



## **ClarityES1 Podcast Episode 2: SAM the Individual vs Organization SAM**

Welcome back to the ClarityES1 podcast series. I'm your host, Chris Deren and after a couple of decades of helping field teams develop into their full potential, I can say that we've learned a lot, especially about strategic account management and how to get it right.

And after all this time, it still amazes me how much discrepancy exist from company to company when it comes to strategic account management. While much has been discussed on the topic of SAM and why it can be a challenge to excel at it, I've always been of the belief that there's a fundamental question that needs to be answered first.... Are we talking about SAM the individual or SAM as a business function across the organization?

The reason why I think it's so important to address this first is also the reason why many SAM initiatives fail to live up to their promise.... The focus is often on developing the individual into a successful Strategic Account Manager at the expense of not preparing the larger organization to execute successful SAM strategies on a more consistent basis.

Part of unpacking this I think.... Has to do with the historical distinction between SAMs and the rest of the selling organization and the perception that SAMs are somewhat autonomous in the way that they own and interface with each key account.

Now this issue of SAMs working on their own or worse, in a silo, without tight collaboration with the rest of the organization, (sales reps, marketing, finance and others), is by itself an Achilles heel in most verticals and an Account Management challenge that deserves a separate discussion. But given the rapid increase in account selling complexity and the shifting trends in technology and now AI as part of the overall SAM strategy, we are well past the point (or should be...) where leaders of commercial organizations can assume the SAM is "taking care of things" at the account level in absence of an organization-wide, integrated SAM strategy with core and extended teams and more transparent communication.

The concept of there being a multi-functional team engaged in the long-term success of each major account relationship is of course, not new. Where the issue seems to be on the topic of SAM the individual or organizational SAM is putting too much responsibility on the individual SAM and too little on the leaders of organizations to ensure that the multi-functional account team performs at its' highest level.

At the risk of alienating those who are not pro football fans, I'd like to use the analogy of expecting the quarterback to recruit, train and coach all other position players. In the majority of cases, this should be the organization's responsibility, not the quarterbacks'.

There's also a hidden factor involved here and one that should motivate leadership to drive the integrated SAM strategy from the top. According to a recent Gartner report, only 28% of sales leaders agree that account management channels regularly meet cross-selling and account growth targets. This points to the reality that when SAMs are left too much on their own to drive account strategies not integrated with the broader organizations' goals to create more solution value and expand the "relationship and revenue footprint" within each key customer, SAMs will often default to focusing on retention through product success and customer service with little time left over for pursuing growth.

This does not mean that a focus on key account retention is necessarily wrong. For high tech software companies with SaaS-based solutions and subscription models for instance, retention is a means of survival.

But with most companies reporting a doubling of expansion in their product and service sets being offered to customers according to Gartner, is there a possibility of an "if we build it, they will come" mindset starting to sink in when it comes to strategic account management? Are organizations thinking that their primary responsibility is to build the solutions that they then hand off to SAMs to take into the account?

When there's less coordination between SAMs and the rest of the "SAM organization" on a more offensive and prioritized growth strategy, organizations may be unknowingly encouraging a defensive "protect what's already been sold in" set of behaviors of the SAM; sometimes going as far as to build incentive comp plans that reward and reinforce a defensive account mindset.

By contrast, the companies that tend to succeed on a continuous basis with their SAM efforts do a few critical things that others are perhaps skipping:

1. They initiate SAM from the top. This goes far beyond the CXO making an occasional executive exchange visit to a top customer account. It includes the ability of leaders to tell a compelling story to the rest of the organization of why the SAM initiative is an imperative for both customer retention and account-based growth.
2. They demonstrate by example and actively engage the rest of senior leadership to "join the ranks" of the SAM organization.
3. They direct the build-out of both the SAM organization and the components for day-to-day execution success. In addition to the resources and tools to recruit the best SAMs themselves, this includes:
  - The right incentive comp programs.
  - The sales support and effectiveness infrastructure including data, tools, and resources.
  - The mandate from senior leadership for core and extended teams to coordinate and communicate SAM strategies on a frequent basis.
  - Systems and models for oversight and measurement on the key success factors for SAM.
  - And yes of course, ongoing visibility in coordination with the SAM team with key account stakeholders.

So, I come back to the original question.... Are we talking about SAM the individual or SAM as a business function across the organization?

You probably won't be surprised by now that **my** answer at least would be an emphatic **"yes"** to both!

Thanks for listening to the ClarityES1 podcast series! Until next time.