



## **Beyond The Competent Key Account Manager - Building A Competency Based KAM Programme**

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### **Introduction**

It is widely accepted that having “the right people” in your Key Account Management (KAM) program is a cornerstone of success. This is especially true of the Account Manager who sits in the middle of an interlocking web of internal and external relationships. It is also widely accepted that there is a shortage of outstanding Account Managers who can operate within this environment very successfully – especially at a global level. However, time and again we see vague and unsupported definitions of what the role of the Account Manager is and the competencies inherent to fulfilling it.

If organizations are to win the Account Manager Talent War they need to know what they are fighting for. A large part of the solution rests with the company’s KAM Competency Framework. This is the bible of what the job is and the sort of person that needs to be developed to perform it.

This article will outline the key elements in getting a sound KAM Competency Framework in place.

We are using “KAM” as a general term to cover National Account Management, Strategic Account Management and Global Account Management. Some specific differences in the competency framework of a NAM, SAM and GAM will be described.

### **The KAM Talent War**

In the current economic climate there has never been a greater pressure to get every dollar of value out of the exiting resources and to ensure any additional resources purchased are absolutely right for the business. This has never been so true for Key Account Management staff.

Yet also, there has always been a paucity of really outstanding KAM Talent. We hear both sides of this discussion often. Here are the top KAM staffing issues that seem to occupy our clients’ minds:

- “How can we attract the best KAM people in such a competitive marketplace?”
- “How can we select and retain excellence in them?”
- “How do we differentiate between the mediocre and the ‘stars’?”
- “How can we make informed decisions about increasing investment in those staff with real KAM potential?”

It would not be an exaggeration to say there is a KAM Talent War.

Unfortunately, there are no quick answers. The process of attracting, retaining and developing KAM Talent is influenced by many factors including company reputation, reward and recognition practices, career prospects and the investment in ongoing development.

But there is a key. Although many companies easily espouse the doctrine that “Our people are our greatest asset” there is a large gap between rhetoric and reality. In order to gain a competitive edge in the KAM Talent War the deployment of an appropriate KAM Competency Framework for selection and development can be invaluable.

Often, this Framework is used to integrate the Business Vision and Strategy with the type of KAM talent they require to deliver it.

### **The Key Account Manager Role**

Whenever we ask a key account of one of our clients what they are looking for from their assigned Key Account Manager, they often say, “Someone who can add value to my business” Interestingly, we get the same answer when we ask the client the same question! The Key Account Manager therefore, quite simply, *exists to add significant value to the buyer-seller relationship.*

However, finding the right KAM talent who can actually do this well is a major problem. But how much of the problem results from the poor specification for the “SuperKAM” being sought? After surveying over 100 different GAM Programs on behalf of SAMA, Dr Kevin Wilson summed up (with a little sarcasm) the type of Global Account Manager that organizations were seeking:

- “Age 35-40
- Born in the USA, son/daughter of a US father and German mother; lived as a child in Japan, Venezuela, England;
- Education:
  - High school in the US,
  - Bachelor’s degree from Cambridge in Anthropology,
  - Harvard MBA;
- Married to a Spaniard; fluent in English, Spanish, German, learning French and Chinese.”
- Career to date: ten years as sales manager and NAM, three years general management experience at German subsidiary, eighteen months as special envoy to the UN.....learned to walk on water during a brief sojourn in India”

Is it any wonder there is a KAM talent war out there?

### **The Roles in a KAM Programme**

Worse, the Account Manager is not the only role in the KAM Program. We may identify five typical roles (see Figure 1). Each role has a different set of responsibilities and provides interlocking support to the other roles. There will also be different competencies associated with each role.

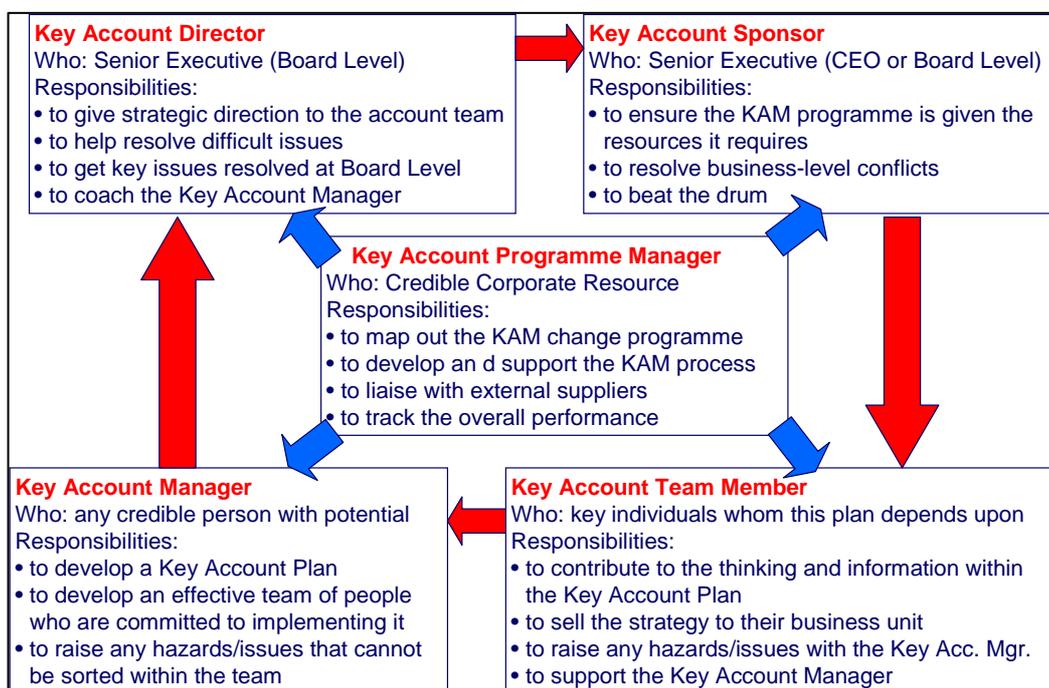
Each KAM Program has different variants on this theme. In some cases, the “Key Account Director” and “Key Account Sponsor” are the same person. In other cases there is a distinct absence of role, most commonly the central “Key Account Programme Manager” who is responsible for the overall change programme. None of these roles are necessarily full-time or separate individuals. The important point is that all these responsibilities need to be performed somewhere – and people need to be found to perform them.

## The Geographic Dimension

Now add a second dimension to the roles: geographic responsibility. Companies that operate in an international market will have to decide how to define national, international and global roles.

For example, the Key Account Sponsor and Key Account Programme Manager often have global responsibility – although many KAM Programmes start within a smaller region. In one of our clients the European MD initially sponsored the Programme and the Head of European Marketing acted as Programme Manager before it went global.

The other roles may exist at a country, region or global level. For example, at one client we have worked with, there are national account managers to cover key countries like USA, Germany, France and Britain, there are also regional account managers to cover pan-European clients, but little at a global level. In another client, there are global and national account managers, with little at a regional level.



**Figure 1: Typical Roles in a KAM Programme**

The important point here is that there is no single generic definition for the Account Manager role. The role differs in different business context.

### A Comparison of Competencies between a GAM, NAM and AAM

In one of our global clients, as part of their customer development initiative, three new KAM roles were established. These were the Global Account Manager (GAM), the National Account Manager (NAM) and the Associate Account Manager (AAM) who works in the Key Account Team.

The client realised that more was needed than just a new Job Description. The existing talent needed to be matched to the underlying competencies of these roles. Furthermore, in the same way that the KAM role differs for each organization, so each organisation's unique characteristics (e.g. their current market position, their culture, their history, their organisational structure) drive unique organizational competency sets.

**Competencies are the underpinning knowledge, skills and behaviours which, when combined with experience, enable the individual to effectively fulfil the requirements of the KAM role.**

Figure 2 shows how one skill-based trait, “Solution Orientation” in the competency framework was defined for the three KAM roles in this company.

	GLOBAL ACCOUNT MANAGER	NATIONAL ACCOUNT MANAGER	ASSOCIATE ACCOUNT MANAGER
<b>Solution orientation</b>	<ul style="list-style-type: none"> <li>• has a ‘can do’ approach</li> <li>• creates an environment in which projects can be delivered in a timely and efficient manner</li> <li>• integrates projects to ensure optimal business outcomes</li> <li>• monitors and reviews project progress and outcomes to ensure timely delivery of business success</li> <li>• presents project proposals which achieve required outcomes</li> <li>• plans, monitors, evaluates and directs the activities of others to achieve complex, inter-related goals within pre-determined parameters (e.g. time, budget, quality etc)</li> </ul>	<ul style="list-style-type: none"> <li>• has a ‘can do’ approach</li> <li>• presents project proposals which achieve required outcomes</li> <li>• plans, monitors, evaluates and directs the activities of others to achieve complex, inter-related goals within pre-determined parameters (e.g. time, budget, quality etc.)</li> <li>• utilises effective project management frameworks to enhance project efficiency</li> <li>• consistently delivers project outcomes which exceed customer expectations</li> </ul>	<ul style="list-style-type: none"> <li>• has a ‘can do’ approach</li> <li>• contributes to the planning, monitoring, and evaluation of projects in which an active participant</li> <li>• utilises effective project management frameworks to enhance project efficiency</li> <li>• consistently delivers project outcomes which exceed customer expectations</li> </ul>

**Figure 2: The Competency Skill of “Solution Orientation” for the GAM, NAM and AAM**

### Levels of KAM Competencies

Competencies also differ from one level to another reflecting the changing demands within the development path of each role. This particular client used a 5 scale for assessment during selection or appraisal interviews:

1. absent
2. developing
3. competent
4. good
5. excellent

For each area of knowledge, skill and behaviour the managers determined at what level the competency trait was *Essential* on this scale i.e. between 3 and 5 (it would not be appropriate for the role to say that a competency should be absent (1) or developing (2) – these are used to assess the individual). For example, using the example of Solution Orientation given in Figure 2 – both a GAM and a NAM required this at a level 5 (excellent) taking into account the differing definitions, whilst the AAM needed this at a level 4 (good).

**Therefore, it should be noted here that being a competent Account Manager (at any level) may no longer be good enough. The bar has already been raised!**

The Competency Profile is used (either during selection or appraisal) to assess the individual's level of competence against the essential requirements of the role, and to identify the developmental gaps. In this way rational selection and development decisions can be made to ensure success.

The competency framework contains a whole range of knowledge, skill and behavioural areas, with related definitions at all required levels, and is continually updated as the needs of the customer / organisation change. Having such a wide range of data available to everyone in the organisation enables career progression decisions to be well-informed and allows the 'transparency' of information indicative of a good "Learning Organisation."

### Applications of the KAM Competency Framework

The Competency Framework is not just for selection and development of KAM Talent, it can be applied across a broad range of KAM management activities (see Figure 3)

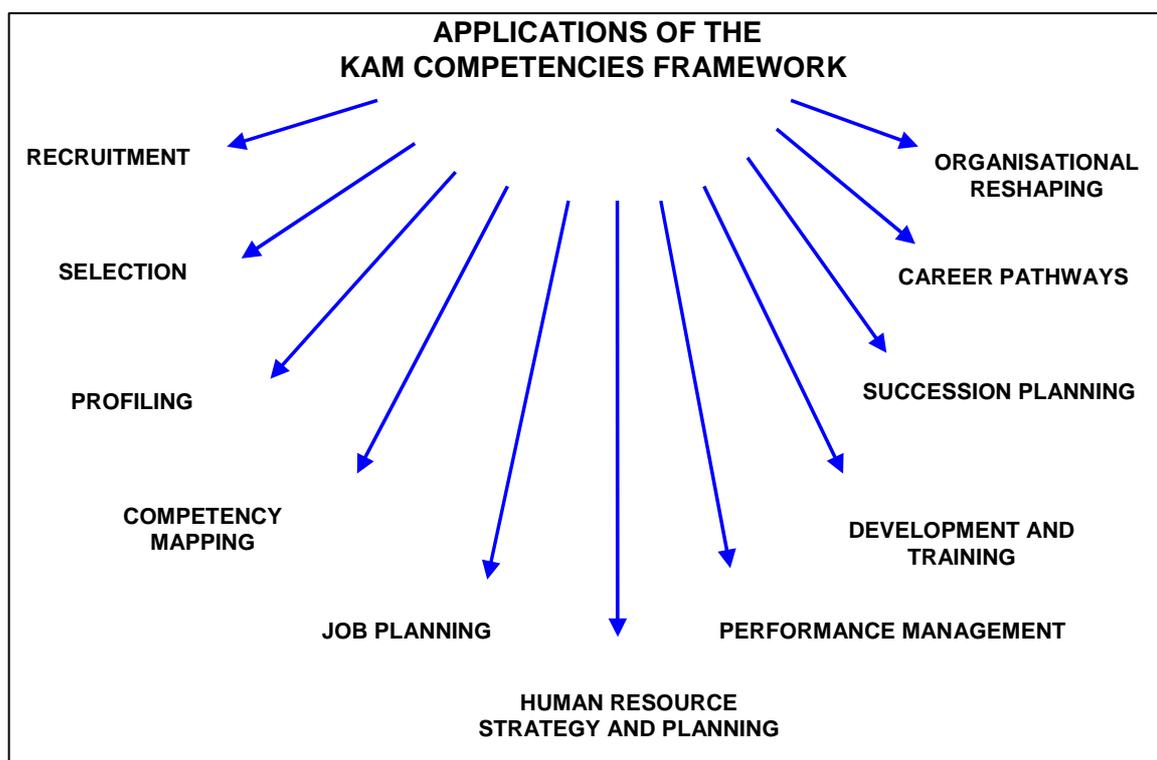


Figure 3: Applications of the KAM Competencies Framework

### Why is a Competencies Approach to KAM so important?

The War for KAM Talent is very real and is likely to get worse as demographic and business factors impact each organisation's ability to attract and retain the best KAM people. Competencies are not a panacea to winning this war, but they are a powerful key. Those organisations who are already accurately identifying the competencies they require and set about matching these to individual's within the organisation or marketplace, are doing so because they recognise this will give them competitive advantage in recruiting, keeping and using KAM staff effectively.

Competency Frameworks are dynamic. They grow and change as the business evolves. But as the Chinese say, "Even a journey of a thousand *li* starts with a single step" and those who choose to take that first step early will find themselves at a distinct advantage in the KAM Talent War.

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