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BUILDING A CUSTOMER-CENTRIC CULTURE PRIMER FOR 2017

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SUMMARY

Culture encompasses the values, beliefs, rules and norms that permeate an organization. Customer experience leaders can use this research to build and sustain a customer-centric organization by incorporating the customer into decision making and workflows, leading to high-quality CX.

Scope

A customer-centric culture requires all employees to understand that every activity impacts the customer experience and to actively consider the customer in each of their business decisions.

Building a customer-centric culture covers:

- **Defining and reinforcing organizational customer experience values:** Choosing and communicating values that capture customer aspirations and desired internal behaviors.

- **Driving behavior and alignment:** Getting the organization to align to and adopt CX values and reflect those values in their decisions and actions.

- **Managing culture change:** Understanding and addressing challenges to cultural change through a change-management process, reinforcing values and influencing employee behavior.
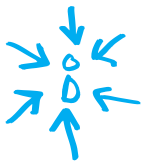
Build and sustain a customer-centric organization by incorporating the customer into decision making and workflows.

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ANALYSIS

A customer-centric culture encourages employees to see how their work impacts the CX. This helps ensure that employees make the right day-to-day decisions. It also encourages the adoption of CX as a concerted and continual shift toward customer value creation across the entire customer life cycle, rather than simply as a series of one-off projects.

Traditional approaches to culture change often focus on definable activities to redesign the organization, processes and metrics. But these attempts often fail to enlist or engage employees and, as a result, fall short of driving the desired change. Employees don't know how to translate high-level, strategic statements into their everyday activities and decisions. Therefore, they are reluctant to embrace cultural change or to change their own behavior.

The steps of a successful culture change include understanding how employees relate to organizational norms; defining or redefining the organization's CX values or ideals; managing, communicating and enabling cultural change at the appropriate level; and ensuring ongoing alignment exists universally across various functions These steps require CX leaders across the firm to remove real and perceived barriers that stand in the way of employees acting in a customer-centric way.

Figure 1. Building Customer-Centric Culture Overview
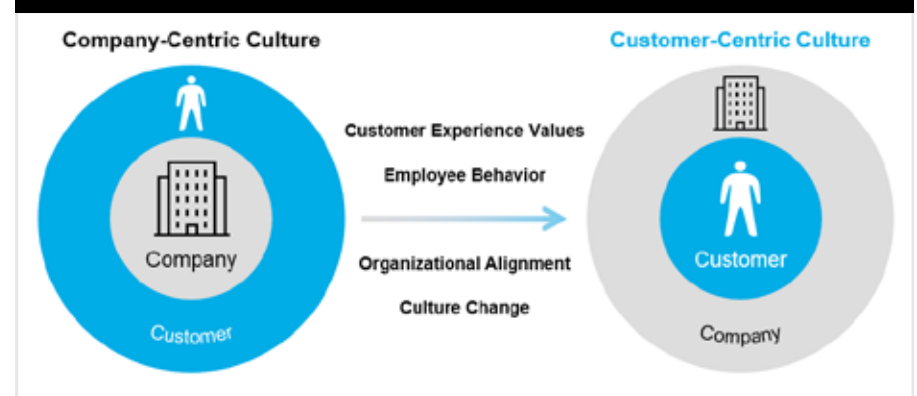
Source: Gartner (July 2017)

CX leaders must remove real and perceived barriers that stand in the way of employees acting in a customer-centric way.

Top Challenges and How Gartner Can Help

Gartner's 2017 customer experience research provides best-practice insight and how-to advice to help CX leaders build and sustain a customer-centric organization.

How do I help my organization embrace and prepare for culture change?

Organizational culture is typically ingrained over long periods of time and permeates an organization, impacting employees at all levels. This makes it difficult to quickly shift culture and renders isolated changes to culture as ineffective.

Culture change focuses on motivating behavioral change rather than merely changing processes, which only suggest or imply desired behaviors. Successful culture change processes involve employees, ensuring your organization accomplishes something with your staff versus doing something to them. Help people understand the context and the reason for the change to get personal buy-in when motivating people to change.

Prepare the organization for a culture change by soliciting feedback from the entire workforce on the organization's current culture. Employees are more likely to support new company values if they are involved in the development process. A wide variety of methods can be used to obtain employee feedback, including surveys, focus groups and employee interviews.

Planned research

- **Prepare Your Organization for Customer-Centric Culture Change**: Offers insight on determining your current organizational culture; understanding differences between culture and climate; recognizing the impact each has on employees' behavioral and attitudinal patterns; and diagnosing other employee barriers to customer-centricity.

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How do I communicate customer experience values?

A comprehensive internal communication strategy can continually reinforce the importance of customer experience values, establishing a common framework for employees. Use communication channels that are highly visible, yet scalable, such as videos and town halls. A presentation by the CEO can introduce new value statements to employees and demonstrate executive commitment to these values. This also provides employees with the opportunity to ask questions to improve their understanding of the change.

Senior executives should communicate internal and external factors that led to the change. Managers are the most effective conduits in connecting employees to the organizational culture. As such, they should relay value statements and expected employee behaviors, discuss roadblocks in adhering to the new values, and listen to and suggest actions to address employee concerns and questions.

Ensure that executives, managers, HR and communications media such as video clips and posters relay the new values consistently. Of course, all value ambassadors, from the CEO to managers, must model the behaviors that they expect from employees.

Planned research

- **Selecting the Right Customer Experience Values for Success:** Provides advice and best practices for defining or redefining organizational values. Also included is guidance for developing organizational guidelines that capture those values and desired internal behaviors that are essential to aligning to customer-focused aspirations.

- **How to Enable the Adoption of Customer Experience Values:** Offers insight into understanding employee barriers to adopting CX values; identifies skills needed to influence others in the organization; and provides a step-by-step process for managing cultural change.

Use communication channels that are highly visible, yet scalable.

How do I get my organization and partners to be more customer-centric?

To embed customer-centricity, develop new performance measures and incentives that motivate employees to accept and act in accordance with the new organizational values. Showcase teams and individuals who embody customer-centric culture. Consider elevating people with the right attitude into leadership positions. Employees feel motivated to embrace new values when they see a clear connection between value adherence and career progression.

Monitor change implementation with companywide surveys to assess the effectiveness of change implementation and identify change resistors. Encourage employees to provide honest and candid feedback by ensuring the confidentiality of results. Conduct meetings and training sessions to engage those who are resisting the cultural change.

Use meetings and trainings to show how new behaviors, approaches and attitudes have helped people improve CX and company performance. Identify mistakes made during the change implementation phase and take immediate corrective action. To prevent implementation failures, continually monitor gaps in adopting new organizational values and proactively alter cultural implementation activities.

Planned research

- **Aligning the Organization to Deliver High-Quality Customer Experience:** Provides insight into using customer understanding to improve organizational alignment around a customer-centric approach. Offers advice for developing processes to manage delivery of CX. Also delivers case studies and best practices for empowering employees to consider the customer in their decisions and actions as well as to setting employee and customer expectations of CX.

- **Increasing Customer-Centricity of Critical Decision Making:** Outlines key drivers of customer-centric decision making. Offers best practices and case studies for encouraging and enabling customer-centric decision making. Delivers tools to prioritize activities based on impact; and advises on ways to increase influence effectiveness.

Showcase teams and individuals who embody customer-centric culture.

GARTNER RECOMMENDED READING

Suggested First Steps

- "Driving Business Transformation by Changing the Culture"

- "Integrate Organizational Change in the Strategic Planning Process"

- "How Marketing Can Lead Organizational Customer Experience Maturity"

Essential Reading

- "Knowing What to Change Is the Hard Part of Culture Change"

- "Digital Workplace Organizational Change Imperatives"

- "Five Must-Have Practices for Successful Organizational Change"

- "Culture Drives Digital Success at Quicken Loans"

Tools and Toolkits

- "Toolkit: CRM Customer Engagement Center Applications RFP"

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