



Skill Sets Channel Account Managers Need

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Drawing on her training experience, Isobel Rimmer explains how to nurture the skills needed to be a successful channel account manager. She outlines the three facets of this increasingly sophisticated role – the Trusted Advisor, the Solutions Champion and the Navigator – and explains how each of these attributes enables vendors to get the most out of their partner interactions.



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Introduction

The role of a channel account manager has evolved to become more and more sophisticated. One of the challenges faced by vendors is to find the right calibre of channel account manager. Beyond basic selling skills, channel account managers need to be able to sell different kinds of products to different kinds of partners. Therefore, having the right channel account managers is fundamental. It is no longer a case of hiring someone who knows a few resellers or has experience working in distribution.

Vendors must behave as leaders who enable their channel partners to succeed. They need to build their partners' success into their business model. The partner community has expressed a desire to work with vendors who have a committed channel programme, a clear vision and market position and who are not afraid of pushing the boundaries. Therefore, vendors have to understand what partners expect from their relationships with channel account managers and strive to meet their demands.

Investing in training is a good solution as long as it provides ROI. The ultimate goal for vendors in providing adequate support for their channel account managers is to win more business, generate more revenue and create more profit both for themselves and for their partners.

Drawing on quotes and anecdotal evidence reflecting the expectations of various resellers and distributors, this whitepaper introduces the three prime attributes needed to be a good channel account manager. The ideal channel account manager is simultaneously:

- a trusted advisor who focuses on the relationship with the partner, not the transaction
- a solutions champion who is not simply a product pusher but considers what products and services will do for a business
- a navigator who functions as a catalyst and linchpin within the organisation, being involved in its internal processes

Having defined these qualities, the whitepaper will outline the different skills needed to develop them and suggest plans and strategies that will help channel account managers achieve their full potential.



1. The Trusted Advisor

1.1 The Skills Needed to Become a Trusted Advisor

When asked what they expect from their relationship with vendors, the answer coming from partners, resellers and distributors is that they want:

- someone who understands their business and recognises it is about building relationships, not transactions
- a business plan with legs – a plan with a firm direction that will be executed
- vendors who are business partners, working together with partners to deliver quality services and solutions, not just to hit a number

Therefore, central to the skills needed to be a trusted advisor is the ability to understand the nature of the partners' business, not only its size but also what they do and the issues they are facing.

There is often a lack of commercial and financial understanding from a lot of channel account managers. Enhancing their financial awareness is indispensable and they need to be able to demonstrate an understanding of an organisation's financial issues, for example in terms of revenue, margins, cash flow, VAT, compliance and legislation or shareholder and stakeholder demands.

Channel account managers also need to fully grasp the ways in which their partners' business operates, gaining insight, for example, into the costs of having to return goods or the costs of having to raise credit notes for small or medium-sized businesses. It is particularly difficult for account managers working for large vendors to relate to these specific issues. Therefore, it is essential to educate them precisely as to the inner workings of the partners' business.

Building trust with partners involves being authentic and delivering what has been promised. In other words, account managers should under no circumstance say they will do what they cannot do. For channel account managers to achieve the status of trusted advisors, they need to demonstrate consultancy skills. Peter Block's *Flawless Consulting* is a useful book to recommend to anyone needing be trained on how develop consultancy skills and work in partnerships. Ensuring channel account managers display consulting expertise will allow for trust to be built between them and partners so they can provide the advice and support partners need.

But to reinforce the position of the trusted advisor, a clear strategy needs to be implemented.



1.2 Developing a Business Account Plan

It is essential for channel account managers to have a clear business plan. Crucially, they need to be shown how to demonstrate the value of vendor products to the partners' business. Developing a business plan that is not only for the benefit of the vendor but also for that of the partner will serve to strengthen the position of channel account managers as trusted advisors. What often happens when working with either vendors or reseller partners is that a new set of business plans is applied depending on who has been appointed Vice President of the channel. From the partner's point of view, it does not really matter what the plan is as long as it is consistent and readily available. The plan needs to:

- be developed strategically with the partners
- show agreed weekly, monthly and quarterly actions
- be aligned to agreed performance metrics
- demonstrate the value and contribution the vendor delivers to the partners' business

Following the four criteria listed above will ensure the plan is kept simple and easy to use.

It is then necessary to consider how channel account managers should be trained on how to do all this. They need to be able to identify and understand:

- the business issues partners face
- the key trends in the partners' business
- the priorities from the directors' or owners' perspective
- opportunities over the next three, six, nine or twelve months

Building a contact plan for the larger accounts is recommended. This is referred to as a name and shame process. For example, an account manager who fails to reach a CEO or Vice President regarding a particular account will be asked questions as to why the contact could not be made. Therefore channel account managers need to be disciplined and track exactly who they are talking to, who they are not talking to and who they need to involve more in the process.

Achieving the status of trusted advisor is not enough. To be efficient in their role, channel account managers also need to develop the distinctive skills that will turn them into solutions champions.



2. The Solutions Champion

2.1 The Skills Needed to Become a Solutions Champion

Feedback from resellers reveals that they want to work with someone who would be a solutions champion and have a clear positioning statement. This is, in their own words, because they “work in a multi-vendor solutions market” and “don’t think about or sell discrete products”.

Partners also expressed a desire to receive clear roadmaps – channel account managers must be equipped with the relevant information so it can be supplied to partners. Once the fundamentals have been given, partners state they can do the rest, but they need clarity as to where vendors are going with their product sets.

One example illustrating the need to put in place a solutions champion is the case of a customer wanting to purchase network management from the reseller. The typical answer will be that this is not possible as it is not what resellers do. However, if vendors can provide seminars or events, or give advice on how partners could apply network management principles within finance, hedge funds or the pharmaceutical industries, it will then be possible to start making some traction. Therefore being a solutions champion is not just about focusing on the products themselves but also on what can be done with them.

What partners also expect from account managers and generally from the vendor relationship is that they provide both technical and people training. They are looking to use vendors who supply both the technical support and the skills training they need.

Being a solutions champion means paying attention to what the partners want and taking the following four elements into consideration:

1. product positioning
 - how the vendor’s solutions (not just products) can deliver results to the partners’ customers
2. competitive positioning
 - partners need honesty and authenticity as to where vendor products fit best. They need to know that their account manager will always be thinking about the best combination of solutions for them, even if this means giving some business to another vendor
3. case studies demonstrating capability and track record
 - for a solution sell, partners need to have evidence, references, stories to bring up
4. sales coaching
 - partners want account managers equipped with the capability to be sales coaches, not just people who talk to them



Finding the right skills that answer partners' expectations of a solutions champion will ensure the right people are assigned the role of channel account manager. How can these skills be developed?

2.2 Providing Training to Channel Account Managers

Offering extensive training to channel account managers is the best way to sharpen their skills and ensure they can become great solutions champions. Sales people need to be constantly mentored. They must have access to substantial resources. Even someone who has already attended a training course should be given refresher training. Whether it is referred to as accelerated, advanced training or skills updates, the training process needs to be continuous.

There are different ways of providing training. It does not always need to take the shape of formal training courses or workshops. A lot of online material is available as well as very useful books on the subject so account managers can continue training in less formal contexts or outside of office hours. By making full use of the available resources, it is possible to create a mindset where account managers continue to develop their skills alongside their daily work. By showing them that they are expected to keep on training if they want to be professional, it will become their usual way of working. Instead of resorting to training whenever there is a problem, it will become a way for them to achieve their potential. After all, sportspeople get to the top because they practise, heed feedback, have coaches and look for every opportunity to improve. Keeping the training focus is essential for channel account managers to be at their best.

In particular, it is important to focus on developing the professional selling skills of channel account managers. These include:

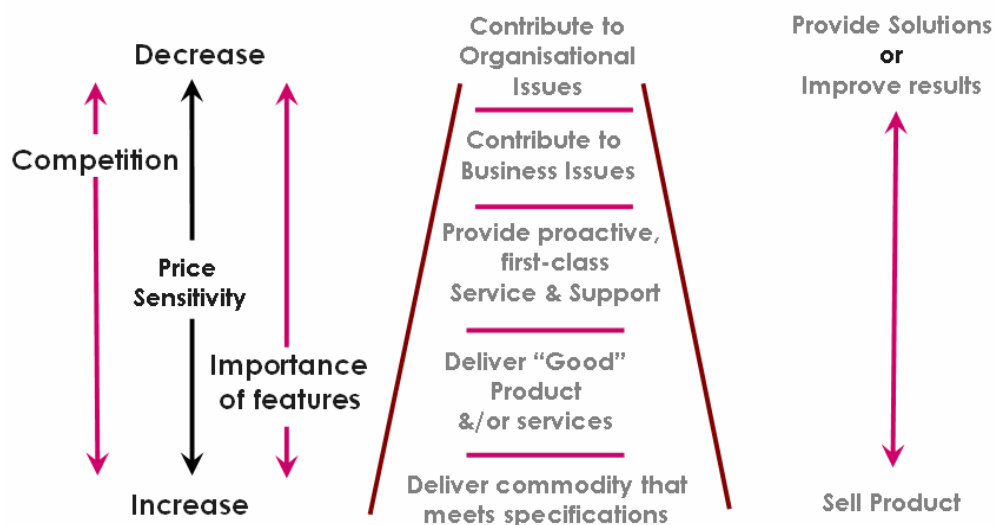
- rapport building and relationships building for the benefit of partners
 - questioning skills - getting account managers to ask quality questions so they understand their partners' business, are able to answer questions and can assist partners in the direction they wish to take
 - listening skills
 - presenting a compelling message – being able to convey a clear picture as to what the vendor does and why the partner should be using the vendor's products and services

It is not simply a case of training the account managers and helping them develop the four selling skills mentioned above but also of training them to be coaches on all of those skills. This other angle is very important as it will allow them to take some of those skills to their partners as well.

2.2.1 Selling the Contribution

The following figure is a model that can be used when providing training. It is a useful way of training and coaching account managers to understand where they are in their relationships. Account managers can use it with their partners to determine where they are with their customers:

Figure 1: The Buy/Sell Hierarchy



Working at level one at the top of the scale involves working very strategically with partners and contributing to their organisational issues. Level two implies that the vendor is contributing to business issues and partners have made significant profit but they have developed a strategic relationship with another vendor. If the relationship between vendors and partners is good and vendors provide pro-active, first class service and support but are nevertheless not seen as strategic, then they are on level three. The relationship is at level four or level five when the vendors are merely delivering good products and services.

This model can be used as a guide when putting together a business account plan to determine at which level vendors finds themselves in their relationship with partners and how to move up the hierarchy. It is referred to as the buy/sell hierarchy because operating at level four or five means having to work hard all the time to make sales. Vendors operating at these levels will find they hear more from their partners about



price issues and the partners will be more willing to consider dealing with competitors. At the top two levels, the contribution made by the vendor to the partner's operations provides the added value which makes issues of price sensitivity and competition from other vendors less acute. If the partner strategy is right, partners will see the vendor as being at least at level three or even at level two or one.

Account managers can use this model not only to identify where vendors are in their relationship with the partners but also to help partners understand where they are in relation to their own customers. Decisions will then be made as to which strategies to apply to move up the hierarchy. The more vendors can move up the buy/sell ladder, the greater the revenue margin will be.

Selling the contribution involves providing account managers with sales training in how to support their sales teams, whether this is performed in house or externally. An interesting case study is the programme Masterclass has run for Symantec three or four times over the last two years, which consists in providing skills and sales training for partners and resellers through MDF and co-op funding. The training costs are split between Symantec, who provide the venue and the partners and resellers who attend. The results have been impressive: increased revenue from licensing as well as increased business opportunities. The aim is to get resellers to choose a particular vendor on account of the extra value they bring as a result of these training programmes.



2.2.2 Compiling Compelling Case Studies: The Five Ds

Building case studies is one of the most powerful methods to train account managers to be solutions champions. It is also less budget intensive than some of the training programmes mentioned above. One of the concerns that partners have voiced is a desire to have more examples of how products or solutions have been used – real stories which they can take to their customers to demonstrate what the products can do. The five Ds provides a framework for structuring such stories so as to make them as compelling as possible:

- | | |
|-------------|--|
| I. | description
- who was the client, context of the situation |
| II. | dilemma
- challenges customers are facing, problems they experienced |
| III. | desire
- what they want to do differently |
| IV. | delivered
- actions taken to overcome the dilemma |
| V. | differentiator
- the value, contribution and difference that solution made |

Could you give an example of a vendor case study created with the five Ds method?

Vendors should equip their account managers with compelling case studies they can share in marketing activities and use in lead generation with their partners. Channel account managers need to assimilate the five Ds method and be able to allude to particular case studies when they are talking to a partner or a customer. It is important to encourage partners to do these case studies with the vendor – vendors can offer rewards or rebates in exchange for providing them. Creating a portfolio of case studies that can be used by partners is a powerful way to get the message across.

The buy/sell hierarchy and the five Ds are useful tools for training account managers to think about the relationships they are building with partners, and not just the products which they are selling to them. Therefore, solutions champions must understand the added value which they can provide to their partners. But alongside the external role of solutions champion, a successful channel account manager will also play an important role internally, as a navigator.



3. The Navigator

One of the greatest challenges channel account managers face is that they have to deal with everything. They need to act as trusted advisors and solutions champions to partners, but also as internal navigators within their own organisation. Not only do they have to know their products, solutions and customers but they also need to show diplomacy skills.

To fulfil their roles as navigators, account managers are expected to get access to the best technical and marketing resources. Partners also demand that the navigator plays a creative part and produces new ideas - one reseller, for example, suggested the creation of an ecosystem with speed dating between partners. Account managers should be allowed to organise and push this type of initiative; the decision does not always have to come from top down. Account managers also need to be able to talk to credit control or finance if it makes sense commercially. One particularly unhappy reseller, for example, underlined the necessity for vendors to sort out their finances as it takes vendors 60 days to pay them for services whereas partners are expected to pay for licenses in just 30.

For account managers to meet partner expectations and work internally on behalf of their partners, they must be able to make good use of internal resources.

3.1 Giving Account Managers Access to Internal Resources

The skills needed to work internally are the same as for working externally as it is often necessary for account managers to sell internally to obtain what they want from the account management function. Therefore, if someone can build relationships externally, he or she will also be able to build relationships internally. Conversely, if account managers are good at acquiring resources and selling the benefits of why finance or marketing should be working with them, they will be capable of doing this externally as well.

To equip channel account managers with the internal resources they need, it is necessary to:

- provide them with an internal network so they know exactly where to go and what they need to do
- show them how to work with marketing, pre/post sales support, deal registration, accounts and finance for the benefit of their partners
- help them create appropriate formal and informal networks so they can organise seminars and events

For account managers to be given access to internal resources, it is essential to be very clear as to what their role, behaviours and responsibilities are. Practical



measures can then be taken which do not have to be very costly. The key is for vendors to be creative internally through:

- workshops, think tanks, cross functional events to get the account managers together
- the measurement of the account managers' internal as well as external activities

The purpose of these initiatives is to encourage the account managers to reflect on their own role and to think about the assistance they can provide internally.

From a management point of view, it is important to be creative and reward the behaviours that are desired from channel account managers so they act as trusted advisers, solutions champions and navigators. To take a concrete example, in the same way as dogs training for Crufts, one of the world's biggest dog shows, are given a reward for displaying the behaviours which will win them points for the competition, account managers should also be rewarded whenever they do what is expected from them. For channel account managers to function not only as trusted advisers and solutions champions but also as internal catalysts or navigators, vendors need to implement schemes that are not only geared towards revenue, margin or licence but also reward those desired behaviours.



Conclusion

Identifying and training the right individuals in the right way to become channel account managers is not necessarily complicated, but it requires an understanding of the three distinct roles which the position entails.

As trusted advisors, successful account managers understand what matters to their partners and how to develop a business plan that can contribute to the partners' success. The better account managers understand their partners' markets, the more creative they can be in going beyond the transaction to build a mutually beneficial relationship.

As solutions champions, they make clear to partners the value and contribution the vendor can bring to their operations beyond the products and services they are offering. They are able to demonstrate both honesty in their account dealings and knowledge of their partners' needs. This allows them to seize opportunities for vendors to help resolve partners' business or organisational issues. Trained in techniques such as the five Ds for building case studies, they are themselves able to give sales coaching and support to partners.

As navigators, they have access to the internal resources which will allow them to work more effectively on the partners' behalf. They communicate with other departments across the company to identify how the vendor-partner relationship can be enhanced. They are the partners' champions on an internal level, just as they champion the vendor's solutions in the channel.



About the Author

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Isobel Rimmer is a founder of recruitment and training specialists, Masterclass. Isobel has over 15 years experience working with key vendors including distributors and resellers in the IT sector. After graduating and working in Paris, her early career was spent in new business sales at Digital Equipment.

Today, supported by a team of over 50 specialist trainers and consultants, she heads a business committed to helping companies achieve their business goals. IT clients include vendors such as Microsoft, CA and Symantec. Isobel is also a Regional Chairman for Scope – the charity for people with cerebral palsy.

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