

## STRATEGIC REFLECTIONS

### The planning disconnect



**W**e hear a lot of talk in strategic account management circles today about involving the customer in account planning, with suppliers sharing their account plans or even jointly creating account plans with customers. But more and more I feel that many suppliers are missing out in their attempts to implement and conduct effective account planning processes.

Perhaps a little more listening to the voices of the customers would serve us well in building the types of long-term, value-focused client relationships that strategic suppliers and customers seem to agree are important. With that in mind, here are four customer viewpoints that address the "planning disconnect" between suppliers and their strategic customers:

**Customer viewpoint No. 1: I want to be involved in the planning process—you should be planning with me.**

**By Steve Andersen**

I will never forget the following remark by a senior executive at a global company in the food and beverage industry: "I hear that some of my suppliers have plans for me, but if I haven't seen and agreed with those plans, then the suppliers have zero chance of ever making the plans a reality." This executive went on to talk about both the arrogance and naiveté of suppliers that engage in internal planning processes and then expect those plans to be successful and even embraced by customers. I couldn't and still can't disagree with his logic. It seems so clear upon hearing it from the customer, and yet I would submit that many if not most people reading this article have account plans today that are essentially invisible to their customers.

**Customer viewpoint No. 2: I would like to know where you are going so that I can decide whether our future growth plans are aligned.**

This comment by an executive at a global information services company strikes a powerful chord: "What we don't have is visibility into the future with our strategic suppliers, so how can we tell who will be strategic to us tomorrow?" It only makes sense. If the customer and supplier are strategic to one another, then there should be an exchange of specific information regarding growth plans and business objectives between the parties. Yet we find that this is rarely the case. When we facilitate collaborative planning sessions between our clients and their strategic customers, we frequently hear the customers say they have never engaged in this type of information sharing and meeting.

**Customer viewpoint No. 3: I am willing to share information—but you have to show me the value of doing so.**

An executive at a very visible global consumer products provider put it this way: "When we plan with our suppliers, we want the planning process to include a discussion of each organization's growth and go-to-market strategies. If we're really strategic to each other, then we should be sharing this type of information." Some suppliers invest significant time and resources developing and deploying strategic account planning programs to ensure they are going to market effectively with their strategic customers. Yet they may be missing the mark because in many cases their most strategic customers need more information and insight into a supplier's growth strategy. This sharing process, when facilitated properly, can result in heightened levels of alignment between supplier and customer.

**Customer viewpoint No. 4: Your account plan is not as important to me as your account planning process.**

Let's face it: Supplier account plans just aren't that interesting to most customers, especially if they have no insight into what's inside. On the other hand, a collaborative planning process between supplier and customer can prove to be very important to the customer, as echoed in this comment by an executive at a global information technology services organization: "The plans we make with our suppliers are important but not as important to us as the planning process we engage in together." Why not share the planning process with the customer? If you're a supplier and are concerned that customers may not be interested, then perhaps you should also be concerned that they may not regard you as particularly strategic to their business.

If these perspectives have you wondering what your customers might be saying behind closed doors, then beware the "planning disconnect." It could impact your business more than you realize, and your customers currently may not feel inclined to be as candid with you as those quoted above.

Steve Andersen is president of Performance Methods Inc., a consulting firm based in Alpharetta, Ga. He can be reached at 770-777-6611 or sandersen@performancemethods.com.