

## Successful Relationship Management: Aligning Sales and Service Objectives

Leading communications provider, O2 adopted the Miller Heiman methodology for both account management and new business development. Now the company has extended the programme to Service Relationship Managers with the aim of providing absolute customer service and reducing the cost of service delivery for its business customers.

O2 has established a strong presence in both consumer and corporate markets by supplying high quality, innovative mobile communications services. Within the Business sector the company's success is also due to the close relationships it forges with its customers.

Day-to-day responsibility for O2's top tier customers is shared by Account Managers and a team of 50 Customer Service Relationship (CSR) Managers. The Account Managers have prime responsibility for revenue, whilst the CSR Managers are the all-important link back into O2, managing the face-to-face relationship in respect of service level expectations and stability.

Head of CSR, Keith Bowles describes his team as 'ambassadors for the company'. "The CSR Managers are there to deal with expectations set out in the contract, for example, billing issues, bad debts, and cost of service initiatives. Because they have no axe to grind in terms of promoting products they tend to have the trust of the client."

"As the roles of Account and CSR Manager are complementary, it makes sense for them to access the same mechanism for managing the customer interface." he explains.

### Aligning sales and service aims

O2's Business Sales force began using Miller Heiman's Strategic Selling programme in 2001, in order to inject more rigour and

methodology into the sales process. More particularly, the company had acquired a new direct sales capability, and wanted to re-orientate it from winning new business to account management and from commodity to solution selling. As market conditions changed O2 was also keen to increase the focus on customer retention, growth and customer satisfaction.

Keith Bowles had attended Miller Heiman's Strategic Selling workshop whilst working in Sales, and had been trained to use its integral analysis tool - the Blue Sheet - to identify buying influences, evaluate the competition and assess strengths and weaknesses in each sales situation. When he moved to CSR he realised that as both functions touched the customer there was a need for a process to jointly review account activity. A Service Development Plan existed in the form of a Word document, but lacked real bite in terms of setting objectives and raising the customer's awareness of care products such as management information and reporting tools.

"I felt it was important for us to set Single Service Objectives (just like the Single Sales Objectives for Sales people) if the two roles were to work in complete alignment. For example, by introducing spreadsheet billing we can reduce administration costs for the client and improve cash flow for O2. Strategic Selling provides a framework to map out goals like this and effectively creates a CSR action plan."

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In summer 2003 the whole CSR team went through the Strategic Selling programme. The aim was to align their activities with the Sales function and improve both the planning and visibility of Cost to Service initiatives. Another key objective was to bridge the gap between Sales and Service in terms of language. In order to produce a single definitive Blue Sheet review encompassing both sets of initiatives within a client base it was essential everyone used the same terminology and, for example, understood the difference between the 'economic buying influence' and the 'user buyer'.

“We've adopted all the fundamental Miller Heiman concepts - the Single Sales Objective, the sales funnel, and the Euphoria/Panic scale, which is about gut feel - so there's a structure in place to help sales people to clarify their position and track progress.”

### A platform for success

The initial focus within CSR has been on completing Blue Sheets on a daily basis so that the process becomes second nature. Team members fill in hard copies although ultimately information will be logged on O2's computer-based Strategic Selling programme. CSR Managers also attend mandatory one-to-one meetings with their Line Managers where they present their top three Blue Sheets for review. This serves to reinforce programme concepts while enabling Managers to talk constructively about performance and forecast success more accurately. (In Keith's experience if managers are to have credibility in this situation they need to have specific training rather than simply going through the same workshop as the rest of the team.)

To maximise the return on investment the team also holds regular meetings with key departments to review the service situation and planned activities. The next stage will be to do a Business Review of all key customers and then to start involving other departments that touch CSR (eg Marketing) so the other people within the

business gain a better insight into the team's objectives and can offer effective support.

### Cost efficient service delivery

Strategic Selling has been extremely well received by the team, according to Keith. “Having the same training platform as Sales people has boosted confidence in their role and created a sense of equal ownership of the account in terms of delivering absolute customer service and reducing the costs of delivering service.”

One of the main benefits is greater focus on key objectives, explains Keith. “Strategic Selling gives us a visible mechanism for presenting and examining activity in-depth within a specific customer account. Now individuals question their own relationship regarding achievement in customer account bases. They can see where weaknesses lie and can Red Flag on issues and so avoid failure on delivery.”

For example, in one particular account, where O2 was issuing up to 2000 individual invoices per month, the CSR Manager was set the objective of introducing spreadsheet billing as a more cost-effective option. The company offered to pass on a 10 per cent saving on the invoice value if the client agreed. By applying the Blue Sheet, the CSR Manager identified that approaching a financial decision-maker with the proposal would create a win-win situation, rather than dealing with his usual administrative contact who would be disaffected if the amount of monthly paperwork were reduced.

Using the Strategic Selling programme is expected to deliver financial savings in the longer term - for example, through increased cash flow as a result of moving customers to spreadsheet billing and by reducing the effect of potential bad debt. Meanwhile progress is already being made against a number of success measures. Keith can now see what CSR Managers are

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doing in their accounts and ensure that they attend client meetings with a clear set of aims. “Face-to-face contact with customers is an important part of building the relationship, but obviously there is also a significant cost attached. **Strategic Selling is helping us to cut out wasteful actions and achieve service objectives in the most cost-efficient manner.**”

From a management perspective, Strategic Selling also makes more visible any weaknesses in the company's approach to managing the client interface, such as areas where delivery is failing or people are not pulling their weight.

As O2's Blue Sheet review process covers both sales and service it has already highlighted some potential issues that are not being addressed, and where the Customer Service Relationship team could have greater involvement. Keith is aware that business growth

may present opportunities to develop Customer Service Relationship Management beyond its traditional service role, and set revenue targets eg for Value Added Services. Any move in that direction, however, would need very careful handling in order to preserve the 'honest broker' reputation of the CSRs and would probably entail further training for the team on Large Account Management Process (LAMP). LAMP is Miller Heiman's approach for implementing essential sales and support programmes and assisting teams to plan strategies and define tasks, timescales and responsibilities.

For now, though, the SRM community is holding joint reviews with Sales to combine touch points and objectives for both teams into one Blue Sheet. This is providing visibility not only to senior management but also to the relevant internal departments that play a key role in ensuring satisfaction and the delivery of world class service to O2 customers.