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Trust creates true collaboration between Cisco and IBM account teams

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From large enterprises to small businesses, alignment with strategic partners is critical for survival in most organizations today. But unless the relationship is founded on mutual trust, successful collaboration can be nearly impossible. Trust – or lack of it – between partners (especially between account team members) can make or break the relationship and potentially cost organizations up to a 40-percent loss in account team productivity.

Creating joint account plans

Several years ago IBM Corp. and Cisco Systems Inc. announced a global strategic alliance to leverage each company's shared strategy of integrated solutions, technologies and products that would help our joint customers increase productivity, improve business resilience and enhance overall business objectives. Our two companies then began to work closely together to create specific joint account plans and identify 10 major customers to kick off what we called our "touchdown" initiative. To assist our teams in quickly gaining traction with these critical accounts, we conducted separate account planning workshops for each account. The workshops aimed at helping the account teams evolve their already proven successful sales methodologies toward a joint solution sales approach.

Each workshop was segmented into three parts. The first focused on getting a clear picture of the identified account; the second identified account team responsibilities, timelines and action items; and the third centered on the actual account planning activities. With everything in place, we started the workshop series and eagerly looked forward to the positive results sure to come. However, it wasn't that easy. Early on, it became apparent to us that things were not going as smoothly as we had anticipated.

(Continued on Page 3)

In This Issue

(Continued from Page 1)

Astrid Gollwitzer, a Cisco account manager within financial services and sales/channels, was involved in one of those initial workshops and also noticed a problem.

"Although Cisco and IBM already had a very good relationship," she says, "for some reason it seemed that the account teams weren't coming together as well as we had hoped on these joint accounts."

We suspected that the issue might be a lack of trust, most likely resulting from the partners' dissimilar organizational cultures and very different sales methodologies. Therefore, before moving on to the next workshop in the series, we brought in an outside expert on account management to assist us in digging beneath the surface so our account teams could find that elusive common ground.

Developing trust

Ernst Neumann, a consultant with MCI Consulting, has worked with many account teams and understands account team dynamics. He helped us recognize the critical nature of trust and how it can impact collaborative account management. He defines the four dimensions (or "bricks of trust") as competence, openness, integrity and reliability. (See Figure 1.) Without a solid foundation in each dimension and basic understanding of how each affects the account teams' perceptions of themselves and their partner, trust cannot be formed, and the account teams will never be able to collaborate effectively.

We then distributed a pre-workshop survey that would provide us with a 360-degree picture of the situation by asking account team members to self-assess their own performance on each brick, then rate their partner's performance on each. They were then asked to rate the importance level of every brick. When the survey results were presented to us, they confirmed what we already suspected. The problem was not a value proposition or technology issue. Both the Cisco and IBM teams had a very high level of respect for each other on those topics. However, while the survey indicated the trust issues most likely stemmed from the vastly different sales approach of each partner, what surprised us was the severity of the problem.

Clearly we had work to do. First, we needed to help our two account teams understand the value and critical nature of both types of sales methodologies and how they each contribute to successful account management. Second, we needed to help the teams develop the level of trust necessary for true collaboration. Finally, we needed to give them positive ways they could sustain that trust to continue developing joint accounts.

Figure 1. The four bricks of trust

1. **Competence:** Each partner must consistently demonstrate the proper level of proficiency and prove that it knows how to get the job done.
2. **Emotion and openness:** One must understand the partner's body language and other nonverbal cues and trust it to always be open and honest.
3. **Integrity:** The partner's personal view of right and wrong must remain consistent and predictable from one situation to another.
4. **Reliability:** A partner must commit to a date when it will deliver on a promise, then always deliver with the highest level of quality.

We began the next workshop the same way we did the prior workshops—by defining joint metrics for the focused-on account, in this case a large German insurance enterprise where we had the opportunity to deliver a high-speed data center. We identified critical metrics, including share of wallet, percent of new products and customer satisfaction. And only then did we progress to the trust element. We split up the teams, placing Cisco's in one room and IBM's in another, and shared the trust survey results in separate group discussions.

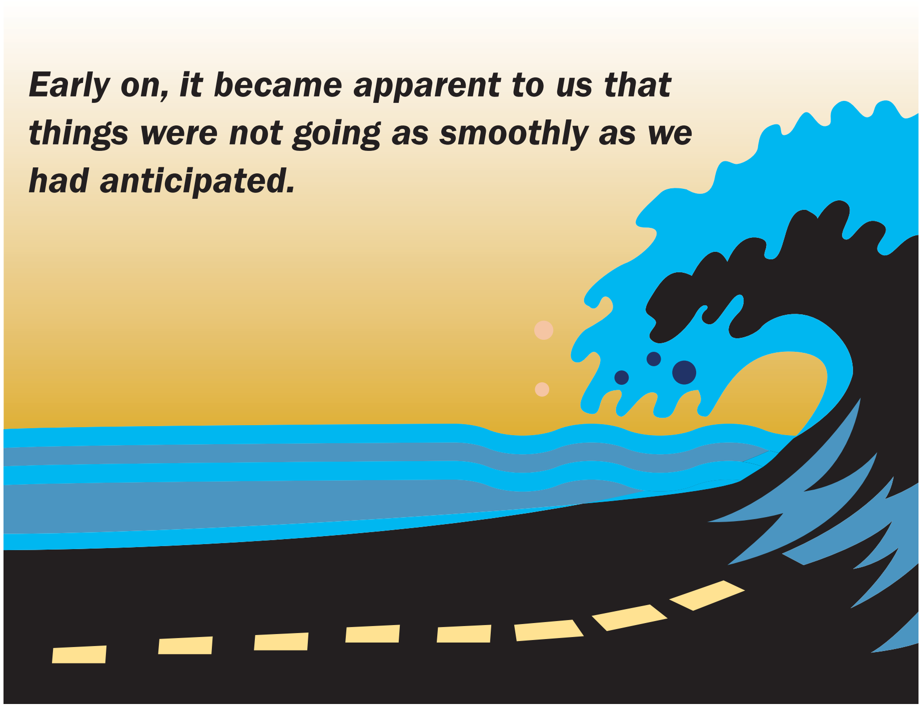
Looking at the man (or woman) in the mirror

It was an eye-opening experience for everyone. We had asked them to rate themselves as well as their partner on both performance and the importance of each brick. They were visibly surprised to learn that the rating they gave themselves on the four bricks of trust was not always the rating their partner gave them. For example, on a scale of one to 10 (with 10 being highest), a Cisco account executive might have given himself a 10 for integrity and estimated that his IBM partner would also give him a 10. The Cisco account executive might have then rated integrity as an eight on the scale of importance. However, he may have found that his IBM partner gave him only a five for integrity but rated integrity as a 10 on the scale of importance.

That opened the account teams' eyes on two critical facts. First, it forced people to consider why the other account team's members viewed them this way and which part of the process had caused the negative experience. Second, it made them understand that a particular element of trust (as defined in the four bricks) may carry more importance to one partner than it does to the other. This step was an especially valuable experience because it is never easy to face certain truths about oneself or understand why someone else's perception is not one's reality.

Working through the issues with openness and honesty

Once the survey results were analyzed and discussed in the individual groups, the two teams were brought back together to share the findings, discuss and understand the differences and determine the steps that needed to be taken to regain or improve trust. For



example, if a Cisco team member rated reliability as a 10 in importance but gave her IBM partner a performance rating of five, she was asked to discuss what the IBM partner needed to do to improve in order to gain Cisco's trust.

We asked everyone to remember the four bricks of trust and prepare to put all the issues out on the table. This part of the process was made much easier because it was facilitated by a neutral third party that helped to create an environment of trust without fear of recrimination. As a result, the account teams took this step seriously and held open, honest discussions. For instance, Cisco considered IBM's sales methodology too slow in terms of executing and distributing the technology solution. On the other hand, IBM felt Cisco was too sales-driven based on weekly, quarterly and annual quotas. But what the teams didn't understand, and what they had to learn, was that the day-to-day management system for both companies was very similar. Both were transaction-focused, just in different ways.

Another example brought up during the course of the discussion was an instance from early in the partnership in which each account team felt that it should "own" the customer. Neither team had yet formed a foundation of trust with the other, and each wanted to maintain its own account management process. However, by working through the scenario in the workshop, both sides now understood how approaching the customer as partners and presenting a united front created an even stronger case for a joint solution.

Sustaining the momentum

Once the account teams understood the issues that caused the mistrust, the impact of the teams' own actions and behaviors, what the teams needed to do to earn the other's trust and how they could begin using their differences to add value to the sales process, we moved to the next step: ensuring that the new learning and behavior modifications were sustainable.

The account teams defined a plan for the next three, six and nine months. We asked the teams to meet in person at least four times a year to continue the progress begun at the workshop. Meeting face to face is a critical step to continue the energy started in the workshop and a powerful channel to truly understand what the other person is thinking and feeling. Frequent personal interaction in a trusting relationship also ensures that any issues that arise can be dealt with quickly, openly, honestly and with respect for each partner.

Testing the theory and measuring success

Once the trust issue had been dealt with, our account teams again got down to the business of account planning on the workshop in question's target customer, the German insurance enterprise. The discussion focused on identifying the value IBM and Cisco were bringing to the customer relative to the business issue they were trying to address. The account teams were led through a repeatable process that helped them define the customer's business environment, its competitive picture, value creation, its new business opportunities and the processes that needed to be in place to jointly deliver the solution.

"We saw a significant change in each account team during that process," says Regional Channel Manager Andreas Mueller of Cisco. "They had a much better understanding and openness to the partner's situation and where he or she was coming from."

For example, before the workshop, when IBM needed additional information from Cisco to perform a risk assessment for a customer, the Cisco team member may not have put the task high on the priority list because he did not understand the value of that particular data (the competence brick of trust). Today, IBM shares its process and explains what the data will be used for and what impact it will have. In response, Cisco procures the data as quickly as possible (the reliability brick of trust).

The ability to anecdotally qualify the value of a trust workshop is good, but the ability to quantify it is even better. We developed a measurement process that quantifies the impact of the trust workshop.

Response time: Individual interpretation of an adequate response time can vary depending on how invested or important the activity is to the requester. When one team member asks another to perform a task, the requester needs to define a clear timeline for response that can be tracked for accountability.

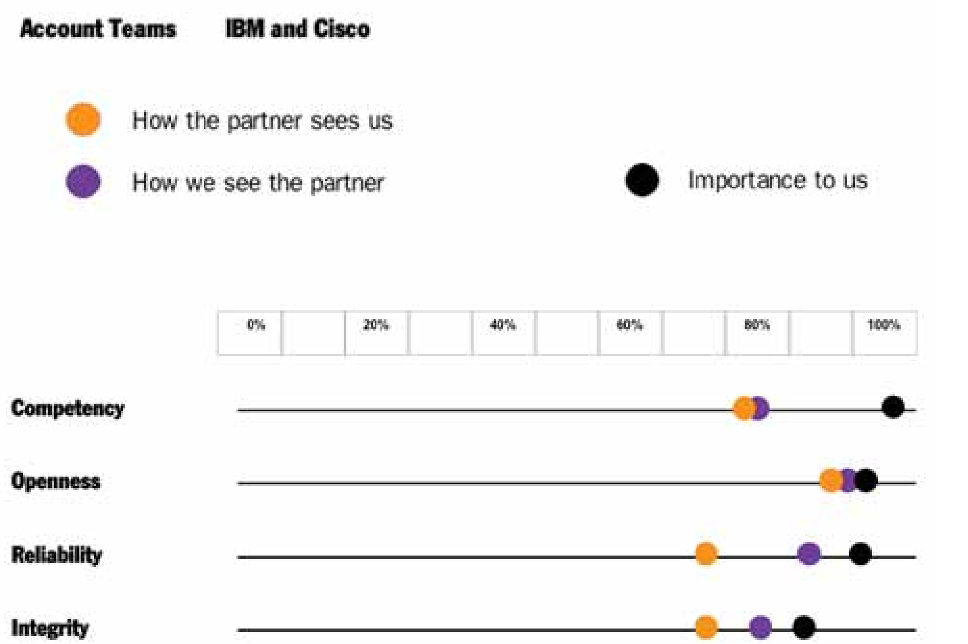
Escalation: When having a problem with a partner, team members often escalate the issue to an account manager before trying to resolve the issue themselves. When trust is developed, the number of escalations will significantly drop.

Productivity: Gallup Inc. has reported that on an annual basis, around 30 percent or 40 percent of management time is spent in dead-end discussions that have no resolution. Neumann says in his experience, by raising the level of trust between account teams, this time can be reduced on average by up to 20 percent.

Adding the trust element to the account planning workshop was extremely valuable and well worth taking the time for upfront. We tested the theory in October 2006 and by January 2007 we saw a measurable difference in our account planning effectiveness.

"It was clear that fostering this higher level of trust and cooperation enabled us to better understand each other and work together to show greater value of our combined solution to the customer," says Gollwitzer. "With larger accounts, strategic partnerships can always enable you to address greater potential, which results in more revenue."

Figure 2. The trust building blocks



The value of trust in a collaborative relationship

Trust is a heavily weighted argument for a successful partnership. Managers of strategic alliance account teams may think the teams are aligned, work well together and appear to be driving things forward. But if you aren't seeing results, you can be sure there are issues beneath the surface that you need to uncover. As account team leaders, we can help develop that trusting relationship in advance rather than fixing it later after it's already a problem.

It cannot be overstated how important it is to foster trust to create relationships that positively impact instead of negatively impede the pursuit of joint accounts. We advise any organization facing this challenge to always get down to the bones and try to find the real, fundamental reason why the process isn't working. All other strategies we tried on an operational level were unsuccessful, took a large amount of time and wasted money. We also advise organizations to bring in a third party. One of the reasons the trust element we added to the account planning workshop was so successful for us was that we brought in a neutral facilitator, someone who wasn't a member of either Cisco or IBM. A neutral facilitator will not invest his own interest in the outcome but will simply moderate the process to get at the root cause.

In the end, having account teams that trust each other and truly understand and believe in the value of the partnership fosters an environment that creates openness, honesty and the opportunity for generating more sales together than either can independently.

And that's the value of collaboration.

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Additional resources

For more information on this subject in SAMA's library, the editors recommend: Leif Ulstrup, "Surrounded by Geniuses" (book review), *Velocity*®, Vol. 9, No. 3, Summer 2007, www.strategicaccounts.org; and Carrie Welles, Vic Hunter and Richard Higham, "How can a team and its members ensure they give consistent messages to customers?" *Focus: Teams*, Vol. 3, No. 2, Fall 2006, www.strategicaccounts.org.