

# Don't Gamble with GAM: How BCcomponents Reduced the Risk of their GAM Programme

**By Edmund Bradford**

*Managing Director,  
Mosaic Partnership Ltd., UK*

**and Leif Schwan**

*Global Marketing Director,  
Industrial, BCcomponents, The Netherlands*



BCcomponents (BCc) is a leading manufacturer of electronic components for telecommunications, automotive, consumer and industrial applications. It is headquartered in the Netherlands with manufacturing and sales operations in Europe, Asia Pacific and North America. It has 4,200 employees in 15 countries and last year had sales revenues of \$450M.

BCc is a relatively new name on the international stage (formed in January 1999) but its roots go back more than 50 years as a former division within Philips, the multinational consumer electronics company.

Leif Schwan arrived at BCc in August 1999. "I was brought in by the new management team to try and change our approach to our major customers." It had only been 8 months since BCc had become a stand-alone company and there was clear need for a change in the approach towards major/global customers. Leif explains. "In some senses we were too close to Philips and there was a cosy belief that we would always be their preferred global supplier." However, the customer base also

***BCc found that the historic relationship with Philips had little significance when building global account relationships – even with Philips!***

includes companies like Nokia, Siemens and Alcatel. BCc found that the historic relationship with Philips had little significance to building future relationships with these global accounts – and that included Philips! "The management team was adamant that we needed to improve our Global Account Management (GAM) and could not rely on old cosy relationships to power our future growth," says Leif.

Unfortunately, there had already been earlier failed attempts to introduce effective GAM across BCc so the workforce was anything but receptive for another assault.

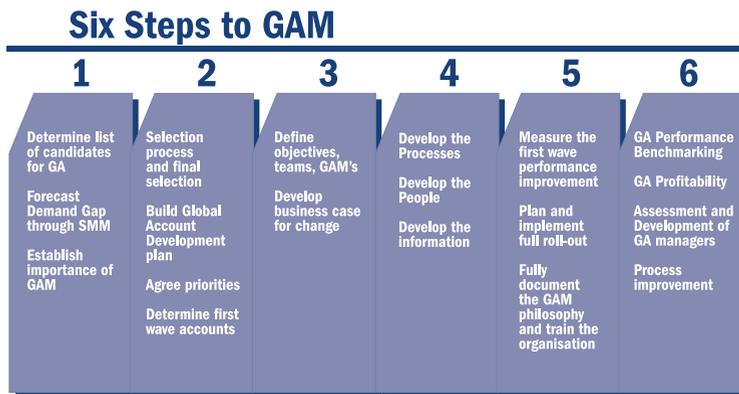
## ***"We Need a GAM Programme Plan"***

Leif continues the story: "I was keen to prepare the ground properly before launching into a new GAM programme.

So I undertook a personal crusade to understand who was good at GAM and what was considered benchmark best practice. I found attending conferences on the subject and discussing my issues with other professionals to be extremely rewarding." It was at SAMA's Pan-European Forum in February 2000 that Leif met up with myself and was introduced to a step-by-step approach to implementing GAM. This was converted into a high level BCc GAM Programme Plan (see Figure 1, page 10).

"This was extremely useful in demonstrating to everybody at BCc that we had thought carefully about the changes," says Leif. "I deliberately extended the timescales compared to previous attempts to make sure we hit the milestones. The Plan also helped people understand that the title of Global Account Manager was not just a medal you gave to a good salesman, nor

**Figure 1: BCc GAM Programme Plan**



was it just about CRM technology or looking after strategic customers in your own country only. It also underlined the importance of piloting and *demonstrating* success before exploding the programme to cover all strategic customers."

Another important factor was the management team's support. In October 1999, Naz Proietto joined BCc as CEO and he was quick to lend his full support to the GAM programme. "Naz made sure that the entire Board was aware of his personal commitment to this exercise and let it be known that this exercise was my (Schwan's) personal priority. He was also driving hard the implementation of a new sales and marketing management (SMM) information system and felt that both initiatives were mutually reinforcing."

These three strands: a good Programme Plan, visible executive commitment and a new information system became the key levers for change at BCc.

**Powerful Programmes Start with People**

The benchmarking process had also

been useful in establishing a couple of critical tools. The first was a process for carefully selecting the right global accounts and the second was the design of a Global Account Plan (GAP) template.

It was not until January 2000 that Leif felt he was ready to start spreading the GAM gospel. Unlike the previous failed attempts, he deliberately invested a large amount of time in going out to meet with the regional teams and in *listening* to their needs. He also went prepared with a template for change

backed up with known commitment from the CEO. "It was important that I communicated my role to the regions and let them know I was also accountable and supportive." (see Figure 2)

In the first "global road show," Leif met with the Regional VPs, Regional Sales Directors and Regional Account Managers. These established the competitive need for change and allowed the regions to influence the choice of global accounts, the global information architecture (SMM and GAP) and the change strategy.

A second global road show was commenced in June 2000 to allow the regions to add more detail to the Programme, the account information architecture and to ask them to recommend the team composition for the first set of Global Account Teams (GATs).

Because Leif came armed with good ideas, robust tools and was prepared to take people's concerns on, he was able to win over more people to the GAM programme.

"A good example is reward and recognition," explains Leif. "The question came up a number of times

**Figure 2. Global Marketing Director's Role (Actual Slide Used)**

**My role**

**Accountability for the programme (implementation)**

**Issue resolution**

**Tracking, Reporting Progress & Success Measurement**

**Day to Day support to GAMs**

**Relationship with all GAs**

about the need to reward effort for seemingly marginal gains in one region that are important for the overall global relationship. Well, I was able to take that right back to Naz who immediately began looking into the issue. We are now implementing a global compensation scheme linked to local contribution to the corporate good. We have also made our GAMs report directly to the Industry Marketing Directors." That kind of CEO-driven change has an immediate effect on the Programme's credibility on the ground.

Also, BCc did not become slaves of the GAM tools. In selecting their initial pilot Global Accounts, strong emphasis was placed on softer issues like the enthusiasm of the Account Manager and capability of the Account Team. A good team with a good leader can change the performance of an otherwise indifferent account. "It was critical that our first three global accounts had a good chance of success," reveals Leif. "That has as much to do with the people's belief in themselves as it does in the strategic evaluation of the account's potential."

## Early Successes

It has only been six months since the first two GATs were selected and set to work. However, already, there is a new global culture emerging within BCc. "There is a much greater sense of shared responsibility. The people on these teams feel they are important to BCc and that their contribution is making a real difference to the business. The level of personal commitment and team innovation is significantly higher and there is a real step change in the level of global interaction."

The support for the Programme is strong across the company and GAM is no longer yesterday's idea. In fact, the problem now is persuading people not

to attempt to replicate the success across all the large accounts – yet.

## Two Down, Four to Go: Next Steps

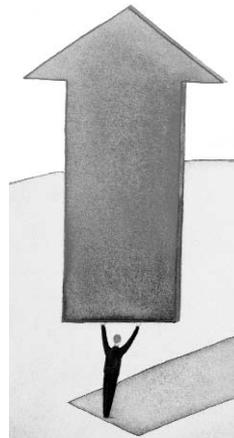
However, the GAM journey has only just started with BCc. The priority for the next 12 months is to work with the Global Account Teams to improve their processes and working methods. "We will look to add one or two accounts to

## **A good team with a good leader can change the performance of an otherwise indifferent account.**

the Programme as well," says Leif, "primarily to ensure that each Industry segment and Region can be an incubator of at least one Global Account. However, we will proceed cautiously. We have to walk before we can run."

BCc is also continuing to invest time in building up its SMM capability and linking this to the GAM Programme.

Leif is the first to admit that not everything has been done well at BCc. "In hindsight," he declares, "we should have better celebrated the launch of the initial GATs. We hadn't really put them through a rigorous launch programme and made them aware of the genesis of that moment. However, we will look to improve this over the coming months." This is especially true in very dispersed global teams. "Getting a Sino-Euro-American team to perform effectively is a significant business challenge." A good



planning process and communication infrastructure can certainly help, but you also need to invest time in winning support from the local managers.

However, there are some useful lessons to draw from the BCc case:

- Fundamentally, a GAM Programme is a change programme. You have to win *hearts* as well as minds to succeed. The technology and toolsets are improving but it is easy to be blinded by these – like rabbits in car headlights – and forget about the people that make it work.
- Look outside your company for help. A good programme advisor can save you thousands of dollars in wasted time, bring a fresh perspective and demonstrate the company's commitment to the exercise.
- Don't run before you can walk: plan the changes carefully and use piloting to demonstrate success.
- Look for opportunities to shake up a skeptical workforce – alter the reward and recognition process and reporting structure if necessary.
- Invest time in selling the concept internally. To sell, you have to listen.
- A good information infrastructure is essential to significant progress.

Igor Ansoff, who has published almost 100 books and articles on strategic management, once noted that in 30 years of experience in business strategy, it was his conclusion that most strategies failed through poor implementation rather than poor strategy – yet it was invariably the strategy that got the blame. The lesson of BCc is that the GAM vision was right all along; it was the implementation programme that needed the effort. 

Edmund Bradford is Managing Director of the Mosaic Partnership in Redditch, UK. You can reach Edmund at +44-152-754-2530 or e.bradford@mosaicpartnership.com.

Leif Schwan is Global Marketing Director, Industrial for BC components in The Netherlands. You can reach Leif at +31-40-259-0728 or leif.schwan@bccomponents.com.