

Building Global Centers of Excellence

■ By Dominique Côté

The center of excellence has emerged as a best practice for stabilizing organizations.

Much has been said about the challenges and values of building global centers of excellence for key account management (KAM) and strategic account management (SAM) as a strategic operational group within organizations.

Each year, the Strategic Account Management Association (“SAMA”) issues awards for SAM programs and mature programs. One thing every winning company has in common is they all had an established centralized programming office, or center of excellence (“COE”). An irrelevant coincidence? We think not.

Establishing a COE is the key success factor for implementing an effective strategic selling and strategic account management approach. Despite this fact, only 10 percent of SAMA member companies have a COE, let alone an

effective one. With such a clear business opportunity, it is time to take a closer look at COEs, i.e., their challenges, benefits and key characteristics for SAM impact and success.

The COE has emerged as a best practice capable of stabilizing many organizations, independent of industry sector. These COEs can be the catalyst to create the right mindset, skillset and process for distinctive go-to-market and customer-centric engagement models, with direct mid- to long-term impact on bottom-line results. Despite this fact, strategic account managers still report that their own internal organizations’ navigation and alignment is one of the biggest barriers to their success.

Years of operational integrations and globalization of many organizations’ enabling functions have provided great pilot programs opportunities for organizations to try, fail and learn how to be successful in centralizing SAM centers of excellence and programming. There is a fine balance needed to centralize operations, process and governance while preserving and enabling customer proximity and localization.

A better understanding of a COE’s primary benefits and characteristics is clearly needed to help companies overcome their internal barriers and failed initiatives. Effective COE operationalization requires a close attention to each of the following COE characteristics and values.

The Cultural Shift: Alignment of Mindset

SAM is not only a business initiative, but a cultural shift and a journey. It requires passion, resilience and a strong understanding of SAMs ability to increase revenue generation. Effective SAM is at the core of how a company appears and stands out in front of its customer. If an



organization wants its SAM initiatives to be successful, it must align both its SAM mindset and communication.

How is this done? By establishing an effective COE. By targeting integration and alignment of mindset and communication, COEs can drive cultural and engagement model continuity throughout the organization. Implemented effectively, COEs can even avoid the creation of silos when SAM journeys are established outside of sales and commercial groups (as separate initiatives and engagement models).

Customer-Centric vs. Roles Curriculums

Learning and development capabilities need to be integrated into the COE to build a customer-centric curriculum. This curriculum ensures that every customer-facing individual is aligned to the same engagement or selling model and this is a key success component of SAM transformation.

Training curriculums are an essential tool to initiate and install internal collaboration and bring cohesion, avoiding misalignment of a company value proposition. To achieve this, a well-established COE – where the learning and development team builds curriculums with the customer-centric mindset and needs – is key. Such a COE-supported and centralized approach has the potential to establish engagement model branding, enabling a distinctive, differentiating engagement model shared by every customer-facing individual versus the traditional way of building role curriculums. Despite the complexity and variability of roles, centralized curriculums also provide the same principles to apply and create that differentiating model for engaging with the strategic accounts.

Think Global, Act Local: Focus on Localization

Many organizations that have



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implemented SAM realize that fine-tuning is needed to be successful, not only at the global culture and mindset level, but also at the level of local execution. For example, in life sciences, a SAM COE must have the flexibility to execute according to country healthcare archetypes. This means, depending on the decision-making and level of healthcare integration, the execution of the SAM competency and processes will vary.

Going faster than the evolution of the local health system will be detrimental to commercial success; falling behind will impede an ability to participate in and impact the creation of solutions for shared health issues. Centralizing common vision, strategy and main process within the COE is key, and is a pragmatic way to free up local SAM capabilities to focus and adapt efforts to locally varied business priorities and customer realities.

Breaking Down Silos: Enabling Alignment

SAM is a journey and is about team selling. Despite SAM being the owner of the relationship with the

account, bringing value beyond products and services requires thorough organizational alignment, including the alignment of all enabling functions.

COEs help enabling functions speak the same language as the commercial organization, aligning communication, content and purpose. Such COE efforts give functions like economic, outcome research, marketing and others greater capability to bring insight for the SAM to be differentiated in the relationship and in the mind of the customer as bringing business relevance and value.

COEs also help enabling functions participate as a part of the team and have their voice at the table with the organization and customer teams, in order to foster innovative and valuable solutions delivered to the strategic accounts. Breaking down internal silos amongst functions remains one of the biggest barriers to overcome in the SAM journey, and COEs play a key role in this regard.



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COE Components: Avoiding Complexity

The essential components of a COE are also important drivers for success. Avoiding the tendency toward too much complexity and focusing on the COE components that are really needed is an art.

- **The Foundation:** The foundation takes care of the vision, the definition and purpose for SAM, as well as the governance for the SAM journey. It is also bringing the senior leadership and sponsorship integration. There are three pillars that are critical for the foundation of any effective COE.
 1. **Competency and training curriculum** to develop personalized learning journeys aligned to the learner's needs while ensuring the cohesion of the engagement model.
 2. **Business analytics** that include the tools, advanced analytics and insight production, as well as case-based recording to scale and replicate within the organization, aligning solution and value enablers to the account needs.
 3. **Account-based marketing and innovation** to have the digital marketing align with the strategic account. This brings the customer buying journey, the 360-degree view of the account, the oxygen to enable the SAM to deep dive into the real needs of the customer and what they care about. It also supports the design thinking competency to push innovation for co-creation and broader value creation for the accounts.
- **The Pillars:**
 1. **Competency and training curriculum** to develop personalized learning journeys aligned to the learner's needs while ensuring the cohesion of the engagement model.
 - **The Process:** Process is often a scary word, but a necessity. The process aligns the definition of a

strategic account, the criteria to select and prioritize them, the account plan itself and the metrics and measurements. You find here as well the operating mechanism, meeting and reviewing strategic accounts with its purpose, members and outcomes. The more this process is done in conjunction with the customer, the better the outcome and often the opportunity.

One of the most important processes is creating a community of practice, the people process to increase communication, alignment and best practices exchange. In complex organizations, internal communication is a huge challenge. A strong community of practice helps share learning, project and best practices, driving innovation and accelerating the agility to scale and communicate within its own organization. This community of practice composed of the SAM with enabling functions, management and leaders creates the cohesion to the journey, sustaining the vision while being the agents of change and ensuring agility of the COE and processes to always adapt to the customer and the customer's customer. This process of building a community of practice is most essential in decentralized matrix organizations to break internal silos and contribute to ongoing alignment.

To be successful in the SAM journey requires a cultural shift with a mix of mindset, skillset and process and the freedom to pivot and adapt to the account environment and needs. In our complex, often-matrixed organizations, a well-established COE will enable real differentiation for the benefit of the customer and for profitability. ■

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