Certified Key Account Executive (CKAE®) Business Plan/Member Engagement Guide

1. BUSINESS PLAN GUIDELINES

SECTION ONE: STRATEGIC ALLIANCE (ONE TO TWO PAGES)

Now is the time to tell the reader that this is not all about retail competition. It is fair to say that competition was the impetus for Key Accounts activities 15 years ago, but we have grown past that. Be clear and specific as to the needs for Key Accounts. Remember, the Key Account members typically do not vote at the annual meeting and may not be on the top of everybody's list of priorities. This section should include a discussion of why your utility needs to act on the issues of Key Accounts. The reader should obtain answers to the following questions:

- What have we done in the past for Key Accounts?
- What is driving the need to undertake/change? -- Action now
- Why aren't all members Key Accounts?
- How are others in the industry addressing this issue?
- What happens if we do nothing?
- Isn't this just member service?
- Where do we see Key Accounts in operation and strategic plans?
- How will Key Accounts help comply with regulatory changes?

SECTION TWO: SEGMENT RESEARCH (THREE TO FOUR PAGES PLUS LISTS)

What is a Key Account and who are they as a member group? This section should describe the Key Accounts member segment, not individual members. Decision maker should be able to read this section and have an understanding of the Key Account member segments, member count and revenue impact by segment. Include:

- A description of your Key Accounts selection criteria for revenue and non-revenue accounts
- A segment categorization and analysis of your Key Accounts
- A complete list of Key Accounts should be referenced in an appendix
- Total power and energy impacts from Key Accounts

SECTION THREE: COMPETITIVE ANALYSIS (TWO TO THREE PAGES)

This section should include a complete discussion of what your most logical competitors are doing for Key Accounts. This is the most logical place to include a rate comparison. This rate comparison should be done for a range of load factors and kW demand sizes representative of your Key Account members. While most members will not be able to choose another supplier for their current location, they will be looking to consolidate operations and you need to know how you compare to their other suppliers.

SECTION FOUR: PROGRAM OBJECTIVES AND GOALS (ONE TO TWO PAGES)

This section should be a listing of the specific program goals for your utility. These are the big picture goals. The goals must be SMART – Specific, Measurable, Attainable, Realistic and Time-based. The goals should align with/contribute to your organizations strategic and/or operational plans and overall mission. If your cooperative has a strategic plan, include the language from that plan that relates to Key Accounts. Any goals that are related to a specific member should be included in the member-marketing plan. The step-by-step actions required to start your Key Accounts program are important but are not acceptable as the goals.

SECTION FIVE: ORGANIZATIONAL ALIGNMENT (TWO TO THREE PAGES)
This section should include complete job descriptions and resource requirements for all Key Account Executives and support personnel. It should also include an organizational chart showing placement of Key Account personnel. A discussion of inter-departmental goals is appropriate here. Define any challenges you expect. Lack of interdepartmental support can be devastating to a Key Accounts initiative. Tell us how you plan to avoid this problem.

SECTION SIX: FINANCIALS (ONE TO TWO PAGES)
This section should include a (1) detailed year one budget, and (2) a three-year forecast overview for Key Accounts activities.

2. MEMBER ENGAGEMENT PLAN GUIDELINES

This is where you tell us what you will be doing with one specific member. The member engagement plan should describe how you intend to move the member to take specific action on an issue that will benefit them and your utility. The amount of data that you can collect on any given member is astonishing. This guide is simply a tool to get you started. In most cases it describes the minimum amount of data found to be useful in working with Key Accounts. This data should be kept in electronic formats. Every member that is a Key Account must have a Member Engagement Plan.

SECTION ONE: PROFILE (TWO TO THREE PAGES WITH SUPPORTING DOCUMENTATION)
This section provides the background data on who the member is and who the contacts are at the member's business. It should be formatted in such a way that anyone with a need to know could easily see who the contacts are and what has been done with them.

Contact Profile
Who are your contacts and what decisions can they make? The reader needs to know who to go to if you want to schedule an outage as well as who to talk to if you are trying to develop a regional economic development task force. These are likely different people at the same member business. Each should have a contact profile. The more important the contact, the greater the detail required.

- Names and contact data for each contact in the organization
- Office phone and fax, mobile phone, pager, e-mail, and preferred method of contact
- Decision-making capability magnitude and prerequisites
- Contact history

Business Profile
What does the business do and what is important to it? This is not a profile of how they use energy. Members make decisions based upon what is good for their business. You need to know what is good for their business.

- Business description
- Product lines, target markets, main competitors, years in business, number of employees and NAICS code
- Industry description and trends
- Trade associations

- Web site
- How the member makes money and key financial drivers to their profitability
- Member core issues and drivers for these issues. (In this section include a prioritization of
- issues)
- Percentage of energy cost as a function of total facility costs

Utility Profile

This is where you put your standard utility data. Remember, they may use many different forms of energy and utility services. If you are an electric only supplier it will be more difficult to obtain the other data, but it is important.

- Consumption history with load profiles for electric, water, and gas
- Load and power factors
- An analysis of their energy consumption showing percentages of total consumption by end-uses
- Rate analysis on all rates available to this member
- Bill comparisons for last three years between you and competitor where the member has other facilities
- Transformer maintenance data
- Internal equipment descriptions
- Power-quality needs and equipment
- One-line diagram from substation/transmission to facility
- Outage reports
- Momentary operations for last two years from OCR counters
- Forecasted power requirements
- Billing and payment history
- Distributed generation potential
- Renewable initiatives

SECTION 2: ACTION PLAN (TWO TO THREE PAGES WITH SUPPORTING DOCUMENTATION)

What do you plan to do for this member? This is a dynamic list and may be modified after a site visit. We are looking for the latest snapshot. The member-specific goals should feed your overall program goals that are located in your strategic plan and operational plans. Provide long-term goals and objective for this member with as much detail as possible.

Describe the specific service/product you want to provide to this member and answer the following questions.

- When will you have this completed?
- Why would achieving this goal be good for your member?
- What alternatives have been proposed and/or reviewed by the member? At this point make sure you include any competitor offerings.
- What financial resources are required to pursue this opportunity? This financial analysis should be
- conducted with enough detail to secure financing for this project from external resources.
- How does this service/product blend with your core business? What type of expansions in personnel, equipment and facilities will be required by the company to deliver this service/product?
- What are you going to do next and when will you have it done?

For more information send an email to Charu Gupta at keyaccounts@nreca.coop or call (703) 907-6577. Please submit your plans by email to keyaccounts@nreca.coop.