

AUDITING A STRATEGIC ACCOUNT MANAGEMENT PILOT: A CASE STUDY IN THE MARINE MANUFACTURING SECTOR

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This is a methodological paper demonstrating the process of applying academic research in the audit of a strategic account management pilot in a global company in the marine design, systems and services sector. A review of the academic literature on best practice in strategic account management, included in this paper, was used as the basis for an in-company multi-method research project to review the pilot and identify enhancements to the programme for the next stage of its roll-out. The way that the company built on the literature to verify the best practice framework identified is discussed. The framework identified here, and the primary research methods to determine perceptions of the pilot, proved to be a useful approach to auditing a strategic account management programme. These findings are based on a single company case study. This paper contributes a case study of the process of auditing a strategic account management pilot. This contributes a case of using theory in practice to the important body of literature on strategic account management in the particularly interesting context of an industry sector badly hit by the 2008-2010 recession.

INTRODUCTION

Thirty years ago Ford (1980) first promoted the concept that, in business-to-business markets, dedicated professionals could be in charge of developing the business relationship with each key customer. Favourable results from relational approaches in business-to-business markets were observed in an extensive longitudinal study by Kalwani & Narayandas (1995). More recently, it has been recognised that the relationship/account manager is not enough, the infrastructure framework for account management and the processes that undermine relationships with strategic customers are critical (Birkenshaw et al, 2001; Shi et al, 2005). Suppliers wishing to succeed with complex global customers need to co-ordinate an efficient flow of information and operations across all their interactions worldwide. Nowhere does this seem more applicable than for a global company operating in the marine design, systems and services sectors.

Account management has become an increasingly important business-to-business marketing approach (Millman & Wilson, 1995; McDonald et al, 1997; Homburg et al, 2002). Driven by highly competitive global markets, rising customer demands, price pressure from commoditisation and the challenge of rapid technological change, many suppliers have seen account management as a necessary foundation for customer retention (Ryals et al, 2006; Yip & Bink, 2007). The increase in professionalised purchasing has also been identified as a significant stimulus for improvement in suppliers' approach to strategic customers (Piercy, 2006, 2008; Rogers, 2007). Woodburn & Ryals (2008) have highlighted positive antecedents for account management, such as access to strategic partnerships and engagement in joint innovation.

Nevertheless, some organisations have found it difficult to implement key account management and make a permanent change from treating all

sales as transactional (Homburg et al, 2002). In recognition of this, any company seeking to achieve best practice in global account management is likely to approach the introduction and enhancement of its account management programme with considerable analysis and careful planning. This paper discusses the method adopted by a major ship design, ship systems and marine services solutions company in establishing a benchmark for best practice in its account management approach which utilised both academic sources and extensive internal research.

THE CONTEXT OF THIS CASE

For a company in the shipbuilding and shipping sector, operations are global. Major suppliers to the marine and shipbuilding industries have to deal with a few larger, more powerful shipyards, and a great number of new emerging yards in the Far East, particularly China (Stopford, 2009). Many ship owners' vessel operations are globally distributed, and the emergence of several large ship-owning clients (through merger and acquisition) has initiated requests for more globally integrated relationships with key suppliers over the vessel lifetime, from the conception of vessel design. Interviews with leading authors on account management confirmed that there are probably no previous studies of GAM in this sector.

This study was undertaken during a major recession. The global shipbuilding market had crashed from over 6,000 vessels being completed in 2007 to virtually none in the first quarter of 2009 (Stopford, 2008; 2009; Clarksons, 2009). These circumstances demanded short term survival tactics. The challenge was to keep the global account management programme alive as a medium to long-term approach, in the midst of the shorter-term focus. Kalwani & Narayandas

(1995) found in their empirical, longitudinal study spanning the early 1990s recession that account management is even more important in a period of economic contraction, and leading authors reported similar experiences from their industry contacts.

The aim of the first-named author was to analyse the operation of the case study company's Strategic Account Management programme in the light of prior literature, contemporary academic thinking and research findings, practitioner best-practice and known customer requirements. The first named author designed a comprehensive combination of research sources starting with a review of academic papers, theses, case studies, conference proceedings and books. The literature review was the basis for the "best practice" framework, and subsequent methods were designed to compare the pilot with best practice. The content of this framework, discussed below, is relevant to the comprehensive approach taken by the case study company to ensure the future success of their strategic account programme.

BUILDING A BEST PRACTICE FRAMEWORK FROM ACADEMIC SOURCES

In the first instance, the first-named author traced frequently cited literature that identified the value of strategic account management as a business approach, and global account management as a specific variant. Some of the earliest texts included Fiocca (1982) and Dwyer, Schurr & Oh (1987) who established the existence of different kinds of close relationships in business-to-business markets, some of which are strategically interdependent, and Kalwani & Narayandas (1995), who demonstrated that suppliers with long-term close collaborative relationships with strategic accounts produce higher profitability, higher revenues, lower costs,

and reduced risks.

There are a number of texts discussing the antecedents for key account management programmes (e.g. Brehmer & Rehme, 2009), with Woodburn & Ryals (2008) being notably comprehensive in looking at external and internal, positive and negative. Global account management has been examined specifically and found to have its own context – globalisation in an industry and global purchasing by customers drives suppliers to provide a global account management approach (Millman, 1996; Montgomery et al, 2002; Shi et al, 2010). Some researchers have also addressed how key accounts evolve (Millman & Wilson, 1995) or are selected (Fiocca, 1982, McDonald et al, 1997).

For the purposes of this case, the next focus of the literature search was on the characteristics of successful global account management (See Table 1). Two texts (Ryals et al, 2006; Yip & Bink, 2007) were chosen as the foundation for the audit framework, Ryals et al was particularly comprehensive in its coverage of success factors linking account management to company performance, based on empirical research. Yip & Bink addressed the integration of account management across complex global companies, such as the case study company, Wärtsilä. To strengthen the best practice framework, the authors also searched independently for texts on aspects of account management that provided more specific evidence for each of its categories. This also ensured that the subsequent primary research could contain relevant detail and test for issues and moderating factors. Support for particular success factors was gathered from other papers (see table below). The characteristics of best practice have been reorganized and clustered into strategic factors (core items) and the operational factors (support structure), which is equally important and often

overlooked in practice. The characteristics of “core” items were determined on the basis of the strategic building blocks necessary for a judgement of the an account management pilot. The “support structure” reflected the success factors necessary for sustaining global account management over time.

STRATEGIC FACTORS (ESSENTIAL CORE)

Five strategic success factors were derived from the two key texts: a business case for GAM, account manager selection, focus on value, account selection and account planning.

The Business Case

The value of what was then usually called “national account management” was established by Stevenson (1981). Since Kalwani & Narayandas’ (1995) positive findings from a longitudinal study, other researchers have argued that strategic account management should lead to better business results, as it represents a focused application of resources (e.g. McDonald et al, 2000). Business growth and cost reduction benefits arise from adopting key account management, to both suppliers and to the customers (Ryals & Holt, 2007; Smyth & Fitch, 2009). Jones et al (2009) reiterate the connection between customer relationship outcomes and firm performance. Ryals & Rogers (2006) advocated supplier-customer jointly defined metrics and co-monitoring of performance to ensure sustained performance.

Any business would be expected to go into an investment with expectations of gain, but the literature also reveals the risks that should be taken into account in an audit of a strategic account management pilot. Benefits may not be realised if companies implement some form of it simply as a market requirement for survival in an

Table 1. Literature Review: Characteristics of Successful Global Account Management

ASPECTS OF BEST PRACTICE DERIVED FROM Ryals, Davies, Bruce, 2006; Yip and Bink	Additional key text	Type of study
Essential Core		
The business case for strategic account management:	Kalwani and Narayandas, (1995)	Empirical; longitudinal
Selection of suitable global account managers	Georges and Eggert (2003)	Empirical, mixed methods
Value-based targets for global accounts	Ryals and Humphries (2007)	Case studies
Clearly identified global account (selection criteria)	Woodburn and McDonald (2001)	Qualitative
Individual account plans	Ryals and Rogers (2007)	Qualitative
Infrastructure support for GAM		
Colleague support	Workman et al, 2003	Empirical
Infrastructure/process	Gosselin and Bauwen (2006)	Empirical
Executive support	Homburg et al (2002)	Empirical
Customer focus	Helander and Möller (2008)	Case studies

increasingly complex business environment (a hygiene factor), rather than any real differentiator (Wengler et al, 2006). If a strategic account management programme is poorly organised, or the wrong accounts are being over-served, a company faces significant costs from re-structuring and re-training, with no associated guarantee of a higher return (Ryals et al, 2006). Like most initiatives that offer return, KAM brings with it significant risks, such as over-focusing on too few customers (Piercy & Lane, 2006a and b). There are also many contextual risks to consider. For example, sub-cultures in some industry sectors are less supportive of collaborative relations than others (Grant, 2008).

The Account Manager

The literature about the key account manager is

more consensual, emphasising the challenging nature of the role. The primary relationship builder in strategic relationships needs a broad and deep skill set (Wilson & Millman, 1995; McDonald et al, 1997; Capon et al, 2008; Yip, 2008). In the complex world of global account management, business management skills are critical. A successful global account manager is likely to be an intrapreneur, able to undertake team-orientated trouble-shooting and analysis, to demonstrate political, diplomatic and cultural empathy, and to find new ways of working, co-ordinating the overall company effort (Homburg et al, 2002; Wilson & Millman, 2003; Steward, 2009). He/she is a relationship-builder (Guenzi et al, 2009), and a value creator for the customer (Georges & Eggert, 2003; Georges, 2006). The global account manager role is frequently described as “boundary-spanning” supplier and

customer needs (McDonald & Holt, 2001), which requires the ability to deal with role ambiguity. For any company evaluating a pilot, the selection and development of account managers would be in its early stages, but would need to be setting the right precedents and sending appropriate messages internally and to customers.

Value Delivery

Suppliers undertake account management programmes to improve their returns, but the literature has a strong message that the focus of the programme must be on delivering benefits to customers, or the benefits to the supplier will not follow. Ittner & Larcker (2003) found that most company's measurement methods for customer satisfaction are misleading and too primitive to be useful in confirming that customer value is being delivered. Satisfaction indices alone are poor indicators of repurchasing activity (Sharma, 1997; 2000). Customer perception is the only accurate indicator of success and repurchases (Ryals & Rogers, 2006), therefore key account management assumptions must be tested (Ivens & Pardo, 2008). Continuous performance improvement is central to strategic purchasing management, so suppliers must understand the customers' performance criteria and demonstrate value delivery (Piercy & Lane, 2003). Reliability, flexibility, stability and communication are all necessary to perceptions of mutual value development. It is important to do more than merely assist customers in avoiding disadvantage, rather it is required to gain an in-depth knowledge of how the customer's value chain is configured so that improvements can be identified and value created (Ryals & Humphries, 2007). Even with a pilot scheme, it would be important to ascertain whether key accounts have observed a positive change in the supplier's

approach. Understanding the way customers perceive the strengths and weaknesses of a supplier in comparison with their competitors seemed so critical to the financial success of a strategic account management programme that it became the subject of a separate primary research artefact.

Account Selection

How customers see the company should be an element in account selection (Ryals & Rogers, 2006). The selection of "key" or "strategic" customers could be controversial, and variations across national boundaries present an added complication. McDonald et al (1994) noted that, as the fundamental source of a business's cash flow, customers are a risky asset, particular as the size and power of strategic customers continues to grow. It is therefore necessary for suppliers to analyse customers to select where the most successful business relationships can be developed (Zupancic, 2008). Problems can arise, or benefits can be missed, when too little attention is paid to key account selection (Wengler et al, 2006; Al-Husan & Brennan, 2009).

A customer portfolio analysis was initially designed by Fiocca (1982). One axis was based on "attractiveness factors" (value of the customer to the supplier) and the other on relationships strength. More recently, objective feedback from customers about the supplier's competitive position has been advocated (Ryals & Rogers, 2006).

Companies are bound to differ in their definition of customer attractiveness, due the contexts of industry sector, company size and company culture, but many researchers have argued for the importance of customer profitability as a dominant attractiveness factor. In the 1990s,

many companies simply did not know what the profitability of individual customers was (Woodburn & McDonald, 2001), because it was difficult to obtain data from product based management accounting systems. Reichheld (1996) argued that profitability increases as retention increases, but since then, researchers have found that customer retention alone is no guarantee of customer profitability (Storbacka et al, 1994; Ryals, 2003). Even when customer profitability analysis is available, it cannot act as a guide to the future (Reinartz & Kumar, 2000).

Ryals & Knox (2005) suggested that it could be possible to use some form of risk-adjusted lifetime value as a measure of customer attractiveness, enabling evaluation of existing and potential customers in terms of prospects to generate shareholder value. More recently, researchers have argued for less tangible selection factors such as 'degree of organisational fit' to be included in selection criteria (Toulan et al, 2006; Richards & Jones, 2009), as they are relevant to success.

A useful generic guide for account selection has been suggested by Woodburn & McDonald (2001). They found that best practise companies generally adopted three types of customer attractiveness factors: those which involve reward to the supplier, those which involve opportunity for differentiation and those which involve risk reduction. The importance of account selection also warranted a separate primary research artefact in the audit.

Account Planning

Even in a pilot, the principles of strategic planning, preferably in collaboration with the global account identified, were a desirable part of the audit. Best practise companies have been found to develop long term plans in collaboration with their individual strategic

accounts (Woodburn & McDonald, 2001; Ryals & Rogers, 2007; Capon et al, 2008), as effective planning is only achievable with customer interaction and dialogue. One indicator of effectiveness is the degree of participation in planning (Philips et al, 2001), which is often hampered by the difficulty in achieving adequate buy-in (Lane & Clewes, 2000). Ryals & Rogers (2007) highlighted that gaining internal buy-in is critical in account planning.

Knox & Maklan (1998) defined 'customer value planning' as closing the gap between current organisational competencies, and customers future needs, through detailed scrutiny of the core process which deliver value. Indeed the key account manager's ability to translate company capabilities to needs, in line with the customer's perspective are an important aspect of planning (McDonald & Rogers, 1998). The planning process itself can deliver intangible benefits such as the value of organisational learning about the customer, and the value of the suppliers own capabilities, particularly where cross-functional teams have been involved (Ryals & Rogers, 2007).

These strategic success factors were all discussed in qualitative interviews within the company and detailed indicators were designed within quantitative surveys.

SUPPORT STRUCTURE ITEMS

Five support structure success factors were derived from the two key texts: colleague support, infrastructure support, executive support and company-wide customer focus. A company examining a pilot might expect these items to need further attention in a wider roll-out, but nevertheless, the audit provided an opportunity to discuss the detail needed to

establish a strong support infrastructure for global account management strategy.

However high the skills level of individuals in designing value creation for customers, strategic account management, particularly where it is global in scope, cannot survive or prosper as a stand-alone arrangement in an organisation (Yip, 2007). Montgomery & Yip (1999) defined it as an organisational structure with associated processes in multinational companies. The worldwide activity to serve each strategic multinational customer is co-ordinated within this structure.

Colleague Support

Any strategic account management programme needs to have an integrated structure and process which pervades the whole company (Millman & Wilson, 1999a; Yip & Bink, 2007). There should be cultural support for initiatives with global customers at all levels within the organisation (Workman et al, 2003). This should lead to breaking down functional silos, reducing conflict in organisations and knowledge-sharing (Arnold et al, 2001; Ryals & Bruce, 2006). Customer relationship oriented values (Jaworski & Kohli, 1993; Hutt & Walker, 2006) and cross-functional selling teams (Harvey et al, 2002; Arnett et al, 2005; Sheth & Sharma, 2008) are needed in order to improve performance. Global account management will flounder without inter-functional support and knowledge exchange. (Nätti & Ojasalo, 2008).

A team spirit, incorporating common purpose, team members feeling obliged to support each other and striving to reach joint goals was identified by Workman et al, (2003) as a facilitator for enabling account managers to access resources to create value for customers. Team-based rewards for customer-focused behaviours can reinforce performance

(Weinberger, 1999; Ryals et al, 2006), although at the pilot stage it might be difficult to discern how they should be applied.

Infrastructure Support

With a broad body of literature emphasising the importance of processes and systems underpinning strategic and global account management in order for it to become a company-wide competence (Millman & Wilson, 1999a, 1999b; Senn, 1999; Homburg et al, 2002; Gosselin & Heene, 2005; Shi et al, 2005; Capon et al, 2008; Piercy, 2009; Fleischer, 2010), it needed to become an important discussion in the primary research within the company. Customers demand consistent service worldwide (Montgomery & Yip, 2000). Galbraith (2002) identified five critical processes from leading examples in practice: formulating strategies for customers, portfolio planning, solutions development, ordering/pricing and building/dismantling teams. It is also critical to integrate day-to-day operational logistics (Gosselin & Bauwen, 2006; Helander & Möller, 2008).

It is the process changes and organisational competences that can be the antecedents of improved customer satisfaction and repeat business (Gosselin & Bauwen, 2006; Smyth & Fitch, 2009). In the case of global account management, inter-country and inter-organisational integration are essential for improved performance (Shi et al, 2010). Ryals et al (2006) and Yip & Bink (2007) identified a number of sub-categories for infrastructure support, although which is critical may depend on the operational context of the supplier and the customer, which was useful in informing the primary research.

Executive Support

The need for top management support in the success of any change programme is an obvious critical success factor, and it is needed for strategic account management (Millman & Wilson, 1999a; Capon et al, 2008). Without it, it is unlikely that the company could be restructured and its systems and processes re-engineered to support global account management (Francis, 2004; Homburg et al, 2002; Capon et al, 2008). In fact, very few companies formally link their account plans to their senior executives' actions (Senn, 2006). Senn's research in Siemens is notable because he observed that senior executive involvement in key account management and individual key accounts significantly increased sales and profits within 2-3 years. Detail from the Senn study was valuable in designing the primary research within the case study company.

Customer Focus

A considerable challenge for any company historically organised around its products is the matrix approach to ensure that internal and cross-boundary account teams get the resources that they need. Yip & Bink (2007) emphasised the underlying need to move to the 'multi-point' to 'multi-point' relationship of a 'web' or 'diamond' (orchestrated by the account manager), within a properly integrated company-wide global approach. Key account management should increase co-operation between supplier and customer (Campbell, 1997; Hausman, 2001). Indeed all individuals (points of the webs) must be suitably knowledgeable, motivated and rewarded, with the correct attitude and behaviours day-to-day (Gosselin & Bauwen, 2006; Helander & Möller, 2008). A strong network of contacts is important for success, as it helps with feedback, needs analysis and

process improvement (Hutt & Walker, 2006; Ryals & Humphries, 2007). The development of trust within these relationships is also critical (McDonald & Woodburn, 1999; Jones et al, 2009; Guenzi et al, 2009). A formal approach to global account management teams was evident from some companies in a separate benchmarking research activity.

In summary, for the purposes of defining a best practice model from the literature that could then be confirmed in other research methods, it was important to identify other literature beyond the two main texts from which the global account management success criteria were drawn. Although there are only a few empirical studies, some case study research was also identified which supported conceptual and general texts.

METHOD

In order to ensure robustness in building and testing a model for the case study company, the cumulative method encompassed:

- Literature searching and model development
- Interviews with specialists in the field to ensure currency of the model
- Benchmarking exercise with four other companies,

And, testing the company's alignment with best practice through:

- An initial interview stage with senior managers
- Two surveys with implementers involved in the pilot
- A repertory grid study (interviews) with implementers
- Triangulation of results

Building the Framework for Best Practice

The literature review formed the main source of secondary data, but additional material was obtained from interviews with leading thinkers in the field and shared information from a benchmarking exercise, prior to in-company primary research.

In order to investigate the existence or not, of a research gap in the area of marine industry key account relationships and to ensure the currency of themes from the research given the dramatic change in the economic environment, the first named author approached twenty people who had authored books or articles on key account management. Responses were received from nine. Four broad questions were posed to ascertain their views on the latest trends in key account management, whether the recession was having any specific effect on key account management, whether findings related to the USA and Europe were also relevant in developing economies, and whether there was any specific prior research about global account management in shipbuilding. The answers helped to frame the research objectives, validate the need for research in the specific area of shipbuilding, and confirm the framework of best practice.

Additionally, the case study company took part in a benchmarking exercise initiated by a professional services company via the second named author. Five participants from different B2B sectors shared information about their strategic account management practices. These were shared, along with opinions about what constituted most advanced account management practice. The findings were confidential to the participants. For Wärtsilä's purposes, there was reasonable confirmation of the planned approach to auditing the GAM pilot. It was particularly beneficial to be able to make

comparisons with another global capital goods provider in a different sector.

Testing the Company's Alignment with Best Practice

Extensive internal primary research was necessary to encapsulate the experience that the case study company already had of strategic account management through the pilot. The first named author therefore began primary research by identifying the main visible and underlying themes arising from the company's experience, in comparison with externally-defined best practice. This, which was essentially the main research vehicle selected, involved one-to-one in-depth qualitative interviews to discuss best practice themes and issues. Open questions were designed to ascertain the perceptions of respondents about best practice global account management characteristics.

Under an interpretative paradigm, interviews allowed exploration of 'data on understandings, opinions, what people remember doing, attitudes, feelings and the like, that people have in common' (Arksey & Knight, 1999). Research in the KAM field is even said to require in-depth interviews as a means of research due to the inherent complexities of the subject area (McDonald et al, 1999). For such a programme, under the scrutiny of senior management, it was judged that reality is subjective to the group and multiple, as perceived by those participants (Cresswell, 1994, 1998).

Participants for the first in-depth interview stage were those senior managers who had initiated or overseen the account management programme. The researcher conducted one to one semi-structured telephone interviews with 13 respondents in total. A semi-structured approach

allowed a degree of freedom for new or unanticipated issues to be raised, whilst providing a solid framework of pre-determined questions and themes (based on the best practice framework) to guide the interview process. These interviews were intended to identify perceptions of the things that are important in the strategic account management programme, and to inform separate surveys.

As a result of feedback from the first interview phase, the content and structure of three supplementary questionnaires was refined, the purpose of which was to provide material for triangulation of interview findings, and potentially insights from alternative perspectives utilising a range of methods.

Survey 1a examined implementers' feedback from customers about the competitive positioning of the case study company concerning global account management best practice. No analysis of strategic account management would be complete without considering the perspective of customers (ship owners). Due to time limitations, for the purpose of this study, information about customer feedback was sought from senior sales management and account team members.

Participants for survey 1b, a supplementary questionnaire designed to cross-check and triangulate interview responses, were those senior sales managers involved in achieving sales results, either as the head of the business, business segment, country area or region (there was no overlap with the interview participants). This survey discussed all aspects of the best practice framework.

The second triangulation artefact was a set of repertory grid interviews conducted by web-based 'Live Meeting'. Grounded in Kelly's Theory of Personal Constructs, the repertory

grid tool has been described as qualitative in its data collection method and quantitative in its method of analysis. It can provide a framework and tool for understanding anxieties about a change process, which may assist in overcoming those anxieties (Bannister & Fransella, 1985). Rogers & Ryals (2007) identified underlying factors in managing account management relationships using Rep Grid processes. The objective in this research was not to elicit new constructs, rather to check the relevance and applicability of existing verified research findings (constructs) to the case study company and the marine industry.

Following the analytical procedure outlined by Miles & Huberman (1994), written transcript of all interviews were produced from the Live meeting recordings, and were reconstructed for analysis. Question order, and questionnaire design, was the initial step in restructuring the data to provide categories into which the data could be fitted. Initially each whole interview was analysed for key issues and recurring themes within the entire dialogue, per complete interview. The transcripts were edited and arranged in spreadsheets such that all responses could be read, directly below each interview question. The resulting summary of interview themes allowed direct comparison, ranking and rating of responses. Respondents themes were ordered by frequency of occurrence, and then cross-referred to 'best-practise' themes as identified in the literature review.

The purpose of this specific method was to cross-check and surface any underlying themes and patterns (Rogers & Ryals, 2007), perhaps not made explicit in the interview or survey stage, and potentially to provide corroboration with other results for triangulation. After investigating sources of commercially available repertory grid software, the first named author sought and

received specialist input regarding correct formulation of the grid layout, the grid interview process and grid analysis from an expert, practitioner and consultant in the field.

Reliability Issues

As an employee and active participant of the researched system, the primary researcher (first-named author) interacted with the participating individuals, therefore great care had to be taken to reduce the potential for bias. However, the author had no direct experience in the running of the strategic account pilot. To that extent, the research was approached from an independent perspective. The researcher endeavoured to eliminate risks to participants by avoiding all actions or questions which could have been viewed as being a threat to any of the participants. Interview questions were peer-reviewed twice and modified. One advantage of telephone interviewing (Mitchell & Jolly, 2001) is a possible reduction of bias. Dedicated time was allocated to researching and testing the design of the interview questions and questionnaire questions. A checklist for reducing interview bias (Collis & Hussey, 2009) was observed, incorporating exact wording of questions, in the same order and the same tone, and recording the respondent's exact words.

The respondent pool demonstrated a significant level of experience within the industry, the researched company, within sales management activity, and in having direct regular involvement in day to day sales management activity. The respondent profile was checked through four screening questions designed to gauge experience and proximity to customers (Gallup, 1947).

The response rates for the surveys were acceptable. Survey 1a achieved 25 from 35

possible responses (74%); survey 1b achieved 18 out of 26 responses (69%), and seventeen participants agreed to participate further in the Repertory Grid interviews. Common sample bias may have been possible due firstly to some respondents having participated in more than one phase of the research, and to the fact this was a single company case.

The analytical, applied, inductive research was designed to contribute findings towards the active discussion, review, and potential improvements in the company's account management programme. The incorporation of many different research artefacts has ensured that, given the limitations of a single company case with an action researcher, the research findings can also reinforce the body of literature to date on strategic account management.

FINDINGS AND DISCUSSION

The aim of the first named author's project was to examine the success (or otherwise) of the set-up and implementation of the case study company's Strategic Account Management programme, in comparison with externally-defined best practice. The comparison revealed a broadly successful set-up and implementation of global account management to date, with some challenges remaining. The detailed findings of the primary research are commercially confidential and unique to the case study company, but the following comments may be helpful in explaining the impact of this method.

In qualitative in-depth interviews, senior managers expressed an understanding of strategic account management success factors that was broadly in line with best practice.

Table 2. Findings

ASPECTS OF BEST PRACTICE	Achievements from Pilot	Further work
Essential Core		
The business case for strategic account management	Clear value for Wäertsilä from pilot	Extend the program, leverage benefits and replicate successful learning
Selection of suitable global account managers	Successful	HR involvement re: career path; active coaching
Value-based targets for global accounts	To some degree	Improve focus of remuneration/bonuses for GAM teams
Clearly identified global account (selection criteria)	To some degree	Improve business relationship analysis
Individual account plans	To some degree	Adapt lifecycle approach to demonstrating value
Infrastructure support for GAM		
Colleague support	To some degree	Develop team culture; remuneration/bonuses for GAM teams; active coaching
Infrastructure/process	The main challenge	Focus on ease of doing business; strengthen central SAM process function
Executive support	Successful	SAM Board involvement in active coaching of GAM teams
Customer focus	To some degree	Adapt lifecycle approach to demonstrating value

The next two stages of the research were conducted with implementers. Survey 1a examined implementers' feedback from customers about the competitive positioning of the case study company. Survey 1b explored, with implementers at middle management level, their perception of the best practice framework and how close the company is to achieving it. The final phase of the research involved interviews with implementers to ascertain underlying anxieties about the change process and also confirmed the findings in Rogers & Ryals (2007).

Participant engagement in the research process did reveal at a working level a clear and widespread understanding of the need and likely developing trend for closer cross-divisional working between the capital plant sales division and services division of the company (currently separate businesses with their own distinct identities and processes, albeit often with common client interests). The respective divisional views of the most critical aspects of strategic account management were indeed very similar, thus suggesting the realistic potential viability of more unified cross-team working in

future. Although the divisions are likely to remain separate businesses and structures for quite some time to come, areas of commonality are emerging quickly, particularly with respect to vessel emission control systems and technologies for example (equally attractive in the newbuild and retrofit markets, but often requiring a capital equipment sales and project approach).

The need to successfully transition processes and structures from the pilot strategic account management programme towards achieving a genuine Global Customer Management (GCM) organisation, at all levels of the company is the next challenging stage of the project. The global task will involve aligning the attitudes, day to day behaviours and responses of all individuals appropriately, guiding their active role in the consistent servicing of strategic and global accounts. Additional ongoing communication will be required cross-culturally and internationally, relating to the programme.

The contribution of the research work has been acknowledged by the chairman of the strategic account management steering group, and the content and findings are being utilised not only in the next phase of the roll-out, but also for possible inclusion in internal familiarisation and training material. The robustness of the mixed-method research approach has allowed the case study company to have the desired degree of confidence in the accuracy and utility of the findings, and a similar approach and framework could be used by other industrial manufacturing or maritime organisations, implementing fledgling account management programmes.

As a result of the benchmarking process, specific recommendations included:

- Transitioning the pilot strategic account management programme into a global customer management organisation

This was seen as the most critical phase yet to come, in shaping and developing a whole supporting organisation globally, which fully understands and supports strategic account management. At the heart of customer requirements is the expectation that it should be easy to do business with the case study company.

- Extension of the programme and leveraging of benefits

Deeper understanding of customers' business needs to correctly position and evaluate potential strategic accounts was required. Re-deployment of any successful learning and models across other large customers (not necessarily strategic accounts) would help to re-coup the cost of the programme.

- Developing a SAM team culture through remuneration and bonus systems

Possible double-counting of strategic account sales figures / successes to allow network company operations the recognition for work done, would avoid any 'elite' SAM culture developing (Yip & Bink, 2007). Account managers remuneration should be more structured towards long term relationship development with a significant (motivating) bonus element.

- Developing business relationship analysis

Consideration of less tangible pre-selection factors such as degree of organisational fit (Toulan et al, 2006; Richard and Jones, 2009) as possible critical account selection factors was advised, as was use of portfolio matrix analysis to view the trends / movements within key customer base was recommended, in giving some mechanism for selection / de-selection (McDonald et al, 1997).

- Strengthening the strategic accounts support function

Some stronger permanent dedicated central organisation which reviews and develops the SAM processes and tools on an ongoing basis, including continued benchmarking and best-practise comparisons was recommended.

- Adoption of a lifecycle approach to demonstrating value

From the development of product features, and sales processes, selling 'outputs' and 'performance' is required (whether that is vessel design functionality, emission level, or 'power by the hour'). Profitability and risk management discussions are needed regarding how risk in the client's end-use markets versus potential return would look, when considering from the new 'whole of lifecycle' view.

- More formalised human resource involvement

If the programme would develop professionally, the human resource management (HRM) function has to become involved in continuous screening and selection of strategic account manager candidates, structuring a real career path (dedicated training programmes for example and promotion prospects). It was advisable to introduce some safeguards, and ethical codes of practise to prevent unintended consequences when dealing with the largest customers globally, avoiding potential accusations of adopting monopolistic positions (Piercy & Lane, 2006). Equally important is some assessment of the growing skills and competence gaps in local network organisations, which have to implement strategic account plans.

- An Active Coaching System

An active coaching system with strategic account managers involving key members of the SAM Board was recommended. The benchmarking study highlighted that coaching in combination with targeted training has been effective within other large complex technology organisations as a means to quickly develop high-level competences.

CONCLUSION

Based on the demonstrable successes thus far for Wärtsilä, not least of which has been an almost immediate closer upper management dialogue and enhanced trust with the senior management of those customers selected in phase 1, the strategic account management approach at the time of writing was planned to be extended to cover an additional group of customers in the 2nd phase of the pilot.

The value of the thoroughness of the audit of the strategic account management pilot has had benefits for this case study company, and may provide a starting point for other organisations wishing to review their SAM programs.

LIMITATIONS OF THIS STUDY

Although comprehensive enough to meet the requirements of the organisation in auditing the strategic account management pilot, due to time limitations, information about customer feedback was sought from senior sales management and account team members. It would be preferable in future reiterations of this audit process as the programme is rolled out, to seek feedback directly from purchasing decision-makers in the customers as dyadic research shows some

differences between internal perceptions and customer perceptions (McDonald & Rogers, 1998; Abratt & Kelly, 2002).

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