
PRACTICAL
CSM
practicalcsm.com
Certified Customer Success Management Professional
CCSMP


PRACTICAL
CSM
practicalcsm.com
Certified Customer Success Management Professional
Module Three:
Practical CSM Framework Phase 1: Preparation
Workbook One

Welcome to Module Three of the PracticalCSM.com Certified Customer Success Management Professional training course. I'm Rick Adams and I am the senior consultant here at Practicalcsm.com, and your instructor for this course.

Before watching the Module Three videos, make sure you have read Chapter Four: Practical CSM Framework Phase 1: Preparation from the Book *Practical Customer Success Management*.

From now on in, we will be reviewing the work of the customer success manager by following the phases within the Practical CSM Framework, starting with Phase 1: Preparation in this module and carrying on through each of the seven phases, taking a separate module to review each one.

In Workbook One we will be covering the following topics: The importance of a seamless customer experience, where to go to learn about the customer, why information validation is important and when and how to go about doing so, and what information might need to be researched including the customer's organization, your own company's solution, the customer's outcomes, the initiative that the customer has purchased your solution to help them with, who the key stakeholders are and finally which of your customer's business capabilities will be impacted.

What is a joined up customer experience? Put simply, it's one where the customer doesn't experience any issues around continuity of the quality of service being delivered to them as they undergo their customer journey with your company.

To step back briefly for one moment, let's first define what is meant by a "customer journey". The customer journey is the sum of everything that customers experience as they go through the process of engaging with your company to understand what your company offers, explain their requirements, select the solution, negotiate the price and any details around customization or professional services, wait for the solution, receive the solution, install and configure the solution, prepare employees for using it, receive help and support with any issues arising from using it and finally actually using the solution to generate value.

Now let's also define what is meant by "customer experience". Customer experience refers to the experiences that customers are subject to as they interact with your company at each step in their journey. This customer experience might be anywhere from highly positive to fairly neutral to highly negative, depending upon what happens in those interactions.

The overall customer experience for the entire journey is the sum of all positive, neutral and negative experiences that the customer has undergone throughout the customer journey. This overall customer experience is an important measurement for companies, since it relays to the business the likely attitude that customers will have towards the company after having undergone that journey, which of course is a very strong indicator as to whether they are likely to renew their contract or purchase more of the same product or service, or even think about purchasing additional products and services.

Because the customer journey includes so many different aspects of the business, it takes a joined-up approach throughout that business to enable the best possible customer experience. No part of the business should be ignored, since even those parts of the business which do not directly interact with the customer may well still indirectly impact the customer. For example the Legal department can make contracts either simple or complicated to understand, the Distribution department can either ship products quickly and carefully, or slowly and carelessly, the HR department can either employ staff based upon their attitude towards and ability to communicate with customers and provide additional customer service-related training or not, and so on and so forth.

Businesses these days need to take customer experience very seriously. Within many organizations there exists a Chief Customer Officer or VP for Customer Experience, or similarly titled position. The job of the CCO or equivalent is to align the entire company from beginning to end around providing a positive customer experience for customers as they undergo their customer journey. It's not so much about having a separate "customer experience team or strategy" it's more about ensuring everyone in their existing teams is more customer-aware and more customer-centric in their outlook, attitudes and actions.

The customer success manager plays an important part within the overall customer journey – which generally speaking will be the part that customers undergo as they move towards the end of their journey and need to deal with onboarding, adopting, utilizing and measuring the value from the solution they have purchased. Therefore, CSMs need to ensure that *before* they start interacting directly with customer stakeholders they are well briefed by those who have already been assisting these stakeholders to ensure that they are well informed and prepared in terms of their understanding of who the customer is, what they have purchased and why, what outcomes they are looking to achieve, where in the overall journey they are currently up to and (very importantly) any problems or challenges that have been experienced so far on this journey and what has happened or is happening to resolve those problems and challenges.

In this way, CSMs can insinuate themselves into the customer journey seamlessly and without causing the types of customer frustrations that may well be experienced if their CSM is *not* fully briefed on any of the above points. The CSM can then add their value through their role of assisting the customer with those onboarding, adoption and value creation and realization processes, thus contributing to a positive overall customer experience.

As we have seen, if the CSM is going to play their part in ensuring the customer experiences a positive journey then they need to make sure they are well prepared, and this is why Practical CSM Framework Phase 1 is called *Preparation*.

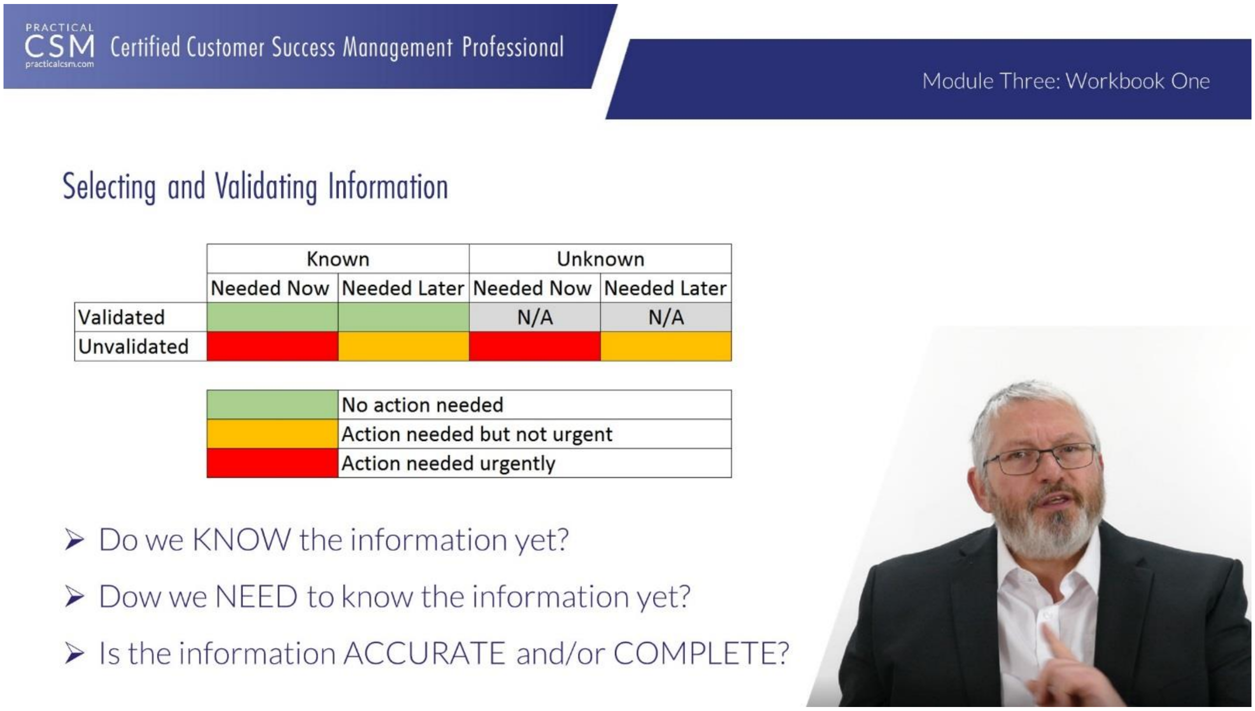
Sometimes the CSM may be completely new to both the customer and the initiative the customer has purchased the CSM's company's products and services for. On other occasions the CSM may already be very knowledgeable about some aspects of the engagement – typically for example if they have engaged with the same customer before on previous occasions when the customer has made purchases to support either the same or other initiatives. Whatever the case, there are likely always at least to be knowledge gaps that need filling, since even if both the customer *and* the customer's initiative are familiar to the CSM, as we saw in Module Two: Business Fundamentals, change is constantly occurring, and the customer's business will be constantly reacting to that change by creating new and amending existing strategies and tactics to achieve existing or new goals and objectives. In addition, CSMs do not have total recall and will in any case need to refresh themselves so that all necessary information is to the forefront of their mind and assembled in an orderly fashion prior to engagement with the customer's stakeholders.

The first step in preparing to engage with the customer is research. There are three basic categories of places to go to in order to learn information relating to the customer and the engagement. These are the CSM's own company, the customer, and everywhere else.

As we have seen, if the CSM is going to play their part in ensuring the customer experiences a positive journey then they need to make sure they are well prepared, and this is why Practical CSM The first and most obvious port of call to learn about the customer and the engagement is from the CSM's own corporate information systems and personnel. In particular there is likely to be information held about the customer in general and about this specific interaction on the sales and customer relationship management (CRM) systems. CSMs should therefore make sure they have access to these systems and know how to use them effectively. In terms of personnel, the obvious port of call for information would be the customer's account manager if they have one, or if not then whichever sales person or team were involved in and responsible for making the sale. Additional colleagues who may be able to assist includes any solution engineers and architects, product and service specialists, and/or professional services managers and specialist consultants who have been involved in helping to determine customer requirements, select products and services, design solutions, and so on.

The second most obvious port of call to learn about the customer and the initiative they are working on is the customer itself – meaning of course those of the customer's personnel who are stakeholders with interests in and responsibilities for the initiative itself and the relationship with the CSM's company. The problem however is that if the CSM goes to these people early on before they (the CSM) are well prepared and indeed in order to *get themselves* prepared, they run the risk of annoying or frustrating the customer's stakeholders who may feel that as the customer it is not their role to help prepare their supplier's customer success managers in order to make them useful, but instead would expect those CSMs to only come to them once they already *are* prepared and therefore *already* useful. There may (indeed likely will) be some reasonable space for validation of information and provision of new or additional information by the customer, but it is reasonable for customer stakeholders to expect that the CSM has done their groundwork first before coming to them. Maybe the CSM won't know everything, but the expectation that the CSM already has a solid grounding in the engagement and that it won't take much time or effort to get them completely up to speed with any missing details is a reasonable one for customers to have.

Finally, and for background research on the customer's organization and its industry, customers, competitors, as well as external drivers that may be influencing it right now or in the near term future, the CSM can turn to the rest of the world via the Internet. Many sources of information exist on all sorts of topics that may relate either specifically to that customer or more generally to their industry, region, customers and so on which the CSM can explore in order to get a good background understanding of the customer and its position and direction of travel.



It's one thing to *possess* information, but it's quite another thing to know whether that information is both *accurate* and *up to date*. Validation refers to the process of checking information to make sure that it is indeed accurate and up to date.

Validation of information takes a number of different forms, dependent upon the type of information to be validated. As a general rule of thumb information pertaining to the customer (eg its organizational hierarchy, its strategies, its initiatives, its outcome requirements, its workforce, and so on) would need to be validated by a relevant customer stakeholder who holds the subject matter expertise and/or authority to do so. Similarly information pertaining to the CSM's own company's products and services, the contract between the customer and the company, details about professional services being provided and so on, would need to be validated by a relevant *company* stakeholder who holds the subject matter expertise and/or authority to do so.

However, before the CSM starts attempting to perform any information research or information validation activities, they should first of all stop to reflect upon which information really needs researching, which information needs validating and which does not.

The point of thinking about information in this way is this: As you have seen from reading Chapters Two and Three of the book *Practical Customer Success Management*, few if any CSMs have too much time on their hands and not enough things to do. Researching information in the first place takes time and effort, and validating information takes more time and effort again. So the rule is, CSMs should make sure they only spend time researching and validating that which is useful to them, and information that is useful *now* should take precedence over information that is useful *later*. There is no harm in finding out or validating additional information whilst you are learning the essential information you really need, but the focus should always be on the information you really need.

Too much time spent researching or validating additional information that is either not required yet or simply just "nice to have" can slow the engagement down unnecessarily, leading potentially to outcomes either missed or attained less quickly and/or efficiently, leading in turn to customer dissatisfaction.

I am not suggesting that CSMs need to remember all these different categories of information. I *am* suggesting that CSMs should be able to understand the *differences* between these categories and should be able to make conscious decisions as to what information they need to research and what information they need to validate, and when they need to prioritize their time to perform these tasks. Being organized as a CSM enables CSMs to be aware of what is known, what is not known, what needs validating and what does not need validating at any given stage of the engagement. This ensures that the initiative can continue to move forwards at an appropriate pace and without risking any problems occurring due to missing or inaccurate information, but at the same time not going slower than necessary due to an overly large burden of unnecessary research and validation activities.

This section may seem relatively trivial or unimportant or even obvious to the uninitiated or newly started CSM. However, the truth is that sadly a *lot* of customer success managers face severe pressures of time through the many demands upon that time which they receive from various directions including customers and their own colleagues and managers. If CSMs are not aware of this, and do not take care of themselves, they may find themselves suffering from stress or even burning themselves out entirely through overwork. To avoid this, take proactive steps to apply the information explained here and in Chapters 2 and 3 of the book which cover things like the RAPAE Model (which you may recall stands for Research, Analyze, Plan, Act and Evaluate).

.

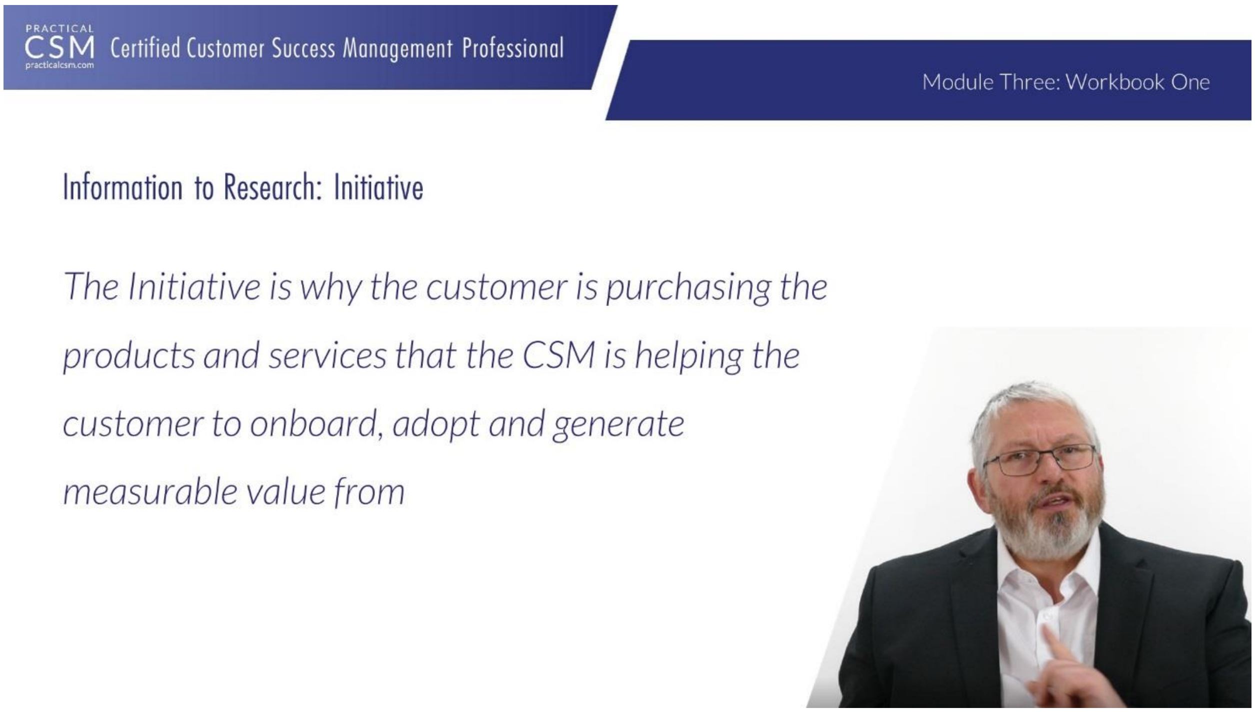
We will now briefly review the different areas of information that the CSM needs to ensure they have researched and understood sufficiently beforehand, to make them useful to the customer right from the very first time they meet the customer's stakeholders.

The first area of information to research is information about the customer. This covers general information about the customer's company including its size, its personnel, the regions in which it operates, its products and services, its customers and its value propositions to those customers, its main competitors and position within its industry, its vision, mission and major goals and strategies, the current challenges and opportunities it faces, and so on.

The second area of research is on the products and services themselves – primarily of courses, those products and services which the CSM's own company is providing, but it may sometimes also include third party companies' products and services if these are also being supplied to the customer as part of a wider "bundled solution". Whatever has been sold to the customer, the CSM needs to make sure they know what each product or service is, why it has been selected in terms of what function or functions it will perform for the customer, which features of the product or service will be used to perform those functions, and other relevant details such as quantities, customization options, integration options, and professional services options such as installation, configuration, management, maintenance and support.

In a sense, this is the most important area of information for CSMs to research. It can also be the hardest aspect to get right, since the customer's outcome requirements are not always obvious or easy to define accurately, even to the customer itself. It is also less objective and more subjective (ie more open to differences of opinion) than other areas of research. In fact one of the major problems with determining the customer's outcome requirements is that you might get different answers from different colleagues and yet other responses from different customer stakeholders.

This lack of clarity over outcomes for the initiative does not always occur. If the outcomes *are* known and clearly defined, then the CSM can simply record them in their research documentation. If they are not clearly defined or uncertain as to their accuracy then of course the CSM needs to document whatever is known or assumed at this stage, ready for validation with the customer's key stakeholders at a later stage, which we will get to in the next Module. In fact even if outcomes are known and clearly defined, my recommendation would still be to validate them with the customer to make absolutely sure that they are still the right outcomes, since (as we have seen) things can change for the customer due to new influencers impacting upon strategy and tactics, and also due to changes in personnel at the customer's end which can also cause changes to outcomes requirements. More on this topic will be discussed in Module Four.



This again is background information about the customer, but this time it relates to why the customer is purchasing the products and services that the CSM is helping the customer to onboard, adopt and generate measurable value from. I refer to this "why" as the customer's "initiative". In other words the customer's initiative is a title or a description or a reference name that defines or describes why the customer is purchasing the products and services that the CSM's company is supplying. So for example it could be a simple case of replacing existing, older, less efficient equipment with newer, higher quality equipment, in which case maybe the initiative might be called "Equipment X Refresh" (where "Equipment X refers to whatever type of equipment is being replaced). On the other hand, perhaps this initiative supports a major corporate strategy such as a new product launch, or a company-wide drive to increase customer satisfaction levels. Maybe there's an external influencer such as for example a new piece of legislation that must be adhered to, and perhaps the initiative is to ensure the company meets these new legal requirements. The name is not important in a sense, but what *is* important is that what the initiative is and what the customer aims to get from it is known to the CSM. Generally speaking the title for the initiative will be both obvious and also already provided. It might not be referred to as an "initiative" but rather as a "project" or a "challenge" or a "strategy". Again it doesn't matter. I like the word "initiative", but when I am with my customers I refer to it in the same language that *they* use to refer to it.

In terms of what needs to be known about the initiative, this would include a title and a description of the problem, opportunity, strategy or challenge that the initiative supports or deals with. It would also include information about what outcomes and deadlines for achieving outcomes are required from the initiative and about the key personnel who are involved with its decision making and management. It should also include what products and services are being purchased (which of course we have already discussed as a separate area of research to capture) and which users within the customer's organization or indeed elsewhere will be impacted by change engendered by the initiative (for example which users are involved within capabilities that are being replaced or updated).

It's also important to capture the initiative's current status in terms of progress. CSMs are often introduced to an initiative at an intermediate stage in the initiative's lifecycle rather than being there from the very start. It is therefore important for the CSM to understand where the initiative is up to in terms of work completed, progress made, what activity is occurring right now and what will be happening next. It is also good to get a feel for how well things have been working out thus far both in general terms and also in terms of the relationship with and the attitudes of the customer's key stakeholders. Forewarned is forearmed!

One final aspect of the initiative that is worth asking about and documenting at this early preparation stage, but which CSMs may find they need to deal with in upcoming phases of the Practical CSM Framework when they are in front of and working with the customer's stakeholders is any challenges or obstacles to the initiative that have been encountered, and their status – for example whether a strategy for overcoming them has been developed and if so how well it is working to resolve the issue.

Capturing information about stakeholders may be fairly straightforward for some CSMs because there may only be one or two people involved. For other, larger and more strategic initiatives it may in fact be the hardest part of the research to complete because of the confusing array of individuals, teams, departments and sometimes even third party organizations who are all involved with the initiative in some shape or form. Because of this large variation in numbers of stakeholders it is difficult to give "one-size-fits-all" advice as to how much time to spend on researching and documenting information about stakeholders. Each CSM will need to make their own decision about how much information is necessary, based upon their experience and the perceived needs of the particular initiative.

The most obvious group of stakeholders to research are customer stakeholders. It is worth noting that the most important customer stakeholders for the account manager and others involved in the selling process may be the same as, different to, or a subset of the most important customer stakeholders for the customer success manager. This will be determined by whether or not the same person or people within the customer's organization that determined the need in the first place and worked with the CSM's company's sales team to negotiate and agree the deal are the *same* person or people who are still involved now at this later stage in the lifecycle in the planning and implementation of onboarding and adoption of the products and services, and in measuring and evaluating outcomes. If they *are* the same people then this may well make life a little simpler for the CSM as of course they should be able to get a thorough briefing on these stakeholders from their colleagues in Sales. If they are *not* the same person or people, or not *all* the same, then the CSM will have to do what they can to find out about any additional stakeholders that the Sales team have not met. Of course just because they haven't met these new stakeholders does not mean that members of the Sales team don't know anything about them, since it may well be the case that these stakeholders and their role in the initiative might have been discussed with those other stakeholders that the Sales team *have* met. In any case, as well as learning who they are, what their title and general role is and who they report to, plus of course what specifically they are responsible for within this initiative, it is also good for the CSM to find out how much involvement each stakeholder has already had in the initiative to date, their attitude towards the initiative (eg how supportive or unsupportive they are) and any useful information relating to stakeholder management (for example their communication preferences and how easy they are to work with, etc).

Hopefully you will recall our discussion on business capabilities in Module Two: Business Fundamentals. If so you will remember that business capabilities refer to the ability of a business to perform a task in order to obtain a result, and that they are generally referenced at three levels – high level, mid level and low level, with the low level capabilities containing whatever combination of people, process and tools is utilized within the performance of the task.

When performing research for a new engagement, it is very useful for the CSM to start thinking about and documenting which of the customer's business capabilities (at a high, mid or low level) will be impacted by changes caused either directly or indirectly by the initiative.

By "directly impacted" what I mean is that one or more of the products or services within the solution you are providing will actually be used within the capability – either creating a new capability or by replacing some or all of the tools within an existing capability. Knowing which capabilities are directly impacted goes a long way towards understanding who within the customer's organization will require training, support and communications around these products and services.

By "indirectly impacted" I am referring to capabilities that lie adjacent or at least near to one or more impacted capabilities and this proximity causes an impact to these capabilities as well. If you recall back to Module Two, as well as discussing capabilities we also discussed Porter's Value Chain as a great tool that can be used to understand how different aspects of the customer's business combine to generate customer value. This is what we are discussing here when we are researching indirectly impacted capabilities.

You may recall that an example we used during Module Two was of the provision of new sales software for the sales team that would enable them to generate customized orders whilst they were on site in the customers' own offices, making the sales team more productive. In doing this we noted that this may have knock-on or indirect impacts to the Production department and the Distribution department, since these departments may also have to increase their productivity to keep up with increased sales generated by the Sales department. In this example then, from the perspective of impacted capabilities, the high level Sales capability will be directly impacted and specifically the low level "customized order taking" capability will be directly impacted, and we have also noted that the high level Production and Distribution capabilities will be indirectly impacted and perhaps more research might need to be done to define which low level capabilities within these high level capabilities will be indirectly impacted and in what ways they will be indirectly impacted. This topic will be revisited in more detail in Module Six when we discuss Adoption Planning, and in Module 7 when we look at Adoption Implementation.


PRACTICAL
CSM
practicalcsm.com
Certified Customer Success Management Professional
CCSMP