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INSIGHT REPORT

Activating Executive Commitment

SIX LEVERS FOR ENGAGING LEADERS IN CUSTOMER EXPERIENCE TRANSFORMATION

By **Aimee Lucas**, CCXP
XM Catalyst

Bruce Temkin, CCXP
Head of the Qualtrics XM Institute

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EXECUTIVE SUMMARY

Organizations that want to drive sustainable customer experience (CX) improvements need to have senior executives who are committed to propel change throughout the entire journey. Successful transformation efforts require senior executives to set the direction, lead communication efforts, model desired behaviors, align resources, and hold the rest of the organization accountable. However, CX leaders and their teams often struggle to obtain the commitment and involvement necessary from senior executives to ensure these change efforts succeed. In this report, we provide a model for how CX teams can effectively engage their senior leaders. Here are some highlights:

- The blueprint includes six levers CX leaders can use to gain and strengthen senior executive commitment: *Create Vision Clarity, Share Compelling Opportunities, Amplify Emotional Empathy, Feed Intrinsic Motivations, Enable First Steps,* and *Fuel Ongoing Confidence*.
- To illustrate how these levers work, we share examples of 24 best practices from companies including Anthem, CA Technologies, Cisco, Fidelity, Microsoft, Penske Truck Leasing, and Regions Bank.
- We provide CX leaders with an assessment they can use to identify the commitment stage of their senior executives and offer advice on which of the six levers can have the greatest impact by stage.

WITHOUT SENIOR EXECUTIVE INVOLVEMENT, CX EFFORTS FALTER

The success of any significant change effort within an organization almost always requires very active support from senior executives. This holds true for customer experience (CX) transformations as well. That's why Temkin Group includes *Purposeful Leadership* as one of its four CX core competencies.[1] However, instead of helping to drive change, senior executives often hurt an organization's chances for CX success when they:

- **Set CX goals that outpace their commitment.** Fifty-five percent of large organizations aspire to be a CX leader in their industry within three years.[2] However, most leaders lack the commitment to make this ambitious dream a reality. In fact, 54% of companies whose CX efforts lag behind those of their competitors cite the lack of senior executive commitment as a significant obstacle to their CX efforts.
- **Don't demonstrate the right behaviors.** While many executives do try to support CX, most could do a significantly better job communicating CX as a key strategy, clarifying core values for employees, using values to guide decision-making, and making short-term tradeoffs for long-term customer loyalty. In fact, few leaders demonstrate the behaviors we measure in our *CX Maturity Assessment*, such as trading off short-term

[1] See Temkin Group Insight Report, "The Four Customer Experience Core Competencies," (April 2017).
[2] See Temkin Group Insight Report, "The State of Customer Experience Management, 2017," (April 2017).

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financial results for long-term customer loyalty or treating CX metrics as importantly as financial metrics. (see Figure 1).

- **Lack strong relationships with CX teams.** The biggest difference between companies whose CX performance is better than their competitors (CX Leaders) and companies whose performance is worse (CX Laggards) is how effectively senior executives and the CX team work together. Only 28% of CX Laggards would classify the relationship between their senior executives and their CX team as either "strong" or "very strong," compared to 64% of CX Leaders.[3]

Executives Must Become Purposeful Leaders

To create and sustain a customer-centric organization, senior executives must deliver a clear, shared picture of where the organization is headed, must actively model desired customer-centric behaviors, and must make sure others in the organization are also changing – all this in addition to the myriad of other responsibilities they shoulder. Successful, engaged senior executives demonstrate Temkin Group's *Five P's of Purposeful Leadership* (see Figure 2). They are:

- **Passionate.** In order to convince the rest of the organization to believe and commit to the CX transformation, senior executives must demonstrate their own passion and energy for where the company is heading. This includes sharing a clear picture of the end goal and what CX success looks like for the organization, its people, and its customers.
- **Persuasive.** Effective executives know that it's hard for employees to leave behind the familiar ways of doing things, and, as a result, they devote their time to making sure that everyone understands *why* CX is an important strategy for the company to pursue. They reinforce the importance of CX consistently in every message they deliver – in writing, in video, and in person. This constant communication increases employees' understanding of CX and affects how individuals make decisions, change their behaviors, and direct their own efforts to line up with the organization's CX goals.
- **Positive.** Temkin Group research found that employees who regularly receive positive feedback are three times more likely to do something good for the company that's unexpected of them.[4] Senior executives can use this insight to influence how their employees think and act by focusing on the organization's and its employees' strengths and celebrating successes throughout the CX transformation journey.
- **Propelling.** Organizational change is not a linear process, and any sign of difficulty opens the door for employees at all levels to disengage. In the face of these ups and downs, senior executives must not only hold everyone in the organization accountable for changing their behavior to support CX, they also must actively work to remove obstacles and empower individuals with the knowledge, tools, and encouragement they need to succeed.

[3] See Temkin Group Insight Report, "State of Customer Experience Management, 2017," (April 2017).

[4] See Customer Experience Matters blog post, "Amazon Makes Smart Move to Positive Employee Feedback," (November 28, 2016).

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- **Persistent.** CX efforts are unlikely to be successful if senior leaders are all talk and don't get directly involved in efforts themselves. This involvement can include keeping CX at the top of the management agenda, participating in identifying customer issues and defining solutions, and allocating the time, people, and money that matches the organization's level of commitment to CX. By investing their personal time and effort, along with company resources, senior executives indicate what's important to all employees.

SIX LEVERS FOR ACTIVATING SENIOR EXECUTIVES

Good CX leaders don't just sit back and hope for executive commitment; instead, they marshal executives' support and involvement. To better understand how CX leaders can effectively engage their executives, we interviewed nearly 20 companies about how to build commitment from senior leaders.[5] Our research uncovered six levers that CX leaders (and their teams) can use to engage senior executives (see Figure 3):

1. **Create Vision Clarity.** Many senior executives are enamored with the idea of customer experience, yet lack a clear picture of what CX really means for their organization. As a result, they aren't able to persuasively advocate for the required changes. Therefore, CX teams should provide leaders with a clear understanding of where the CX efforts are heading.

2. **Share Compelling Opportunities.** Senior leaders will only stay committed to a CX effort for as long as they remain convinced that it will help the organization succeed. That's why CX leaders must continue to make and reinforce the CX business case to senior executives. This requires establishing a tangible business case and setting realistic expectations for the upside of action and the downside of inaction.

3. **Amplify Emotional Empathy.** An executive who is emotionally committed to CX efforts provides a different level of support than one who is only intellectually bought-in. To gain this emotional commitment, the CX team should enhance executives' natural empathy by bringing customers' experiences to life for them.

4. **Feed Intrinsic Motivations.** Executives are motivated by a myriad of different objectives, such as being seen as successful or reaching some self-defined goals. Intrinsic motivators – like meaning, choice, competence, and progress – can be particularly powerful levers for activating commitment. CX leaders should connect their efforts to the personal goals of executives and should make them feel good about the efforts underway.

5. **Enable First Steps.** Even executives who are fully committed to the CX agenda may not know exactly what they can do to help propel the CX efforts forward, especially

[5] Companies interviewed for this report include: Andrew Riese, Anthem, CA Technologies, Ciena, Cisco, Columbus Metropolitan Library, DELL Technologies, Fidelity, Grange Insurance, Chief Customer/Ingrid Lindberg, Microsoft, Reliant, Penske Truck Leasing, Regions Bank, Sandy Spring Bank, University of Maryland-University College.

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since they are often juggling many different priorities. It's up to the CX leader to make it easy for the senior leaders to participate in the efforts by recommending specific, doable steps that they can take.

6. **Fuel Ongoing Confidence.** CX teams need ongoing support from their executives; however, senior leaders are prone to distraction and doubt. To keep them on track, CX leaders need to keep executives informed of the progress and success of CX efforts and need to demonstrate to executives that resources are being used well and risks are being managed well.

#1: Create Vision Clarity

Senior executives who do not understand CX well are likely to misjudge the discipline and commitment it takes to make sustainable improvements. This miscalculation often leads them to support surface improvements to experiences, while also causing them to deliver the wrong messages and lose interest over time. To ensure that their senior executives sufficiently understand the journey they are embarking on, CX leaders should:

1. **Create an executive CX crash course.** When a company first begins exploring customer experience as a strategy, most of its senior executives will need to be educated before they can be persuaded. In the early stages of its CX journey, one of Fidelity Investments' initial steps focused on helping executives understand what superior customer experience looked like and how to measure it. Fidelity's CX team presented this information in such a way that would secure executives' accountability for specific efforts the company needed to undertake. To make the case, the team used a combination of mapping customer journeys, exploring moments that matter to customers, and identifying barriers to CX convince executives that CX was everyone's responsibility, not just the responsibility of the core CX team. Through this process, executives assumed accountability for the success of Fidelity's CX efforts and put their own names alongside key projects.

2. **Acknowledge the CX work executives are already doing.** You can help build understanding by seeking out and spotlighting the ways in which executives are already taking actions that support the CX strategy. Cisco's services organization began its CX journey by identifying the influencers among its executive ranks and then using them to build momentum and bring other leaders to the table. Cisco's CX leader pointed out all the ways that executives' respective parts of the business had already started shifting towards customer-centricity and highlighted the tangible ways the CX team could work with them to support the business's goals and objectives.

3. **Speak executives' language.** To build executive buy-in, you must share messages that clearly address what's important to your executive audience. This requires CX teams to translate their often jargon-laden content into information that is meaningful to executives so they can understand and agree with what needs to be done to improve customer experience in the business. Ciena changed its approach with senior executives from starting every presentation with CX theory to jumping straight into the key problems that need to be fixed and putting the task of solving those problems into the hands of senior executives. This approach has led to more success in

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engaging senior executives to get behind what needs to be done and inspiring them to action.

4. **Plan for engaging HR.** Temkin Group research shows that the more involved HR is in supporting the company's CX efforts, the more likely that company is to be a CX leader within its industry (see Figure 4). One of Microsoft's culture attributes is "customer obsession," and to help the company successfully deliver on it, its HR and CPE teams partner closely together to define what this attribute means and share this information across the organization. This collaboration ensures that the messages HR develops align with what CPE has learned about customers' needs and expectations for success. A member of the CPE team participates in the monthly *Culture Council* meetings, during which cross-functional members share their current or planned initiatives and identify appropriate opportunities for partnership.

#2: Share Compelling Opportunities

While senior executives may kick off CX efforts based on an aspirational vision, that won't be enough to preserve the true commitment to the transformation efforts. To maintain executive support, CX leaders must make the case for action by tapping into customer data, internal metrics, and other evidence that will resonate with senior leadership. Here are examples of how CX leaders and their teams can work with senior executives to uncover the best places to target CX initiatives:

- **Make the case with a variety of data.** Strong CX business cases rarely contain a single piece of data; rather, they combine customer feedback with other enterprise and external intelligence. CA Technologies (CA) CX team made the case for improving CX to their senior executives by balancing intellectual, emotional, and economic messages. They first used external data, then used the company's own internal data, to show executives the clear connection between the quality of a company's CX, the engagement level of its employees, and its economic performance. The CX Team aligned that quantitative analysis with a journey-based view that showed where CA was letting customers down by being company-centric rather than customer-centric.

- **Identify opportunities with senior executives.** In many cases, CX leaders are more likely to gain executive commitment by working with senior leaders to define CX opportunities and solutions rather than by simply hoping that the executives will fully embrace action plans developed by the CX team alone. Reliant has found that its senior executives are more actively engaged when they are focused on goals with quantitative targets, so its CX team collaborates with senior executives to set objectives based on its CX metrics, survey data, and other CX themes. The CX team stays connected with executives as the executives move actions forward, in part to ensure that they are using the metrics, data, and other insights to drive actual CX change rather than obsessing over their score.

- **Start with pilot programs.** Sometimes CX teams need to start with the data they already have and use pilot initiatives to develop more thorough analyses for formal business cases. Anthem's CX team made its case to senior executives for why the company should improve consumer experiences in a series of stages. It began by connecting market data about where the growth of the health plan industry would be generated with tangible of examples of how the company was underserving its

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consumers – from not taking credit card payments to requiring a high number of clicks to buy a product online. The CX team then had the support it needed to address the issues that were severe, but only required a low burden of proof to address. It tackled these issues through pilot projects and used the resulting quick wins to show the positive impact on customer loyalty, company expenses, and call volume. These early pilot experiences also gave the CX team a chance to work with the organization to create a model for "bullet-proof" business cases that not only overcome skepticism, but also showcase the results of each project.

- **Rally around a unifying theme.** To help executives ground their work when defining needs and goals, start with a shared, relevant theme. Once a year, Sandy Spring Bank hosts an offsite CX retreat with its top executives and members of its CX leadership council. The company's CX leader works with the head of its Learning and Professional Development team to design the retreat's two-day agenda around a unifying theme for the coming year. During this retreat, attendees work through how the bank can raise its CX maturity and define a cohesive plan to accomplish its CX goals. Once they've laid out a clear path for the year ahead, attendees divide into subgroups around the plan's key focus areas according to their different strengths and interests. Each subgroup then builds out a more specific plan for their particular area under the guidance of one of the bank's senior executives, who also plays an active role executing the plan along the other members.

- **Assess needs and goals regularly.** CX teams should take advantage of their flow of continuous customer insights to regularly engage senior executives on important opportunities. Every quarter, Oracle's executives, including the CEO, meet with the chief customer officer and his team to review a comprehensive set of customer sentiment and insights. This feedback includes top-level satisfaction, loyalty and other customer success measures; detailed product and service scorecards; and key themes drawn from various sources. Key inputs and trends are taken from relationship and transactional surveys, as well as customer panels, across a large number of IT and business respondents. That quantitative feedback is then combined with input from several hundred top IT and business customer executives collected through its executive advisory boards. The team uses the company's own business intelligence tools to analyze customer data and present clear metrics to executives, followed by root cause analysis to help determine appropriate corrective actions needed to move forward. Armed with these insights, analytics, and executive support, the chief customer officer's team works with other teams across the organization to adjust processes, create tools, and implement programs to continuously improve CX and ensure customers achieve their desired results and realize value.

#3: Amplify Emotional Empathy

Senior executives may be intellectually bought in, but without a deep understanding and appreciation of customers' needs, motivations, and emotions, their hearts won't really be committed. To amplify senior executives' emotional empathy, CX leaders can:

- **Expose executives to the customer's journey.** Executives who actually witness the difficulties customers encounter during their journey are likely to feel significantly more motivated to improve customer experience than executives who only see reams of metrics and measurements. The Cisco CX team conducted customer journey

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mapping sessions with customers at a number of its live events around the world. The CX team invited very specific customers to these sessions, conducted the sessions in a very structured manner, and guided customers through a methodical conversation to break down their experience in a way that had never been done before at the company. The CX team also invited leaders from the Technical Services (TS) group to observe – and front-line TS employees were actively engaged in – these sessions giving them a first-hand perspective of what customers were saying and feeling about the support experience. For those from the Technical Services group who did not attend, the CX team summarized and shared key findings and moments of truth from the sessions, including making a short video to vividly convey that this was a very different way of meeting with customers.

- **Immerse executives in customer personas.** Design personas are a tool companies can use to bring the customer to life so that everyone in the organization has a personal, rather than statistical, understanding of key customer segments (see Figure 5). Fidelity keeps its senior executives focused on its CX goals and projects using a *customer experience room*. Within this room, Fidelity displays each target *customer persona* alongside descriptions of the work related to each persona. Fidelity has arranged the room into "neighborhoods" to show how individual projects overlap for the benefit of all personas. Senior executives regularly meet in this room and receive updates from the CX project teams who share progress and barriers that require executive involvement.

- **Connect executives with customers.** Having executives meet with customers not only provides them with first-hand knowledge about how customers think and feel, but when executives exhibit this type of behavior, it also sends a powerful message to employees that CX is genuinely important to executives. At Oracle, the entire top level of executives participates in its *executive sponsor program.* The chief customer officer's team – which is responsible for orchestrating this program – matches senior Oracle executives with specific customers based on organizational priorities, areas of expertise, and strategic alignment. The program team defines the responsibilities of the executive sponsors, which are centered around building long-term strategic relationships with their sponsored customers. The Oracle executives engage in regular dialogue with customers to understand their business objectives, ensure alignment, and help address any customer concerns. The sponsorship program team checks in with Oracle's senior leaders quarterly to summarize the outcomes from their discussions and ensure the sponsor-customer relationship is on track. The team also integrates these summaries with other customer insights as part of its work to connect the dots in terms of customer feedback and how Oracle responds to that feedback (see Figure 6). At Penske Truck Leasing, a similar program encourages leaders to use one-on-one meetings with customers to uncover ways to improve the business. The CX leader and his leadership peers are assigned to Penske's top 300 clients and are responsible for ensuring these one-on-one discussions happen at regular intervals. These meetings not only strengthen the company's connections with its customers, they also demonstrate to the field team that executives are living up to the company's values. Because of the executives' efforts, the field team is now demonstrating these same behaviors during customer visits as it goes about its own day-to-day work.

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#4: Feed Intrinsic Motivations

Senior executives must see "a win" for themselves in the CX effort. Sometimes this requires tapping into something personally important to them – like the desire to "leave a legacy" or to inject new meaning into company's work by becoming more customer-focused. To leverage executives' inherent motivators, CX leaders can:

- **Provide external validation.** Sometimes the strongest impetus for change is to show executives how the organization compares to its competition. Fresh off a merger with one of its Southeastern peers, ten years ago Regions Bank renewed its strategic focus on consistently improving customer experience. As part of their work merging two established banks, senior executives outlined a set of five core values that would govern the combined company and drive its culture, including: *Focus on your customer*. At the same time, the Regions CX team turned to external industry benchmarking data that gave them a clear picture of how the company ranked in CX compared with peers across the banking industry. Armed with a shared, objective view of CX landscape across the industry and a common mission, the senior executive team committed to implementing a long-term strategy on how Regions would redefine customer experience. The Regions CX team also worked with its customer data and the finance team to better understand the ROI of great customer experiences, which further engaged senior management in improving CX at Regions.

- **Drive peer-to-peer comparisons.** Most senior executives want to look good in front of their peers. CX leaders should exploit that reality by bringing executives together to compare their CX efforts. As Cisco's CX team engaged more and more teams in its services organization to highlight the importance of CX, it brought them together in its *Global CX Forum*. The forum, which meets on a regular basis, includes representatives from various regions, teams, and functions, who share what they are doing and learn from each other. The forum has acted as a short-cut, connecting the participants to the work each other is doing in their respective parts of the business much more quickly and directly than traditional communication channels would have in the past.

- **Link executives' actions with results**. Many senior executives are motivated by a "sense of progress," so CX leaders should show executives that their actions are paying off in measurable results. Ciena aligns different internal metrics with measurements of customers' perceptions of the experience in a scorecard to show executives how their efforts are impacting CX (see Figure 7). Ciena's CX team uses this scorecard to frame executive discussions about where changes are needed and to tie the specific actions executives commit to with the impact they have on both internal and customer measures and metrics. Ciena also expects executives to share their progress company-wide during monthly review meetings. Every month, one of Ciena's C-level executives leads manager huddle meetings, which are open to any individual who manages other employees. During these meetings, the executive reviews CX metrics, current plans, and active initiatives and discusses how current projects will impact customers' experiences.

- **Give executives support that makes them feel proud.** CX leaders need to make sure that the senior executives who are leading CX efforts with their teams are seen as creditable and capable, starting with the information they have to share with their

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teams. Microsoft is building a new satisfaction measurement framework that has a broader set of metrics to look holistically across the company. The *Satisfaction Measurement Framework* (SMF) is a single, "One Microsoft" view for executives and their respective businesses to use to understand and drive efficient and impactful actions to improve satisfaction. SMF includes five key pillars: overall satisfaction, product experience, brand health, quality of account management, and support, which the company knows underlie customer and partner satisfaction and business success. This new framework helps Microsoft's CPE team to surface and share measures that executives use operationally to help teams understand their contributions to the experience and will enable continued evolution as the company identifies and refines measures that truly impact customer and partner experience.

#5: Enable First Steps

Even when executives are bought-in, they often don't know the appropriate actions they should take to support the change. To help senior executives make the required moves, CX leaders and teams can:

- **Provide tools for executives to use to discuss CX with their teams.** Thanks to significant executive involvement and support, Sandy Spring Bank reaches every employee during over 100 meetings every month as part of its *Meeting in a Box* initiative. Through this program, senior executives and other bank leaders facilitate monthly sessions designed to help employees "learn, engage, and commit" to a specific CX principle each time. The CX and Learning and Professional Development teams jointly develop these modules (see Figure 8). Through these meetings, each team learns from centrally-created content while determining how to apply it within their own department and customer interactions. Senior executives lead their own meetings and also attend meetings led by mid-level managers across the organization. Twice a year, these meetings involve a *Team Exchange*, where teams select from a menu of other departments with whom they'd like to spend their monthly meeting. During these exchanges, attendees participate in activities designed to get to know each other, which helps break down organizational barriers and foster collaboration and cooperation.

- **Build executive storylines.** CX teams can't expect executives to always know what to say to the rest of the company about CX nor how to say it. One way Fidelity keeps its senior executives engaged is by involving them in defining and delivering critical customer experience messages to the organization. The CX team worked with 75 of the firm's senior-most executives to define the three key tenets of its CX vision. From there, executives – with the support of the CX team – now lead the efforts to cascade CX messages to 10,000-plus Fidelity employees and reinforce those messages with executive action. The CX team works with the communications group to create digital artifacts that company leaders can use to support this communication process. Ciena's senior executives not only lead its monthly manager huddles, they also speak at its internal training programs and its CX Champions meetings, where they discuss why CX is important, what it means to them personally, and what they expect from their part of the organization delivering an excellent experience to customers.

- **Involve executives in customer issues.** If CX really is important to a company, then its senior-most executives should be part of issue management from the enterprise

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level to the local level. Microsoft conducts a series of business reviews where leaders from across the company surface the top customer and partner issues within their business. The Customer and Partner Advocacy (CPA) team aggregates and synthesizes those issues along with other listening system insights into a *company top issues* (CTIs) list, which the team reviews with Microsoft's senior leadership team (SLT) on a monthly basis. By bringing together the CEO and senior executives from each of the business groups to review these and assign ownership, the CPA team has been able to influence action across the entire company.

- **Prepare non-customer-facing functions to act.** Decisions that affect customers are made by employees throughout an organization, not just by those in customer-facing roles. CX leaders therefore need to enable first steps for executives whose teams operate more behind-the-scenes in the same way they do for executives whose teams do interact with customers. At the start of its CX journey, CA brought in executives from critical functions like product, legal, finance, marketing, and human resources to participate in *Immersion Workshops*. It designed these workshops to draw out how each of these functions would keep CA's customer promise through activities that identified the fundamental behaviors to adopt and recognized improvement opportunities to pursue. Each function's leadership team participated in their own dedicated workshop, which included interactive discussions and exercises to reinforce CA's CX vision and to translate this vision into individual organizational commitments (see Figure 9). CA delivered these workshops across its global regions and followed them up with webinars that reviewed key content and areas and shared the progress functional leaders had made on their initial individual commitments.

#6: Fuel Ongoing Confidence

CX teams will begin facing challenges for leadership's attention as their efforts stop being the "shiny new" activity in the company. To keep senior executives engaged and active over the long-term CX teams should:

- **Involve executives in CX governance.** A well-structured governance process keeps senior executives involved on a regular basis as it requires them to reaffirm priorities, clear obstacles, and secure the resources needed to execute the company's CX strategy (see Figure 10). Sandy Spring Bank's *CX Strategy Team* is made up of its CEO/President, CIO, and CX leader, all of whom meet once a month to discuss high-level CX strategy. The top seven executives of the bank meet monthly for *CX executive sessions,* during which they review progress on the commitments the bank has already made to CX. To reach beyond the executive team, Sandy Spring's *CX Leadership Council* includes 20 additional senior leaders from business lines and divisions as well as key non-sales groups. This all-volunteer group helps spread CX messages throughout the bank and supports execution of key initiatives.

- **Maintain a long-term vision.** It's important that executives see ongoing CX efforts as part of their long-term objectives. At CA, the CX team wanted to carry its current momentum into the future, so it worked alongside senior executives to define a *2020 Vision* that looks across the next three years of CX needs and goals. The CX team involved senior executives in the cross-functional effort to develop the *2020 Vision* and incorporate what each individual function needed to do to meet its specific objectives. Within this vision, each function has three to five specific goals to focus on,

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and the details of each goal's action plan cover everything from how they will impact employees to what training is required to meet them, along with what risks exist and how success will be measured. CA's CX leader credits its *2020 Vision* with giving senior executives a shared understanding of how efforts are connected, where dependencies that require coordination exist across action plans, and how their individual parts fits into the whole plan. The CX leader made sure to manage the creation of both the *2020 Vision* and the individual plans in a way that accommodated the various thinking and decision-making styles of the executives involved.

- **Make progress updates an active experience.** Once CX goals are set, senior executives are often subjected to one-way updates on the organization's progress towards those goals. DELL Technologies uses *CX Advisory Boards* and *Councils* made up of executives to drive customer and partner programs that improve customer engagement and thought leadership. These groups play a role in reviewing and reporting CX progress and results all the way to the top of the organization, with each providing an action-oriented platform for members to capture follow-up items, additional feedback, and changes needed to improve CX.
- **Focus CX team members on supporting executives.** Rather than allowing executives to get off-track, companies should identify CX resources that directly support executives and their teams. To ensure CX is embedded into Line of Business (LOB) roadmaps across the organization, Grange Insurance has dedicated a small CX team in a matrixed role reporting across senior executives' individual leadership teams. The company has purposefully positioned these team members as drivers of its strategic direction for customer and agent experiences. The CX team leads the conversation cross-functionally across the organization to understand each area's strategies and desired outcomes and then translates those into successful customer and agent experience enhancements. The CX team's strategic roadmap, which heavily emphasizes the digital experience, is aligned with each LOB's product or service roadmaps to identify work dependencies and where it will be important to collaborate on operating process improvements and changes. CX team members serve as liaisons to the LOB's CX advocates (established in each LOB), with whom they share customer insights and determine priorities and actions based on that LOB's objectives. Through these interactions, CX advocates are also learning about the company's CX vision and core CX principles and methods.

STRATEGIES FOR DIFFERENT LEVELS OF EXECUTIVE ENGAGEMENT

The commitment of senior leaders can range from nonexistent to unflappable. To gauge the support of your executives, Temkin Group has developed its *Executive Engagement Assessment* (see Figure 11). We classify executive commitment across five levels, each of which requires a different application of the six levers (see Figure 12):

1. **Level 1: Opposers.** These executives do not believe in CX and generally will not support efforts no matter what data they see. When trying to get any movement from executives at this level of commitment, CX leaders should start by crafting a vision

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that is written in executives' language and shows how a stronger commitment to CX supports the business (and professional) objectives that personally matter to them.

2. **Level 2: Passives.** CX is not a priority for executives falling into this category – although they could become more committed if they see strong results and engagement in their peers. To help them along, CX leaders can tap those peers to share the opportunities that they have pursued and how these efforts impacted CX results. CX leaders can also present these reluctant executives with easy ways to get started working on CX.

3. **Level 3: Explorers.** These executives are not only willing to offer some time and resources for CX, they are likely to increase their commitment as they continue to see results. CX leaders can strengthen this inclination by getting and keeping these executives close to customers and continuing to make it easy for them to take the right steps.

4. **Level 4: Supporters**. Executives who are supporters inherently understand the value of CX, willingly give their time and resources to CX, and actively encourage their peers to do the same. To keep these executives on track and confident, CX leaders should get them involved in CX governance and collaborate with them to identify opportunities that will carry their results forward.

5. **Level 5: Advocates.** The most committed executives make CX their top priority and fight to keep CX fully supported because they understand the long-term impact CX has on company competitiveness. To sustain their commitment, CX leaders should continue to strengthen their empathy for customers and fuel their confidence with a strong long-term vision.

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Senior Executives Don't Always Demonstrate the Right Behaviors

Four CX Core Competencies

Purposeful Leadership
Do your leaders operate consistently with a clear, well-articulated set of values?

Purposeful Leadership Assessment	"Always" or "Almost Always" Demonstrated
Senior executives regularly communicate that customer experience is one of the company's key strategies	49%
The executive team uses a clearly defined set of values to guide how it makes decisions	37%
Employees across the company understand the core values of the company and understand how those values relate to their role	33%
Customer experience metrics are reviewed and treated as importantly as financial metrics	22%
Senior executives support decisions to trade off short-term financial results for longer-term customer loyalty	19%

Base: 180 organizations with $500 million or more in annual revenues
Source: Temkin Group Q1 2017 CX Management Survey

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Figure 1

How Senior Executives Play a Critical Role in CX Efforts

Passionate

Ciena: When it comes to sharing the vision of CX, the company puts senior executives front and center. Executives are captured on video talking about the company's CX with customers, they participate in CX Champions meetings to discuss what CX means to them and answer questions, and they take part in CX workshops where they share why CX matters to Ciena and what's expected for the organization.

Persuasive

Sandy Spring Bank: Every Monday morning on a rotating basis, one of the bank's top seven senior executives sends out The Monday Morning Minute – a two to three paragraph blog post that highlights what is happening in the bank or their specific department, which is often tied to Sandy Spring's CX efforts. When employees sign-on to their computer that morning it is the first thing they see.

Positive

Columbus Metropolitan Library: Once a week employees receive an email from its Chief Customer Experience Officer that highlights all of the great work being done around the organization to deliver a great customer experience. The stories and pictures focus on successes that demonstrate a customer-first focus that managers share "up" the organization.

Propelling

Penske Truck Leasing: The CX leader works closely with the CEO and other senior executives as a member of the senior management team. This positions him to have significant face-to-face time to discuss progress, priorities, and how CX activities line up with the work being done by other governance councils, like IT and marketing. In addition, the CEO serves as the chair of the CX Governance council, leading 13 top cross-functional executives in reviewing the customer portfolio, journey maps, and projects required or underway.

Persistent

Reliant: The president and other senior executives commit their teams and resources to support the company's commitment to CX. Examples include the president setting time in her leadership team meeting agendas to read customer comments and senior executives designating a member of their teams as subject matter experts to work closely with the CX team on projects.

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Figure 2

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Blueprint for CX Leaders: Best Practices for Engaging Senior Executives across the Six Levers

Lever	Best Practices
Create Vision Clarity	▪ Create an executive CX crash course ▪ Acknowledge the CX work executives are already doing ▪ Speak executives' language ▪ Plan for engaging HR
Share Compelling Opportunities	▪ Make the case with a variety of data ▪ Identify opportunities with senior executives ▪ Start with pilot programs ▪ Rally around a unifying theme ▪ Assess needs and goals regularly
Amplify Emotional Empathy	▪ Expose executives to the customer's journey ▪ Immerse executives in customer personas ▪ Connect executives with customers
Feed Intrinsic Motivations	▪ Provide external validation ▪ Drive peer-to-peer comparisons ▪ Link executives' actions with results ▪ Give executives support that makes them feel proud
Enable First Steps	▪ Provide tools for executives to discuss CX with their teams ▪ Build executive storylines ▪ Involve executives in customer issues ▪ Prepare non-customer facing functions to act
Fuel Ongoing Confidence	▪ Involve executives in CX governance ▪ Maintain a long-term vision ▪ Make progress updates an active experience ▪ Focus CX team members on supporting executives

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Figure 3

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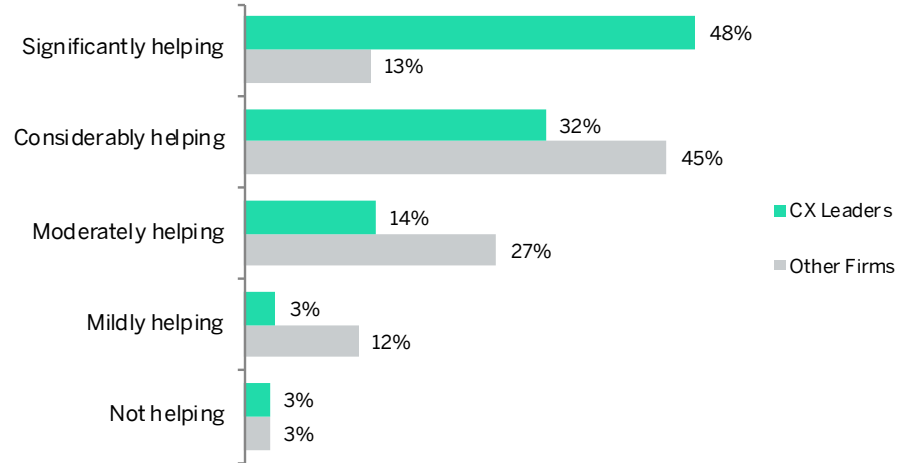
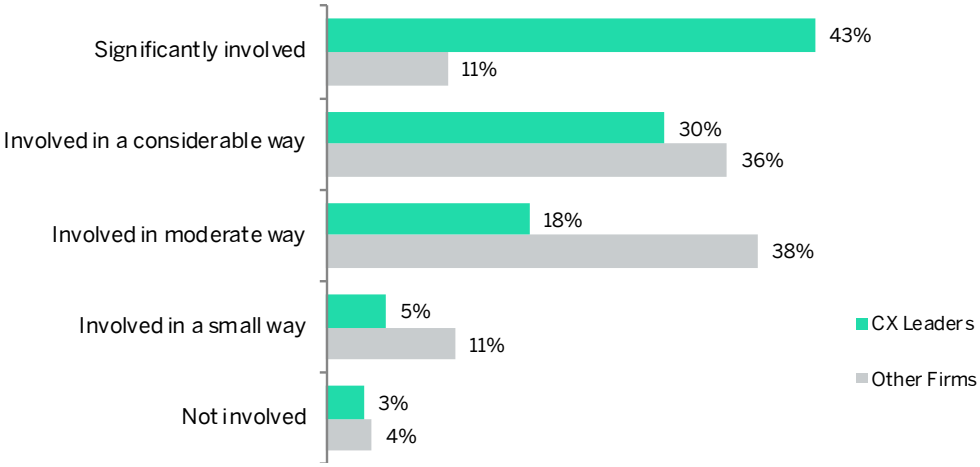
HR Support of Customer-Centricity, CX Leaders Versus Other Firms

To what degree are HR professionals helping your organization become more customer-centric?



To what degree are HR professionals involved in your organization's customer experience initiatives?



Base: 300 human resource professionals who work in North American organizations with 1,000 or more employees
Source: Temkin Group Q1 2016 HR Professionals Survey
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Figure 4

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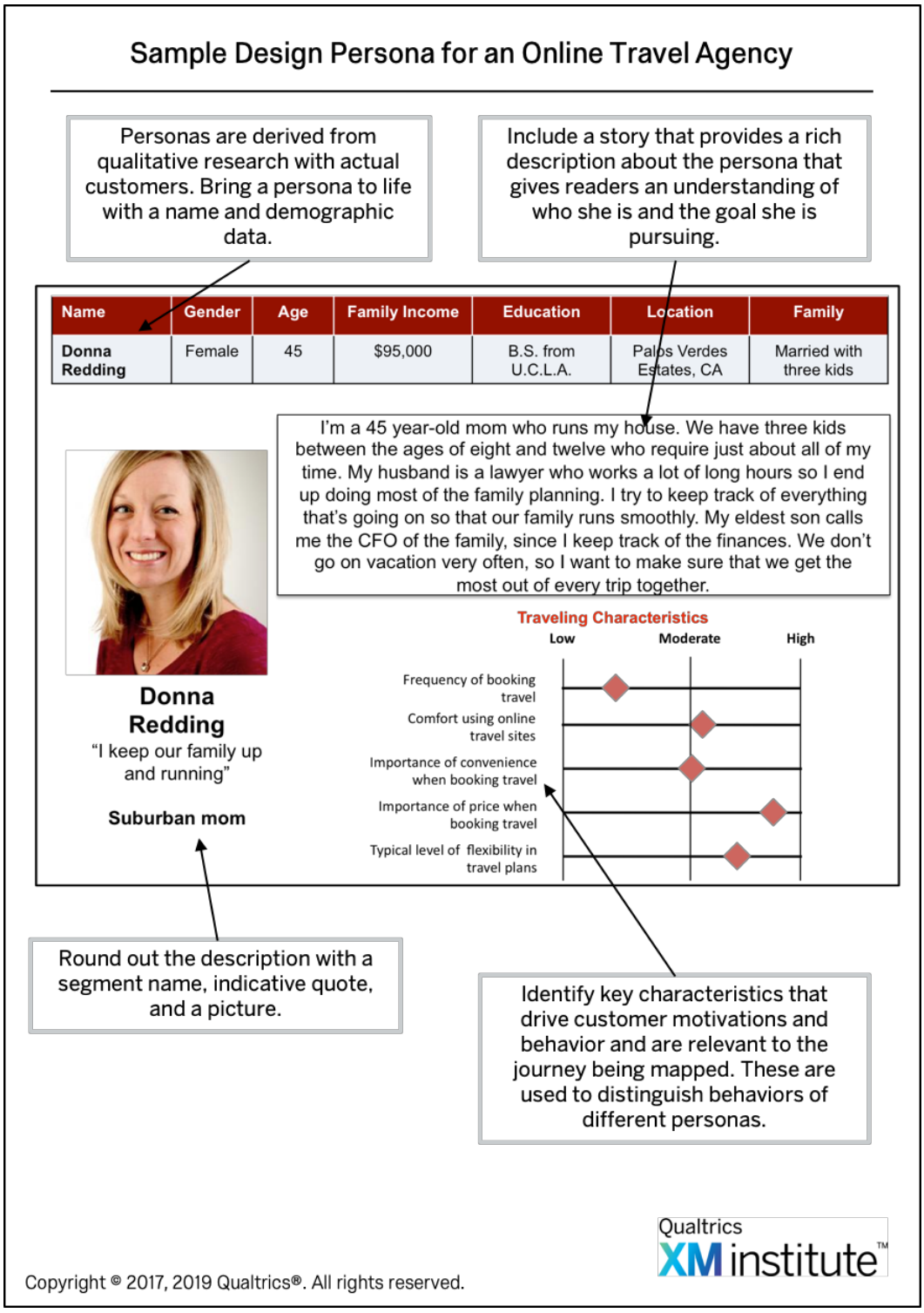

Figure 5

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Integrating Executive Sponsors with Other Customer-Facing Roles at Oracle

Role	Description
Key Account Directors	Responsible for all aspects of the customer relationship Co-develops with customer a multi-year, strategic account plan, focused on joint value
Executive Sponsors	Provides senior executive-level engagement and continuity with customers in key account segment Maintain regular dialogue with clients to gain a holistic understanding of the business and individual client's needs
Oracle Client Advisors	Brings strong industry expertise to key accounts and facilitates cross-line of business collaboration Helps align Oracle solutions with customer's strategic priorities
Customer Success Managers	Develops long term partnership with customers to ensure success and full value realization Responsible for maintaining a high level of client satisfaction by being a liaison between the customer and Oracle's internal operations
Engagement Managers	Works with account teams to increase customer engagement with Oracle that provides the optimal customer experience including participation in high touch executive programs such as executive advisory boards, exclusive invite-only events, and marquee customer advocacy and referencing opportunities

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Figure 6

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Disseminating Feedback to Spur Executive Action: Ciena's Inside Out/Outside In CX Scorecard

Sample Scorecard

Ciena uses this scorecard to assess how each of the operational areas of the business is performing in comparison to the perception of customers. Executives regularly review and discuss scorecard results and identify relevant CX opportunities to improve.

Internal Key Performance Indicators (KPIs) were identified by the responsible department from among their operational metrics.

Customer Perception KPIs were defined through a process of customer interviews and are measured through targeted surveys.

	Inside-Out (quantitative KPI metrics)							Outside-In (customer perception)								
	Portfolio	Sales Engagement	Pricing	Training	Delivery	Support	Service	Portfolio pulse	Sales Engagement Pulse	Pricing pulse	Training pulse	Delivery pulse	Support pulse	Services pulse	CXI	
201 Q1																201 Q1
201 Q2																201 Q2
201 Q3																201 Q3
201 Q4																201 Q4
Target	A	B	C	D	E	F	G	A	B	C	D	E	F	G	xx.x	Target
Status																Status

The scorecard highlights any gaps and leads to investigation on why discrepancies exist. Results are compiled and reported monthly.

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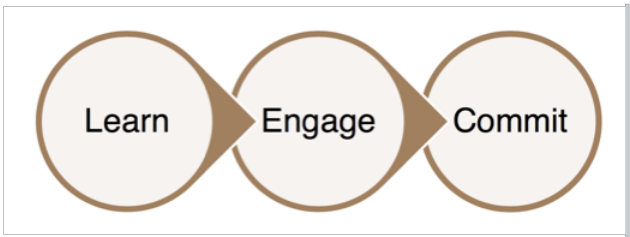
Figure 7

Sandy Spring Bank: *Meeting in a Box*

To reach a workforce dispersed across multiple divisions and over 40 branches and financial centers, Sandy Spring Bank's "Meeting in a Box" program provides structure for executives and managers to lead distributed monthly meetings focused around a shared CX topic intended to create adoption and change behaviors across the bank.



Modules are designed around a "Learn-Engage-Commit" structure that includes assignments for each participant to complete and report back on the following month.

Meeting materials were rolled out in a custom-designed box and each month a new folder containing the next CX module is added.

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Figure 8

CA's Immersion Workshops

Objectives and Audience	▪ Objectives:
	  ▪ Raise the understanding of what it means to be customer-centric
	  ▪ Share the current state of CX at CA
	  ▪ Introduce CA's customer promise
	  ▪ Define commitments for how area will deliver CA's desired customer experience
	▪ Audience: Individual sessions for each key functional area including sales, product, marketing, legal, finance and HR. Participants included senior executive and others designated to be change champions

Workshop Flow	▪ Establish common understanding of CX and people-centric design principles ▪ Introduce CA's customer promise ▪ Translate promise into area-specific behaviors and practices ▪ Define, prioritize, and confirm area's CX commitments to drive improvements by function
Post-Workshop Actions	▪ CX-led follow-up webinar to reinforce content and review progress on commitments ▪ Regular cadence of progress check-ins and cross-functional sharing/accountability ▪ Area leaders and champions engage directly with other change champions to share best practices and lessons learned ▪ Area leaders and change champions proactively evangelize customer promise and commitments to rest of organization

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Essential Elements of CX Governance

	Why it's needed	Who is involved	What it does
CX Core Team	Is the cohesive team that sets direction and sustains CX efforts across the organization	CX subject matter experts dedicated full-time to the day-to-day execution of the company's CX strategy	Oversees CX processes, including the VoC program, CX improvements, and customer-centric culture. Works with reporting exec to define CX strategy. Leads steering committee, working groups, and CX Ambassadors.
Reporting Executive	On behalf of CX core team, engages with peers at executive level to build buy-in and support for CX strategy	May have dedicated role—Chief Customer Officer—or may fill multiple roles, such as COO or VP of Product	Advisor to core team. Represents core team in senior executive meetings. Advocates for customer-centricity and helps clear obstacles.
Steering Committee	Brings together top decision-makers from critical company functions to shape and approve CX strategy	Senior executives from service/support, product management, marketing, IT, finance, sales, IT, and lines of business	Meets regularly to review metrics and VoC. Advises core team on CX goals and objectives. Advocates for change in his/her department.
Working Group	Lends its expertise and effort to CX core team to move CX initiatives forward	Influential change leaders and subject matter experts from same departments represented on steering committee	Meets regularly or forms on a project-by-project basis to execute CX initiatives. Acts as key communication channel to employees across company.
CX Ambassadors	Involves employees at all levels of the organization to provide input and engage in moving CX strategy and action plan forward	Mid-level and/or frontline employees from across the organization, often on a rotating assignment	Serve as resources on CX project teams. Provide feedback as needed. Communicate the importance of CX to their peers.

From Temkin Group Insight Report. "Blueprint for a Successful CX Organization,"(November 2013).

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Figure 10

Assessing Senior Executive CX Engagement

To what degree do the following statements describe your organization?

1 = Not at All **2** = Minimally **3** = Moderately **4** = Considerably **5** = Completely

1. Senior executives understand why customer experience is important to the business and regularly communicate that to the rest of the company.	
2. Customer experience is explicitly included within the company's strategic plan.	
3. Internal communications from the company's CEO/President and other senior executives regularly include discussions of CX goals and progress.	
4. Senior executives have agreed upon a clear set of CX objectives and goals for the company.	
5. Senior executives participate in defining solutions to customer issues and leading change inside their individual areas.	
6. Senior executive staff meetings have a recurring agenda item on customer experience.	
7. The CEO/President holds self and direct reports accountable for changing behaviors and supporting CX in their individual areas.	
8. Senior executives recognize employees and teams who are demonstrating desired CX behaviors.	
9. Senior executives help remove obstacles impeding the progress of CX efforts.	
10. Senior executives regularly make trade-offs between short-term financial results for longer-term CX gains.	

TOTAL ☐

Total	Levels of Executive Engagement
<20	**1. Opposers:** Do not believe in CX. These executives generally won't support CX efforts no matter what data they see.
21-30	**2. Passives:** CX is not a priority for these executives. They could become *Explorers* if they see strong support/results from their peers.
31-37	**3. Explorers:** Willing to offer some time and resources for CX. These executives will increase their engagement and shift to supporters as they see strong results.
38-44	**4. Supporters:** Inherently understand the value of CX. These executives willingly give their time and resources to CX and encourage their peers to do the same.
45-50	**5. Advocates:** CX is their top priority. These executives will fight any battle to see that CX efforts are supported and funded. They understand the long-term impact CX has on company competitiveness even without project-based ROI data.

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Figure 11

Top Levers to Use with Executives by Engagement Level

Level	Top 2 Levers Likely to Have Most Impact
1. Opposers	▪ **Create Vision Clarity:** Link CX to the executive's individual business objectives, showing how a commitment to improving CX will also positively impact his/her goals. ▪ **Feed Intrinsic Motivations:** Use external or internal benchmarking to show how the *Opposer* lags behind his/her competition or peers.
2. Passives	▪ **Create Vision Clarity:** Identify projects or initiatives Passives or their organization are already doing that support CX objectives to highlight progress underway. ▪ **Share Compelling Opportunities:** Focus on sharing data from trusted sources or completed pilots to highlight results that come from making commitment.
3. Explorers	▪ **Amplify Emotional Empathy:** Introduce specific activities designed to get executives interacting directly with customers to better understand needs and gain feedback. ▪ **Enable First Steps:** Offer guidance and tools for executives to take ownership of CX communications and evangelization in their organizations.
4. Supporters	▪ **Share Compelling Opportunities:** Keep executive commitment steady by using the continuous flow of insights to monitor changes to customers needs and expectations. ▪ **Fuel Ongoing Confidence:** Get involved in centralized or federated CX governance to maintain visibility of and input to the CX strategy, priorities, and resource allocation.
5. Advocates	▪ **Amplify Emotional Empathy:** Advance CX maturity and sustain executive commitment by involving them in developing personas and leading customer journey mapping. ▪ **Fuel Ongoing Confidence:** Keep commitment high by supplementing near-term goals and plans with well-grounded long-term CX vision.

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Figure 12

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