

The new role of the Customer Experience Leader

What defines excellence in customer experience leadership? What environmental factors are required for a successful transformation?

Effectively managing customer touch points has become a critical competitive differentiator and in certain cases, a matter of a company's ultimate success or failure. Historically, these efforts – often housed within the contact center – have focused on cost reduction or revenue generation. Performance improvement efforts have traditionally focused on underlying systems and infrastructure as well as the use of outsourcers or other service providers. While these concerns are critical and must be appropriately managed, they alone do not address the underlying systemic issues.

Progressive leaders in the field have shifted their attention to driving improvements in the overall customer experience. Their companies are recognized as leaders in the field and they benefit from increased market share and positive word of mouth.

In this market, customer-driven businesses have no option but to shift their thinking. These times call for more than a traditional contact center or customer service executive. Companies must evolve to become customer experience-oriented and this begins with a transformation in the way these functions are led.

The Customer Experience Leader defined

Those with a demonstrated track record of repeated success in customer experience transformation within their industry clearly stand out as credible leaders. However, many of the most successful customer experience transformations have been led by executives with exposure to multiple industries and functions. Beyond functional experience and industry knowledge, however, what distinguishes a great leader from the rest of the pack is his or her leadership competencies.

Using Heidrick & Struggles' leadership and management behavioral competency framework as a foundation, we have identified four key competency areas that distinguish this new breed of Customer Experience Leader.

Best practice perspective / External awareness

The new Customer Experience Leader is well-versed in current best practice information and trends in the external market place – from within their industry as well as others. They understand the impact and benefits that new practices could bring to the organization and are willing to implement changes when beneficial. They demonstrate a strong understanding of the business environment, and understand factors, trends and issues which influence the company's business performance.

Analytical thinking

A leader must instill within their organization a rigorous analytical approach to each aspect of their work – from performance management and vendor selection to underlying root cause analysis. In this

environment, analytics is more than a buzz word or a data report – Customer Experience Leaders are able to distill complex issues, identify possible solutions and move to action in a timely manner. Just as critically, they are able to communicate the strategic value of the analytics to their peers and others in the organization.

Organizational buy-in / Relationship building

Highly developed relationship building and influencing skills at all levels within the organization are a hallmark of the new Customer Experience leader. In some respects, this is the area where a diversity of functional and industry experiences can have the most immediate impact. Customer Experience Leaders must leverage their credibility and relationships with their peer group and others in the organization to influence change throughout the organization, not just in the contact center. These leaders not only know what has to be done, they know how to get others on the same page.

Managing innovation

Similarly, the new Customer Experience Leader develops and applies creative solutions to business problems. They are not satisfied with the status quo or incremental improvement. Their personal passion and knowledge inspires others to also introduce new perspectives to find the best solutions, and understands how to evaluate effectiveness of these initiatives. They are willing to take risks, and understand the benefits of getting it right.

Requirements for success

In addition to these specific experiences and competencies that will have direct influence on the success of any organization, it is critical to understand the environmental factors that must be in place.

Clearly the business must be rooted in a metrics-driven culture, where a rigorous, analytical approach is valued and expected.

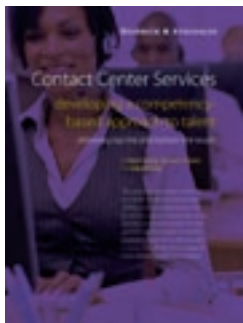
The Customer Experience Leader must have a “seat at the table” – playing an active role in setting the strategy as well as managing the operations of the organization. While the ability to influence will be dictated by the individual, it is important that the senior leadership team is designed to provide visibility and access.

Finally, buy-in and endorsement of the CEO is critical. With any change effort, CEO support, specifically explicit endorsement and matching behavior, are critical factors of success.

Next steps

In the coming months, Heidrick & Struggles will feature targeted examinations and profiles of market leaders across industries to highlight best practices and lessons learned. Industry coverage will include:

- Consumer/Retail
- Financial Services
- Airlines
- Technology
- Telecommunications Services, ISPs and Cable Providers



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