





GET SMART TO PLAN

STEVE HOYLE and GARRY MANSFIELD describe how best to develop an account planning strategy

In the 1980s structured, strategic account planning became more pervasive, and in recent times technology has emerged to support this. And yet only 18% of B2B companies are truly happy with the quality of their account plans (according to 2017 research on B2B sales leaders by Outside In). Here, we look at the process of great account planning and ask whether the use of technology brings value and improves the strategic account planning process – or is it a step too far?

THE ACCOUNT PLANNING PROCESS

For as long as businesses have had customers there has been account planning in one form or another. When done correctly it will help salespeople make advances in their relationship with a customer. This brings competitive advantage to their company and makes it easier to sell more, at better margins, with less effort and increased customer satisfaction. Together, this will deliver their quota more predictably and allow them to take control of their book of business.

A good account planning process follows a simple cycle of four steps: starting with an honest assessment of the situation, planning next steps, taking the right action, and reviewing progress.

The first step in any strategic planning activity is to assess

and understand, as completely as you can, the situation you face. This is certainly true of account planning, where your goal is to advance your company's position with a customer, deliver more value and, as a result, deliver growth.

Key to making this work out well is to take a well-rounded and ruthlessly honest look at your situation, rather than doing an assessment through rose-tinted spectacles.

Account management is a team sport and the best-performing companies are able to line up their resources behind a cohesive account plan. In the assessment take advantage of these multiple touchpoints and use workshops to collaborate so as to capture inputs from across the team. This builds a more complete assessment, and has better levels of team buy-in for implementation, when compared to an individual filling in an account plan template and simply filing it.

Effective meeting techniques like brainstorming and root-cause analysis can help in these workshops (they could be conference calls) to encourage the team to think deeply about the assessment issues. A simple and often-used approach to summarise the assessment is to use a SWOT analysis, though it is rarely used well. In account planning this means identifying the opportunities and threats in the customer's selling environment and the strengths and weaknesses of ▷

ASSESS WHERE YOU ARE TODAY



↳ your company's relationship with the customer. Key considerations in an account planning-based SWOT analysis are:

External environment (The customer's world, captured as opportunities or threats)

- The customer's strategic direction and key objectives – where are they headed and what does this mean for you?
- The customer's spending landscape – where they invest their money in related areas to your business and who with – does this point towards growth or risk of loss/decline?
- The competitor landscape – which incumbents are failing to deliver and what new entrants could disrupt your position?

All of these factors are external to your ability to influence them directly. It is here where you identify opportunities for advancement or growth,

and threats to your current position with a customer.

Internal environment (The point of intersection between the customer and your company, captured as strengths and weaknesses)

- Overall, how advanced is the B2B engagement with the account across sales, services, marketing and executive contact?
- How do you perform against measures of success such as service level agreements, customer experience feedback and revenue trends?
- Do you have the right things in place to enable success, such as framework contracts and commercial terms?

All these factors are within your sphere of influence. You can choose to invest in doing them better should it be necessary.

Taken together this SWOT assessment will help you to see where you have issues and opportunities. There are some things to get right here:

- Have a simple and consistent structure to the assessment
- Collaborate as a company team
- Be completely honest and objective – or you risk just kidding yourself...

TAKE A WALK INTO THE FUTURE

Following a brutally honest assessment of your position in the account landscape, it is often tempting for the average account manager to quickly spot short-term opportunities and chase these straightaway – the fabled low hanging fruit. Yet, it is proven that the best account managers (the most successful over the medium and long term) take time to think through what they really want to achieve, and then carefully consider the different options that they have.

We have found it is important to be clear about what you want to achieve, and in this process to be challenged on how stretching your ambition is, while at the same time being achievable.

So that key stakeholders understand what the company is trying to achieve, goals should be detailed and SMART: Specific, Measurable, Achievable, Relevant, Time-bound.

A clear set of goals with detailed objectives is key to proactively growing an account to maximum potential. More difficult is figuring out how to achieve these aims. Using a team approach, your manager, or even an independent coach, can challenge and support your efforts to deliver an innovative, proactive and winning plan.

The team should be encouraged to think creatively to define the overall approach and strategy. In practice, we find that whiteboards, post-it notes and flip charts, ideally in a team environment, are the best tools for developing bold

CASE STUDY: MOTIVATING MARY

Mary is an account manager in a technology company and manages a single key account that represents 8% of company turnover. The company has long had account planning, but until recently this simply meant it distributed an "account plan template" annually, for the account managers to complete.

Mary understood that in her role she should have an account plan, but often she would put it off for as long as possible. She knew it would take a lot of time she couldn't afford, and as far as she knew, no one would look at it anyway. The templates changed a little every year, so it was an effort to cut and paste the information into the new template each time, which meant having to go back and forward into the Salesforce system for data to enter into the document.

Stuart, Mary's manager, was sure his team had account plans. He admitted he rarely actually read one, but whenever he asked about them his salespeople reassured him that they had them (somewhere). But he was not able to track progress of account plan building or implementation of the actions. Periodically, he would try to do

account reviews, but they were often bumped for other "more urgent" matters. Coming up to the annual budget and planning review each year meant he must decide where to assign his limited resources to deliver his number. He usually sent out a spreadsheet to get some input from his team on their accounts, before combining sheets to model his plans.

The recent implementation of account planning tools into the CRM system has made a huge difference to both Mary and Stuart. Capturing plans directly into Salesforce has made it much simpler for Mary and her teammates to build and update account plans. And making it simple has helped hugely in increasing adoption.

Stuart is amazed at the level of information he now has on the account management activities in his team. Detailed KPIs for each account enable him to measure and analyse progress across accounts, giving him fresh insights to track adoption and inform the planning process. He has fully transparent account plans and can easily roll-up the information he needs to support his decision-making.

yet achievable plans. This often involves heated debate about the best way to proceed, though this is to be encouraged as a good team dynamic.

Crafting your plan is often an iterative process, with those around you challenging your proposed goals with simple questions, such as:

- Is that goal really stretching or are you just working in your comfort zone?
- Is that goal realistic, given where you are today?
- What other options have you considered?

TURN PLANS INTO ACTIONS

Unrealised plans are worse than no plans at all. As Henry Ford observed: "Dreams without actions are merely hallucinations."

The outcome of a great planning session will probably take the form of a series of photos of handwritten notes and, by themselves, these are not going to bring about any actual change in what we do with the account.

However, documenting the output clearly is important, and in the past this has often been achieved by simply re-writing the notes into a PowerPoint or Word document. This is a good discipline for the account manager, allowing them to review their thinking and encouraging them to capture actions clearly. It is not a task to be delegated to an administrator or junior member of the team.

Over recent years, tools have become available to simplify the process of capturing the plan, and this has coincided with the need to engage and coordinate account team actions.

Organisations and account teams are increasingly turning to these applications to improve the productivity of their account planning process. They make recording the plan easier and also help to interlock, communicate and track activities and tactics across the team.

During this phase of planning it is critical to:

- Review, check and refine the outputs of the planning sessions
- Ensure that all of the plan is clearly documented
- Confirm buy-in to the plan from "action-owners" and stakeholders.

A well-documented plan is a major step forward for most, but in itself a plan is not more than words without action.

EMBED REVIEWS INTO BUSINESS AS USUAL

For many companies the annual or six-monthly email arrives in the inbox of an account manager, "Please find attached the latest account plan template – complete this and send to/save to x by the end of the month," or similar. Once complete,

Leading indicators

- Growth potential in revenue terms
- Pipeline cover relative to target
- The health of the relationship between your company and the customer (B2B)
- The health of the relationship between account and customer team contacts
- Progress on delivering account goals
- The level of activity on each goal – is enough being done to advance?

Lagging indicators

- Wallet share percentage
- Win rate percentage and by value
- Value of closed won opportunities
- Revenue trend
- Account type segmentation

the plans never see the light of day and are not often reviewed. It is this type of approach that turns the account manager off account planning, as they see it as a needless call on their limited time.

Sales leaders must do better. They have to see account planning as a key strategic discipline and invest sufficient effort into the process themselves. Key to success is the effective use of account reviews. It is here where managers have the opportunity to add value through effective challenge, coaching and creative input. Account reviews performed by capable sales leadership create an environment where plans are pushed to the next level. Leaders challenge the assumptions and assessment, but they also look to the future, working with the account team to create a joined up vision and strategy for the account and then support them to execute this strategy.

Account planning is an iterative process and it is wise not to expect perfect plans the first time around. It takes time to fine tune them, and scheduled reviews at regular intervals will help to drive this culture.

Managers can use insights from key performance indicators (KPIs) to improve the quality of decision-making. The right KPIs will help them to manage and coach individual and team performance. Combining these measures across a portfolio of accounts, and across their team, also allows for comparison of performance, helping with decisions in areas such as resourcing and targeting. The box above lists some common KPIs that can help to measure account level performance more broadly than revenue alone.

Three key issues in the review phase are:

- Build effective reviews into your ongoing sales management process
- Coach for development and advancement – don't just pick holes to show how clever you are
- Regularly review the KPIs for account management to track progress.



GARRY MANSFIELD is founder of Outside In, working with B2B sales teams to help them find a better way of selling. He recently launched AccountPlan to support better account planning in Salesforce. Email garry@oism.co.uk, call +44 (0)7825 815986, or visit www.oism.co.uk



STEVE HOYLE is author of Real Account Planning and consults, coaches and trains account managers and sales managers on how to develop great account plans. Email steve.hoyle@linksdev.net, call +44 (0)7785 381563, or visit www.realaccountplanning.com

EMBRACE TECHNOLOGY IN THE PLANNING PROCESS

The development of an account plan is an iterative process that requires the team to use different skills at each stage: hard-headed analysis during the assessment phase; creativity when crafting goals, objectives and strategies; and discipline to detail, capture and execute a set of planned activities.

The role of technology in this process can be significant, particularly when it comes to documenting, tracking and collaborating on the development of a plan. In many companies, account managers have to develop their plan using a document template of some sort (document, slides or spreadsheet). The process requires them to take inputs, including contact and opportunity information from their CRM system, and enter them into the right section of the plan. Any double-keying will be time-consuming and inevitably will often lead to errors.

When technology is easy to use, adoption levels for account planning increase. These tools can create lots of data points that account managers and their management can use to extract insights to support decision-making and reporting. The use of CRM-based reports and dashboards helps sales management to easily track plan development and reviews, monitor progress, and visualise the position of accounts in the portfolio. The use of such tools makes it simple to aggregate and analyse the performance of accounts right across the portfolio.

However, while technology has potential for significant benefit, these tools must fit into a broader business process – where reviews and coaching are central to account management

activities. Too many organisations forget the real purpose of account planning, which is to use the company's resources to sustainably increase sales (and margins). This requires innovative, carefully crafted plans that are executed and managed well – tasks best completed by a wide team of stakeholders with a common interest in advancing their company's position.

You can go so far with offline account planning – many teams can certainly go a long way further than they do today. But while this will help your engagement with your most important customers, if you ignore technology you will almost certainly be missing a trick. The use of technology can help in building and documenting your plans. This simpler approach can help to raise adoption levels for account planning significantly through improved transparency and measurement. The age old business adage still holds: you can't manage what you don't measure.

Our overall conclusion is that planning is a craft that needs intelligence and debate, but implementing an effective planning process benefits from a good, modern, user-friendly system.

“Implementing an effective planning process benefits from a good, modern, user-friendly system”

CASE STUDY: EDUCATING EDWARD

My first introduction to Edward left me very confused. His recently appointed sales director asked me to work with him on his account plans, which were apparently “worthless”. Yet his immediate sales manager had told me, “Ed’s a great example to the team.”

What I quickly understood was that the account planning system being used was actually reasonably good. (In our experience many are simple derivatives of 1980s sales systems.) Ed really was an exemplar in terms of having detailed account plans in place. The system statistics showed 100% completion, with all of his plans updated recently, and all assigned tasks completed on time.

Reading the content of the plans, however, left me totally underwhelmed. While complete, the goals and objectives set were simply a conservative extrapolation of previous business levels, with an acceptance of business as usual,

including not competing for business outside the areas where he was already positioned as the principal supplier. Reviewing his strategies and tactics, there was no innovation, no disruption to existing positions, and no building relationships beyond his traditional contacts. I discovered very quickly that Ed’s approach to every account was remarkably similar, even though they were in very different business situations, at different stages of relationship, and had different levels of spend.

I then asked Ed a couple of simple questions: “What have you decided not to do?” and, “What alternatives did you and your team consider before deciding on these particular goals and strategies?” I was met with a glazed look in his eyes and he clearly had little idea why I was asking these questions. To be fair to him, it was not really Ed’s fault. He had been well trained on how to input into a

system, but not how to build effective plans. Plus, his manager had praised him for just completing all of the boxes and updating things regularly, so it wasn’t surprising that he just did as he was told and produced account plans that looked good, but didn’t result in any additional revenues, and didn’t involve or engage with others in the account team.

I ended up going back to the new sales director and explaining that, if he wished, I would work with Edward, who was a diligent and hardworking individual whose performance was a little above average. A far wiser investment, however, would be for me to work with his sales manager – along with running a couple of short workshops with the whole team – to explain what account plans are supposed to achieve, and how to develop critical thinking skills so that they could use their system to much better effect.

Steve Hoyle