

Chapter 14

The most important element for managing the multifunctional team is the leadership abilities of the SAM. In the present chapter, Mercuri International, an expert in global customer management, will discuss the capabilities and the duties of a SAM to effectively manage a global customer. To summarize the most important facets of SAM leadership, I would say the SAM as a leader needs to have a clear strategic vision for the customer, he or she needs to have the ability to effectively communicate that vision, both internally and to the key customer stakeholders, and he or she needs to make sure that the metrics are in place to effectively drive the customer value process, holding people accountable for delivering to the customer's needs. The SAM also must have the leadership acumen to assemble the right team and to ensure the necessary customer alignment to deliver on the value proposition. This has led some experts to call the SAM a political entrepreneur, which speaks to the SAM's ability to lead teams, navigate the customer, and manage his or her internal organization for optimal results. (Bernard Quancard)

Mobilizing and Leading Multifunctional Teams

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It's a beautiful Friday afternoon. You're wrapping up a busy, productive week; you made it through without any calamities or unusual concerns. Now you're looking forward to unwinding this weekend—two days with the family, a dinner with friends, and even some rare down time. You might start that biography of John Adams you've been meaning to read...

Then at 4:50 p.m., the phone rings. Your customer in Brussels is on the line, and he is incensed about developments at his manufacturing plant in a country seven time zones away. It gets worse: You learn that one of your account team members stationed near the plant knew about the situation two weeks ago. Not only did he neglect to inform you, but he also didn't mention it to your customer, whose outrage is clear. "What is your team doing over there, anyway?" he practically screams into the phone. "Don't you communicate in your company? You need to solve this now!"

Quickly, you call a meeting about legal issues and angles involved in your contract with this customer and possible consequences of not fulfilling all the terms. You call your colleague in Belgium only to find his weekend has already started and he's in a restaurant at a family birthday party. In the meantime, emails from across the pond are piling up. Your weekend turns out to be anything but restful; you spend the entire time worrying about your options and making things right with the Brussels emergency. The entire next week unfolds at the same hectic, panicky pace. When the crisis

finally is over, you ask yourself, “What have I really accomplished, and did I lead my team—or did they lead me?”

This is a typical day in the life of a swamped strategic or global account manager. It’s a role that is complex and demanding, and it involves leading without line authority across functions, divisions, and geographic regions. In this chapter, we will examine the specifics of leading and managing multifunctional teams.

My experience in managing international sectors spans several decades, so I’m in a good position to write this chapter. I’ve worked in the United States and also spent about 20 years based in Europe, working with global companies based in North America, Europe, and Asia.

We know that creating value for the customer involves many steps, all of which are covered elsewhere in this book. This chapter will speak to improving the functionality of the global team in order to develop and deliver on the value proposition, and we’ll use Wacker Chemie AG, a worldwide chemical company founded in 1914, as a case study. I have worked with Wacker for years, helping them develop some of the strategies and processes discussed here.

Wacker operates around the world and employs a team of SAMs who must be effective across the globe. To that end, Wacker considers these key areas when they want to improve the account manager’s function:

- Interpersonal skills
- Strategic leadership
- Global perspective
- Measurement of SAM

Each of these areas has multiple dimensions, and we will look closely at them all.

Interpersonal skills

Communication is a key element in every account manager’s success. It’s the vehicle for building trust between colleagues, and between SAMs and customers. Wacker utilizes internal tools for clear strategic communication about each account, which is useful both within the core team and for communicating with executives.

Some of the company’s practices in communicating effectively are common sense. Wacker aims, for one thing, to conduct all meetings in English, no matter where they are held or who will attend. Some of these meetings might take place in China, and no doubt the managers in that part of Asia would prefer that Chinese be spoken at meetings. But that would mean others in attendance, and those who are affected by what transpires at the meetings, wouldn’t be able to talk about what happens or act on any decisions made there. Hiring translators takes time, and it’s easier all around—and more inclusive—if only English is spoken. This also prevents managers from one locale from exerting more influence than others simply because of a linguistic advantage. Most companies don’t have a specific system, spelled out in writing, for communications; but Wacker recognized the importance of communicating effectively and made it one of its so-called Golden Rules, which I’ll explain at length in the “Global Perspective” section below.

Only with good communications can global managers, line managers, and customers build trust, which is a vital ingredient for effectively conducting business. It would be nice if trust building could

always be an organic process, but when it's left to chance, personalities can get in the way. So Wacker has systemized trust building. One tactic is requiring account managers to hold face-to-face meetings with their teams, which reinforces the idea that physical distance doesn't have to mean social distance. Wacker goes out of its way to make sure managers regard their teams as one entity—not (for example) six French, three Chinese, two Americans, and three South Africans. The team is the team, acting in tandem as one.

When it comes to building trust, the little things count. Thanking people for their help, congratulating them on a job well done, or involving them in decisions can go a long way toward motivating and aligning with them—whether you're interacting with a customer, a fellow SAM, or the most junior member of your team. Asking for feedback shows people that you respect their expertise and opinions. And be sure not to “over manage.” Giving colleagues the space to disagree with each other without you stepping in or shutting them down can encourage honest, forward-looking communication throughout the company.

One other obvious-seeming but often overlooked facet of team building is the art of small talk, especially if your team is geographically dispersed. Don't be afraid to coach on this. And by small talk, I don't mean empty, time-wasting chitchat. I mean conversation that's more personal than business discussions—the other person's background, what they like most about living in a certain city, whether they found it easy to learn a second language, and the like. Teach your account team members to make their questions open ended and to listen for areas of common ground or shared interests. If you can make these habits second nature, you'll notice that trust begins to build organically.

Strategic leadership

One challenge the account managers at Wacker face is moving from an operational to a strategic mindset, though this challenge is, of course, hardly unique to Wacker. At Wacker they strive to prevent problems before they happen by building a company culture that's proactive, rather than reactive. And because the SAM is perceived as the authority, the leader with ability and smarts, he or she needs to be the most proactive of all.

The focus on proactivity depends on devising a detailed account plan, which relies on the use of “action sheets” to drive behaviors. For instance, an objective might be to visit a customer in India with a new formulation within the next six months. The action sheet items related to this objective might include:

- Work with the lab on the formulation
- Get a timeline from the lab
- Meet with the procurement people on your team
- Decide on whether to increase the price and if so, by how much
- Run your account plan by others on your team and get their feedback as to which items are realistic and advantageous, and which need adjusting

Some action sheet items will be assigned to global team members, while some will be handled locally. But planning ahead in this way, and sharing the planned actions with the entire team, leaves much less to chance and will free up time that would otherwise be spent putting out fires. But beware: If

you focus only on the tasks at hand, it's easy to lose sight of the overall account vision. So SAMs need to be able to:

- Detect patterns
- Look beyond the details and day-to-day issues
- Visualize the “bigger picture”—where you want to go and how you will get there as a team

At Wacker it starts with team leadership, which starts with giving account managers the authority to work both within their teams and to align their teams with the rest of the organization. To this end, it can be helpful to bring together people who perform different functions within the company. Consider holding a retreat for your team where someone from accounting, a lab technician, and a marketing person (just for instance) all present the challenges their departments face and plans for overcoming them. At Wacker, personnel from across the company often participate in the SAM development program, often as coaches and line managers.

Wacker facilitates this multifunctional sharing both in two-day facilitated sessions and in periodic “fireside chats.” Seeing how all the moving parts operate in tandem can get “firefighters” thinking more strategically and help them avoid getting snagged on day-to-day coordination. Awareness of other departments is vital to optimal functioning, and Wacker tries to create that mutual, interactive awareness not only for global account teams but across the entire organization.

Many companies create strong value propositions for their customers, but unless they're able to maximize their own internal relationships and resources—which requires deep knowledge and awareness across their organization—they're going to fail to deliver on their promises. Wacker pushes its SAMs to promote and endorse personal connections because, in reality, all business is personal. Whenever possible, managers are encouraged to give instructions or feedback via web conferences and phone calls, rather than by email.

Silos aren't going anywhere any time soon. But when they're united by a common vision, and when departments communicate with each other, planners and managers can innovate more easily.

Global perspective

A company's culture can heavily impact the success of a strategic relationship. How informed are the people on your team regarding the cultures involved in this account—and not only the cultures of their own colleagues and customer contacts, but all those across the entire ecosystem?

In simple terms, adopting a “global perspective” means having the ability to adapt and work effectively anywhere. One of the most fundamental concepts in evolving the account manager's global perspective (and that of the global team) is “high context” versus “low context” communication. The concept of high- and low-context communication was developed not by a business guru but by an anthropologist named Edward T. Hall. Low-context communication revolves around sharing concise bits of information with little background or context needed. High-context communication requires the speaker to impart much more background and context.

Traditionally, most Americans communicate in a “low context” manner. But if you are working with an account manager in India or France, for instance—countries where the communicator is likely to explain everything he or she can about the situation at hand, even though the manager in

the United States may want just the headline—then the quality of their communications (and, thus, their relationship) may weaken.

These two communication styles also affect people's physical reactions during conversation. In high-context cultures, reactions are very reserved; people don't tend to show their emotions as expressively as we do in the United States. Even the notion of time is different in high- and low-context cultures. In low-context cultures, time is much more flexible. In high-context cultures, agendas and work are highly organized and planned to the smallest detail. These are all things account managers need to keep in mind, both in terms of their own global teams and their global customers.

High or low context is evident, too, in the ways in which business people prepare to speak. In Eastern Asia, for instance, managers are likely to prepare at length before they give a talk or even share their perspectives with colleagues. But in the United States, independent thinking and quick decisions are often valued over careful deliberation.

Like all cultural differences, any clash between high- and low-context colleagues from different cultures is easy to avoid by learning how your team members working and living in other cultures are accustomed to operating and by being ready to adjust your own approach accordingly.

Another major factor in developing a global perspective is how you define when a situation is merely a challenge to work through versus when it has become a problem that needs to be solved. In the United States we enjoy a culture of entrepreneurship, what some call a “can-do” attitude. In situations where there's been an operational hiccup, a U.S.-based team may see an opportunity for improvement that ultimately strengthens the overall customer-supplier relationship, while an Asia-based team might see something “broken” in need of fixing.

These different perspectives, and the kinds of responses they call for, all came into play in the anecdote at the beginning of this chapter. Remember: You're in the hot seat because your account team member didn't inform you of the complications developing in your customer's plant because he saw the apparent logistics problem as a new reality that he and the team would cope with and work through; he didn't think the issue warranted escalation. Your customer, on the other hand, viewed the issue as a dire problem that needed to be fixed right away. They each looked at it from their own cultural perspectives.

These different cultural perspectives can create challenges for global teams—but notice I said “challenges,” not “problems.” By simply being aware of the possible differences, and communicating and working more closely, potential blow-ups like the one I described can be avoided.

Inevitably, global operations have stakeholders operating in a high-context culture. One way of acknowledging and catering to this cultural preference is to send a detailed agenda in advance of any meeting and to follow up with minutes afterwards. It's a basic action that can accomplish much in terms of collegial relationships.

For each strategic account, Wacker's SAMs develop a list of approaches they call “Golden Rules,” which enshrines transcending of cultural differences as an official account policy. The Golden Rules are created with the team and the account manager as a way to formalize how they will work together across the customer organization. For example, one rule might spell out when managers should start talking about a challenge and when they need to escalate to a higher level. It's a very clear process addressing such issues as the best ways to handle value propositions, testing, and pricing. Essentially, it lays out how the team should cooperate, no matter where they are in the world.

To give one example, Wacker has a defined process around purchasing. Managers are to refer to Wacker's account-agreed pricing approach and to consult colleagues; if Wacker develops and releases a new product or solution during the year, a specific process for offering that product, overseen by the SAM, is already carved in stone.

To further breed cultural awareness across teams, Wacker arranges national and global meetings. In addition to SAMs, line managers and others are invited to attend and given extra travel days to accommodate core team members.

Wacker understands that if it's going to do business globally, it needs to take a more global approach and hire leaders from Asia, Europe, and the United States. Sometimes global team members are going to bump into local customs, and having managers from across the globe helps establish culturally sensitive approaches to work practice.

Measuring outcomes

It's not easy to directly measure improvements in leadership. However, Wacker did create an internal measurement system for SAMs based on how a manager's team has influenced revenues and profit margins. The account manager is responsible for following through on any recommendations.

The company uses a mix of metrics in these reviews, including:

- **Is the team working with the right contacts at the account?** The most productive connections will fit the team's objectives. Sometimes that means establishing contacts at the executive level, sometimes it means connecting with a mid-level manager or technical liaison. It's the SAM's job to know the account in sufficient detail to zero in on the best decision maker for whatever the team needs to accomplish and to align the team to foster the interaction.
- **Does the SAM understand the customer's decision-making process?** Every account is bound to be complex, and the account manager needs to know the specifics of each customer's process. What steps are involved in its purchasing system? What's its research methodology? How will the customer assess its success in working with the account team? Will the company be looking for any red flags that the account team should avoid?
- **What is the account team's corporate communication process?** Are the account managers carrying the right messages to the customer? Is the team using communication tools in a good way? How does the team present the value proposition?
- **Are account team members leveraging their product range in a way that will benefit their customers?** Customers engage suppliers because they believe the supplier's team members are the experts and can show them how to boost their own profitability. The account manager should be able to see how his or her own team members are demonstrating to their customers the value of the relationship.
- **What is the account team's approach toward innovation with the customer?** Is the team discussing innovation with the right person to make it happen? How well is the customer implementing its joint plans with the team for innovation? Are the account team and the customer working well together to innovate both their products and processes? Do they see eye-to-eye when it comes to making changes?

Some of these items may seem like a given, but for many companies it's the basics that trip them up. They may need an outsider such as the SAM to simply show them a blueprint for moving forward.

It's not a hard metric, but every year Wacker's global SAMs get feedback from their own teams. The company creates a spider graph to show each team's year-to-year progress—how the account team has evolved and how the SAM can improve. And every year or two, Wacker collects feedback from the SAMs themselves as part of its aim for continuous improvement.

Based on several years of collecting the above measurements, Wacker strongly suspects that the success of the account team in the above metrics correlates strongly with the long-term success of an account.

Conclusion

Every day is busy in the SAM's world. Those who do an "average" job are capable global coordinators. But those who have moved from reactive firefighting to being proactive enablers of success become global strategic leaders. They are the innovators, and they get there by focusing on global perspective, interpersonal skills, and strategic leadership.

Wacker's approach to global team leadership is a work in progress, but these are some of the best practices that have helped them develop a strong approach to leading and managing multifunctional teams. By following the strategies outlined in this chapter, and by measuring and working with both soft and hard data, Wacker has fostered success in delivering value for both its customers and itself.