

Growing global accounts at Xerox

An interview with Thomas J. Dolan, president of global accounts operations

By focusing on customer intimacy, Xerox Corp.'s premier global accounts program has greatly increased loyalty and sales with more than 100 strategic global clients. Led by Thomas J. Dolan, president of global accounts operations, his team has concentrated on making it easier for international customers to do business with the company on a global basis



Thomas J. Dolan

‘CLAIMS PROCESSING, INSURANCE APPLICATIONS, MORTGAGE PROCESSING—DO YOU KNOW WHAT THE IMPACT OF THE SUBPRIME CHALLENGE IS ACTUALLY DOING TO A FINANCIAL SERVICES COMPANY?’

by providing services and solutions that support customer requirements to achieve higher productivity and reduce costs. The Strategic Account Management Association named Xerox the recipient of the 2008 SAMA Program of the Year Award, with Dolan receiving the 2008 SAMA Executive of the Year Award. He accepted these awards May 20 in Dallas at SAMA's 44th Annual Conference and afterward spoke to Bernard Quancard, SAMA's president and chief executive officer, about Xerox's successful approach to global account management.

Bernard Quancard:

Last year your global accounts grew 27 percent non-domestically. In summary, to what would you attribute that success?

Thomas J. Dolan: Well, two things. No. 1, a higher level of maturity and skills within the client managing directors. So we really did go out, Bernard, and try to find people that had a significant amount of experience either within Xerox or outside. And we did bring in a number of people from the outside who had experiences at places like IBM, HP, Gartner and others who

are enhancing our program. And when they go out and make calls, they're professionals, they're articulate, they know the Xerox strategy, and they know how to communicate with executives. And so I think that is No. 1. They also were mature enough about this concept of really making sure that the rest of the world was connected. I found that some people who had never been to Asia-Pacific were somewhat reluctant. They had this vision that, "Oh, my gosh, I'm going to be disadvantaged. I don't speak any languages. I don't understand the cultures."

I had to say, "Hey, by the way, in Singapore they speak better English than we do, so don't worry about that. You'll find that Asia-Pacific is thirsty for knowledge in this space from the Western world. Eastern Europe is really looking for support. These are the developing parts of the world that want to grow at rates faster than maybe your home country, and you need to recognize that and see the opportunity." What we did, Bernard, is we designed coverage plans for these top-tier accounts. So I have somebody dedicated to designing global coverage for UTC, for Citi, for JPMorgan Chase, and they do all the analytics. And when you realize that a company like United Technologies gets 60 percent of their revenue from outside the United States but that Xerox only gets 5 percent of their revenue from United Technologies outside the United States, immediately the light bulb goes off: "What are we doing? We're missing a huge opportunity."

Quancard: Yeah, that's a very good, very pragmatic approach.

Dolan: Another factor was that many Xerox people in Asia-Pacific didn't know that Otis Elevator, Carrier, Sikorsky Aircraft, Hamilton Sundstrand are all United Technologies companies. They didn't know that they're connected to United Technologies or that they could buy off the global agreement that we have with United Technologies. So a lot of this is also

education and working with Xerox in Asia-Pacific to recognize that there's a big presence in their territory for UTC and Honeywell and GE and Citi and HSBC, and they should want to work with us because we can help them grow business in those areas.

So I think two things: level of maturity of the client managing director and the recognition that outside the home country, whether that is Germany or the U.K. or the United States, these large companies are actually investing more outside of their home country than they are at home.

Quancard: Very, very clear. In a nutshell could you describe what it takes to be a Xerox global account manager?

Dolan: Well, we're looking for people that typically have around 20 years of experience. They have to have had a background in selling to large and major accounts. I really would like for most of them to have a background in consultative selling, not just product sales but services sales and helping design strategy. It's very helpful if they have an IT orientation so that they're comfortable talking to chief information officers or vice presidents of information technology.

Quancard: Yeah, so they have to be technology savvy?

Dolan: They have to be technology savvy—exactly. And they have to also have an understanding of the industry that we want to apply them against. So if you're talking about financial services and you're working with a large insurance company, do you understand the document-intensive nature of the business processes that they run by? Claims processing, insurance applications, mortgage processing—do you know what the impact of the subprime challenge is actually doing to a financial services company? Obviously a lot, right? So when I introduce a new client managing director to the senior VPs at an account, I do these introductions because I want them to know that this is a big deal. And

when I say to them that the new CMD – client managing director – that he was the CIO of a bank for 20 years, and then he ran his own financial services consulting firm, they sit back and take notice. They say, "Wow, this isn't a copier sales rep." And not that a copier sales rep is a negative, but it's not nearly the plus that I just described in the new client managing director.

'YOU HAVE TO DESIGN THE COVERAGE TO MATCH THE CUSTOMER PURCHASING PROCESS.'

Quancard: No, I see what you mean. We are talking strategic account management; we are not talking about just sales.

Dolan: Exactly.

Quancard: So it's a completely different level, and I think you have adjusted the skills of the CMD with the level required by the customer and what you want to do.

Dolan: Right, and ultimately I want these CMDs to describe for me what they need to effectively manage their accounts. So typically in a product-oriented company, you have sales reps everywhere that sell the products. But in today's world I find, in the largest accounts, sales reps in all the key geographies don't really matter nearly as much as the people that are skilled: the subject matter experts calling on the headquarters where the decisions are being made—either the global headquarters or the regional headquarters. Because although a lot of companies today are doing things through global RFPs and making global decisions, there are equally as many that are making decisions by line of business or making decisions by regions. So you have to know that, and then you have to design the coverage to match the customer purchasing process.

And in the end a lot of the decisions that we are taking today are made by

line-of-business executives supported by strategic sourcing or global procurement. These decisions are not made independently anymore by global sourcing or global procurement. In fact, I find in a number of companies a great source of consternation because sourcing isn't necessarily in charge to the degree that they were before. You've got executives who are VPs of operations, VPs of shared services, who are responsible for a lot of business processes today, saying, "I want to talk to Xerox." And sometimes that gets the people who used to think that they owned the relationship with Xerox a little bent out of shape.

Quancard: Yeah, and in a way it opens up new opportunities because those people are going to be maybe more long-term oriented than just procurement waiting for the next price decrease.

Dolan: Well, definitely, and they're the people that are either going to benefit or suffer from the business process innovations that we deliver. So instead of saying, "How much does it cost?" a decision maker may realize that we could take two weeks out of a business process that might enable them to handle twice as many customers as they do today or cut down on the number of queries to a call center by 50 percent. I mean, these are the business challenges that the line-of-business executives face that procurement wouldn't necessarily appreciate. Yet certainly procurement's going to be involved in trying to negotiate the best contract that they can, and that's fine and appropriate.

Quancard: How has the recent economic slowdown affected your GAM program and your approach to your global accounts?

Dolan: Well, I think in the area of services, when the economy slows down, most of our major clients are looking for more efficiency and more productivity because the No. 1 charter that they all have is to take costs out. I think everybody has learned, Bernard, that if there's a danger to the top line from a revenue point of view, that you

better be focusing on costs so that the bottom-line profit will still be achieved. And so I tell my team very clearly that if you can't save people money with what we're recommending, back out the door and go find somebody you can help. Because if you can't save accounts money, they're not going to be interested today. Nobody is willing to spend money if it's not going to save them money in the future or create a much more efficient and productive business process.

Quancard: Yeah, absolutely. When there's a slowdown people are looking for short-term productivities, short payback, and you have got to be able to provide that.

outsourcing things which are not core to them, and then they also fulfill a global objective of head count productivity and so forth. So I think this is a really good illustration of the kind of creativity and intimacy that yields fantastic results from the relationship.

Dolan: Yes, and I think every company today is struggling to really grow revenue in their larger accounts because the large accounts are putting such pressure on us to reduce costs. So in some cases you actually have revenue declines because you've come in and your new solution is less expensive than the one you had in place. So instead of generating \$5 million a year, you might be generating

have been the most important and why among those five main areas?

Dolan: Well, I think leadership is always extremely important—leadership at my level and then leadership at the account level. So leadership and talent kind of go hand in hand. It's a skill set. Not everybody's a born leader, and I think in order to lead programs you have to exhibit the skill sets of a leader: Roll up your sleeves—actually act through example. You know, one of the things that I absolutely try to do is to be with my people in the field and participate in presentations. I don't want anybody thinking that the president of global accounts operations just comes

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Dolan: Right, and very often one of the things that we do as a very large outsourcing services provider is that we will take over the employees of the client in a business process that we may have taken over. And sometimes the objectives of many of these firms is to reduce their head count, and with outsourcing they accomplish that. I remember in the late '90s when I was running business services and the economy was a little tough. It was a huge plus that we could take over 15 employees or 30 employees or 50 employees, because some of these firms were saying, "We're going to reduce our head count by 10 percent." But yet they want to do what's right for the employee. Nobody likes to lay people off. So when you can find an appropriate opportunity for them, maybe working at a Xerox, maybe actually giving them a different career and more opportunity while at the same time you save money, that's a home run.


Quancard: That's a great thing. That's a great idea, and it also is a really innovative way to work with your global accounts. It's very innovative because you change the business model of your customer in a way that they are

\$4 million a year, so you've got to go back out and try to find out how you're going to get that extra million just to break even, right? And we find that a lot of the growth that we have is, as we've talked before, from the non-domestic areas where we didn't have as much presence, so a lot of that business is new business.

But when you're talking about financial services firms in New York City and you have a lot of revenue today, in order to maintain that revenue, you might have to take less revenue in the short term to show them that you're working with them to provide productivity and efficiency in order to earn the right to drive revenue in new areas. Today most large accounts are not just interested in saving money with you; they're looking for ways to be productive and efficient going forward. And I don't know a client today that at a renewal time isn't looking for a lower price.

Quancard: You have cited five main areas that have been crucial to the organization's progress: account ownership and talent; consistent methodologies and processes; coverage; global information systems; and leadership. Would you tell us which

in and has a cup of coffee. I want to be able to stand on my feet and give any presentation that needs to be given. And so I try to stay as attuned as I can to the knowledge required to sell. In the end that's one of the important parts of my role. And I want to make sure that I can deliver on that one.

So leadership—you've got to be able to run your program, but I also think you need to be able to lead by example. And leading by example is being out there in the field, working with the team, supporting them, making the important calls, making the tough calls—where there's going to be a conflict or where there's going to be a problem. Don't let your people be thrown to the wolves. If you're going to face a difficult situation, be there with them. 

Additional resources

For more information on this subject in SAMAs library, the editors recommend: Teri Walker, "Developing infrastructure and talent for managing global customer relationships at Xerox," 43rd Annual Conference, May 7, 2007, www.strategicaccounts.org, and Tony Monterastelli, "Implementing strategic account management at Xerox Germany," *Velocity*®, Vol. 8, No. 4, Fall 2006, www.strategicaccounts.org.