

## Rubber Meets Road: Putting Large Account Management to the Test

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Miller Heiman's Vince McFarlane knows what it feels like to be a high-performance driver. Just before joining Reno, Nev.-based Miller Heiman Inc., he led a multi-functional Burger King account team at Coca-Cola Fountain. Revenue raced ahead at an unprecedented 32 percent compounded growth rate over a "lap length" of two years under his direction.

He also knows how rewarding it can be to help others reach the winner's circle. Since joining Miller Heiman in 1996, he's been a consultant to high-profile sales teams with large Fortune 500 clients, and helped them reach and exceed revenue targets.

McFarlane's consulting experience includes delivering energy-driven training sessions using Miller Heiman's *Large Account Management Process<sub>SM</sub>* (LAMP®), and he was named the Miller Heiman Sales Consultant of the Year for five years running. *The Sales Performance Journal* asked him to shine a high beam on the process of working with strategic accounts. Edited excerpts of that exchange follow.

**Sales Performance Journal:** Let's start with the basics.

How do you evaluate your current large accounts?

**Vince McFarlane:** In my mind, that term [large] is somewhat of a misnomer because it leads you to

believe it's based on size. It can be any client that is important, whether it's size, revenue, strategic positioning--clients in a particular niche, or who offer innovative products or services. It can even be a small client that will give you the chance to experiment and try new things. But they're going to be worthy of heightened evaluation and perhaps increased involvement.

*LAMP*® [Miller Heiman's *Large Account Management Process<sub>SM</sub>*], when executed well, helps sales teams make decisions that result in long-term, defensible positions. Defensible positions lead to secure, expanding revenue streams.

Sales managers know they have important clients out there. But a process for managing large accounts that provides clarity around where they should focus their time and money is not always easy to develop. It's partially about learning to profile an ideal customer. But it also revolves around the tradition of Pareto's Principle, which says that roughly 80 percent of your revenue comes from 20 percent of your clients.

Sales managers know their math, but sales teams may not agree on which partnerships are critical and where it makes sense to devote the most energy. They need a structured process, which gives a

framework for discussion on resource allocation for clients that have the richest potential for revenue and profit—[Miller Heiman's *LAMP*® program calls that] the targeted "Field of Play."

Using Burger King as an example: For the purpose of sales, it's not one entity. It's a corporation, franchises and field offices. There are fifty different relationships I could manage that would require fifty different strategies. So the question is, what relationship am I really evaluating and what return do I get for my investment?

**SPJ:** It sounds like a concept that generates "a-ha!" moments in consulting partnerships.

**VM:** Absolutely. Then there's the "Buy-Sell Hierarchy" [a concept by which the selling organization can evaluate how the buying organization views the relationship; simply stated, relationships can range from Level 1 (commodity) to Level 5 (partner)]. Are you well positioned and secure, or at risk? Sometimes sales figures are used as a barometer of success, "Well, they're buying a lot of stuff, so they must love us." Volume does not equate to long-term success. You could lose tomorrow when the next bid comes out. It all depends on how your client views you.

Sales managers suspect something along these lines, but *LAMP*® gives them explainable, repeatable approaches to dimensionalize their status--to truly understand where they are in relation to their clients.

**SPJ:** Revelations that surface through this process require sales teams to adjust their perception of a customer relationship.

**VM:** Quite a bit. It can redefine an entire mindset. One of the most damaging things I see in selling and salespeople is that often they view sales as subservient--something like indentured servitude. It's a limiting perception that creates dysfunctional relationships.

Salespeople have no right wasting a client's time unless they can say: "I've got something uniquely valuable you can't get anywhere else." Those who present themselves and their products as relevant can engage in equal, mutually-beneficial relationships.

**SPJ:** Changing the parameters can shift the relationship to a secure position; say, from that of lowest-price provider--or "indentured servant"--to valued resource?

**VM:** *LAMP*® provides the philosophical construct for managing the relationship. Determining how your

client views you on the Buy-Sell Hierarchy using a regimented set of principles is one step. It also gives you tools to evaluate if the relationship is going to give you the result you anticipate.

**SPJ:** How so?

**VM:** It helps instill discipline, which some organizations lack. If a relationship stands up to certain tests you're going to give it everything you've got. You may even start from a short-term revenue deficit if you see that you're going to extract future value and achieve balance. You take a leap of faith, particularly if you have senior management commitment.

It can also help you know when it's time to stop making investments in a client – or not even start. Say you're only talking to organizations focused on price. You can't spend too much time engaging with companies that are not predisposed to value-based conversations, no matter how "key" you believe the company to be. They aren't likely to engage in a dialogue that gives you the return you need, let alone discuss bigger picture issues....

**SPJ:** So you move on?

**VM:** Well, you can strategize to hit the sweet spot. Try to find partners hungry for resources. You want relationships where people need creative ways to reach their goals and who let you deliver against the premise that you are able to help. If you can't, you may need to focus your resources elsewhere.

### About Miller Heiman

Miller Heiman has been a thought leader and innovator in the sales arena for almost thirty years, helping clients worldwide win high-value complex deals, grow key accounts and build winning sales organizations.

With a prestigious client list including Marriott Corp., Dow Chemical, Pepsi, Schwab Institutional and Wells Fargo, Miller Heiman helps clients in virtually every major industry to build high performance sales teams that deliver consistent sustainable results to drive revenue.

The company is headquartered in Reno, Nevada and has offices around the world. More information can be obtained by visiting the company's website at: [www.millerheiman.com](http://www.millerheiman.com).