

# Understanding the big picture

IF YOU HEARD that a colleague had been spotted wandering around Paris, mobile phone in hand, reading the inscriptions on the Arc de Triomphe, and loitering in the Louvre, you might be hard put to believe that it was all in the interests of meeting the global challenge.

The Paris walkabout, however, was an exercise in communication undertaken by a North American company, as part of its programme to improve the management of business relationships in the world market.

Chris Applegarth, director of the global account programmes at Northern Telecom (Nortel), explains how the day-long "treasure hunt", involving people from every continent, aided communication skills.

"Five teams of five people each sought out and deciphered clues, and exchanged information with the other teams by phone, to discover the location of the next clue, the final location being the restaurant where everyone met up in the evening," says Applegarth.

"Though we were all speaking English, it soon became apparent that we had to understand the different nuances that an expression can have to people from other cultures. I learnt to check continually that we had understood one another, because when we hadn't, one group would go and do things slightly differently to the way we had expected.

"For example, in some cultures 'I will do' by Friday' means 'Monday will do'. When you are involved in a major international project, that sort of misunderstanding can cause serious problems," says Applegarth.

Managing relationships with customers as they extend their operations

Global expansion of companies has brought a need for the new post of international relationship manager, writes **Margaret Coles**

across the globe has become extremely important. It has led to the emergence of the international relationship manager, and large corporations are turning to experts to learn the essential skills. Kevan Hall and Tony Poots, of the Centre for International Business Studies, count Motorola, Hewlett-Packard, SmithKline Beecham and Nortel among their clients.

Hall explains that it is not so easy to give a client the same level of service in his new location when you are already supplying his main competitor in that region. It can also be awkward when the operation abroad is too small to warrant the attention normally given to a global customer.

The supplier must not only solve these difficulties, but also make his employee in the far-off location feel part of the team and manage his activities.

"When companies start to globalise, very often they over-centralise, to feel in control," says Hall. But organisations should allow their satellite offices the autonomy to do the things that are best done locally, while harvesting knowledge generated by those offices and, where appropriate, applying it globally, Hall says. "The trick is getting communication be-

tween global and local offices flowing. Though this sounds a very obvious thing to do, the reality is that companies have to overcome the inertia of the way things are always done. The relationship manager has a key role in all this; he is the person who should be spotting the synergies," says Hall.

And this is where Paris in the springtime and the mobile phones come into the picture, helping Nortel to develop the skills it needs.

As a supplier to the leading telephone companies, with a turnover last year of \$10.8 billion (about £7.2 billion), Nortel has seen its customers' business expand throughout the world.

"One of our major North American customers, Sprint, is involved in a joint venture with France Télécom and Deutsche Telekom. It now has to manage its business across cultures and multiple time zones. This creates a different and more challenging working environment for us," says Applegarth.

To meet customers' changing needs, Nortel is striving to involve them in the planning and running of the business, and the management of the shared relationship.

Developing the skills of international relationship management is an important preoccupation for Robin Packer, of UBS. Packer is a senior manager in the bank's equities division and head of its client-management unit.

"Investment banks in the 1990s require their people to handle a complex international client base. At the same time, we are marketing a range of complex international services. This requires relationship managers to act as catalysts to an ever-changing



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environment, internally and externally," says Packer.

"We are changing our business from being an old-fashioned broker to an investment bank, so we're changing the culture of the business. We're trying to encourage employees to see us not just as a UK or European operation, but as a global business, and with that come all the complexities of the client and the services we provide to that client.

"Each of our clients is trying to differentiate itself from the rest of its peer group. If you know your clients and all the services available worldwide, you're better able to find out

what he wants and tailor those services to suit him. The relationship manager is the big-picture man between the client and us," says Packer.

The UBS training programme was developed with Tony Poots, and Simon Majaro of Cranfield School of Management. It focuses on teamwork and communication; sales and negotiating skills and product awareness, as well as the day-to-day intricacies of managing relationships with clients.

The programme, after two years, has led to "a vast improvement in the way people communicate, and enhanced revenues in all divisions within equities", says Packer.