, joint initiatives, end user/consumer development)					
4.3 We have taken steps to simplify potential conflict areas (e.g. reduced terms proliferation) and build “trust”					
4.4 We have a well developed process of joint planning and review with major customers (information sharing, opportunity identification, agreeing a plan, monitoring progress)					

	(a)	(b)			(c)
4. Customer Relationships (continued)	✓	Action?			Issues/ Action required
		H	M	L	
<p>4.5 MAMs are encouraged to constantly explore new pathways or take new category development initiatives with key accounts (over and above routine relationship management) e.g.:</p> <ul style="list-style-type: none"> - <i>Availability</i> <ul style="list-style-type: none"> * supply chain efficiency * range optimisation * consumer focused promotions - <i>Visibility</i> <ul style="list-style-type: none"> * shelf management * secondary displays/fixtures * POS impact <p>4.6 When managing new joint business projects we employ “continuous improvement” methodology (Plan, Do, Check, Act)</p>					

	(a)	(b)			(c)
5. Customer Service Management	✓	Action?			Issues/ Action required
		H	M	L	
5.1 We have clearly identified customers' definitions of "service"					
5.2 We have a mechanism for qualifying the importance (or value) of each service item to each customer (look for clues in their "supplier of the year" criteria)					
5.3 Information on customers' perception of value is shared with those responsible for designing or "delivering" products/services					
5.4 We have agreed appropriate "service standards" with major customers					
5.5 Customers' "service satisfaction" data is gathered in an objective consistent and periodic fashion					
5.6 We have service "listening posts" (e.g. monitoring of complaint calls or letters, contact, reports, etc)					

	(a)	(b)			(c)
5. Customer Service Management (continued)	✓	Action?			Issues/ Action required
		H	M	L	
5.7 We have a formal “ service review ” process with major customers					
5.8 Internal service providers are formally or informally organised into “ service advisory groups ” aligned to strategically important major accounts					
5.9 We are actively using service as a “ differentiator ” with major customers: <ul style="list-style-type: none"> - efficiency in service delivery in their high priority areas (range, quality, supply, account manager competence) - value adding in areas that help them to achieve their development priorities (retaining/increasing customer base, their staff competencies, etc) 					

	(a)	(b)			(c)
6. Performance Measurement	✓	Action?			Issues/ Action required
		H	M	L	
6.1 MAMs understand our marketing strategies and plans by business sector and have clear guidelines for their execution in their accounts					
6.2 We have quantified the results achieved for customers : i.e. cost savings, productivity improvement, incremental profit					
6.3 MAMs are aware of the profit impact of their activities on our business, by account, and are able to act on this					
6.4 More specifically, they can track the productivity of the various forms or discount or incentive offered (i.e. promotional funds)					
6.5 We measure service effectiveness (e.g. delivery performance, invoice accuracy) such that variances from agreed performance can be dealt with before they become time consuming distractions					

	(a)	(b)			(c)
7. Executional Excellence	✓	Action?			Issues/ Action required
		H	M	L	
7.1 We are strongly focused on speed to market of new products and new initiatives.					
7.2 We have mechanisms in place with our trading partners to measure and act on executional excellence (participation, compliance, speed & quality of execution).					
7.3 Account Managers' KRAs are mirrored in field force KRAs.					
7.4 Field forces have simple mechanisms to measure and act on core business KRAs ("Sales Drivers") in each store (irrespective of "over and above" cycle priorities).					