PRACTICAL CSM
MAKING CUSTOMER SUCCESS SIMPLE

Rick Adams

The Practical CSM Framework

Practitioner's Guide

Practical CSM Publications

Welcome

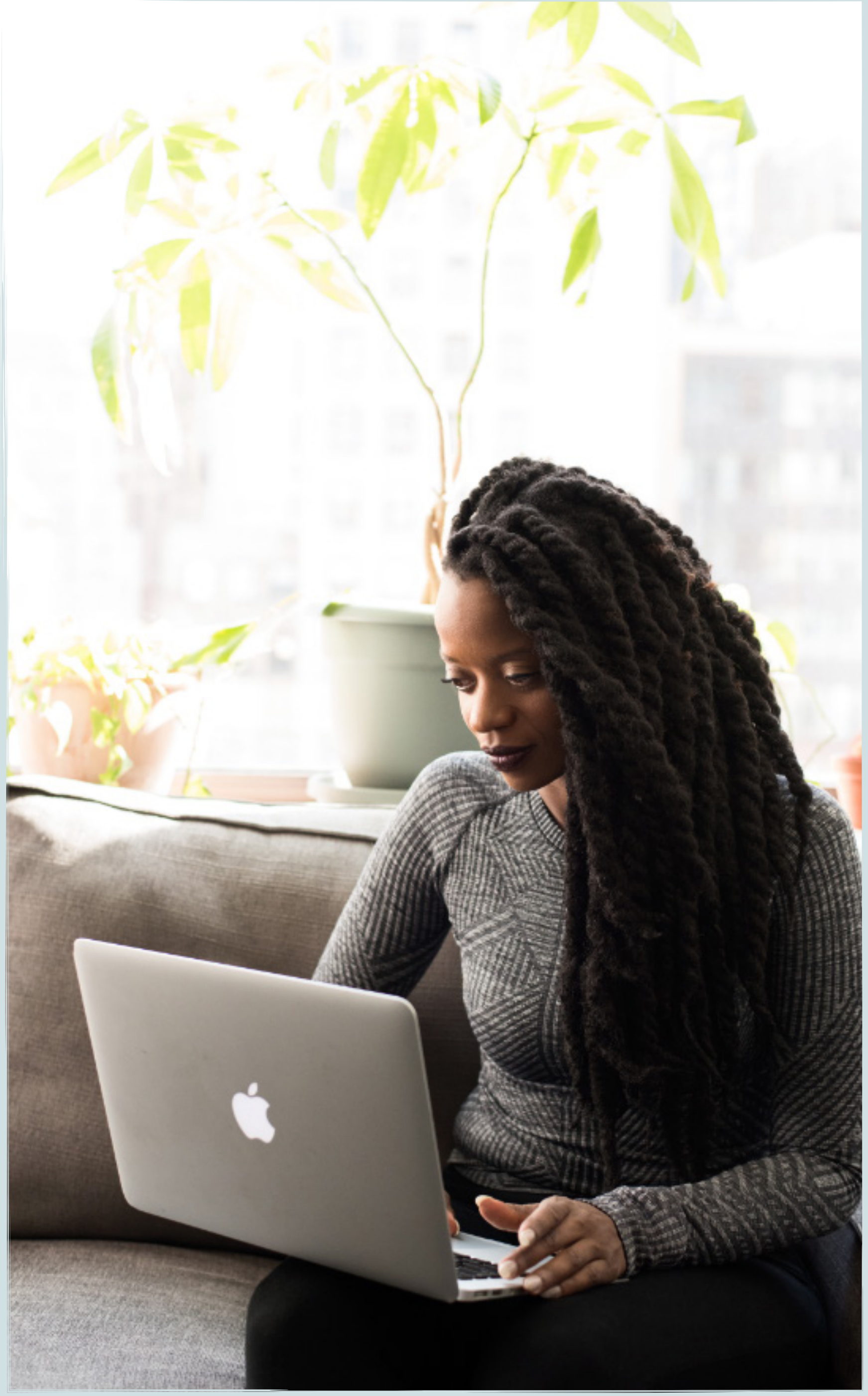
Hello and welcome, whoever you are!

This eBook is a guide through the Practical CSM Framework. We will start by overviewing the need for and purpose of frameworks in general, then we will overview the Practical CSM Framework itself. Finally we will break the Practical CSM Framework down into its constituent parts – Stages and Phases – and examine each one separately in detail.

We hope you enjoy and benefit from the information you find inside these pages. For a detailed breakdown of the complete Framework, please purchase my book *Practical Customer Success Management* or complete the training to become a *Certified CSM Professional*. Please visit my website at *practicalcsm.com* for more details on both of these options!

Kind regards,

Rick Adams
CEO and Founder, Practical CSM



PRACTICAL CSM
MAKING CUSTOMER SUCCESS SIMPLE

The Practical CSM Framework: Practitioner's Guide

Contents

The Practical CSM Framework

What is a Framework and Why is it Useful?

What is a Framework?

A framework is a pre-created set of responses to the most common challenges faced by the CS professional. Each response is carefully documented with step-by-step guidance on when and how to perform the necessary tasks within it.

Alongside the tasks and step-by-step guidance, assets and resources needed for completing the response are also documented. The framework is published so that everyone can access it, and then the necessary assets/resources are created and the CS team is trained "ahead of time" in readiness for utilization.

Why Use a Framework?

The Pareto Principle

Most job roles combine a degree of repetition with a degree of uniqueness. The CSM's job might be said to be 80% the same or similar for each customer engagement, and maybe 20% different for each customer engagement…

- The **"What"** (what things need to be done) tends to remain very similar
- The **"Why"** (why those things need to be done) tends to remain very similar
- The **"How"** (how best to go about getting those things done) tends to remain very similar

What changes is the details (who to involve with which tasks, how much emotional or practical support to give, how long each task takes to perform, etc). The CSM's knowledge, experience and innate capabilities will be used for the 20% and the framework can be applied for the 80%.

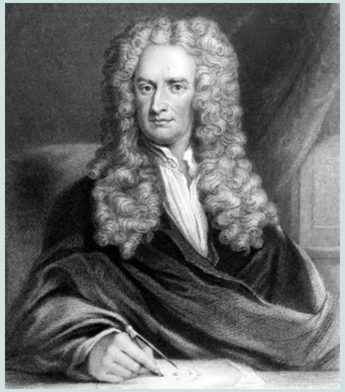
80% similar

20% different

Why Use a Framework?

The Pareto Principle

Using a framework provides a consistent approach over time and across the whole team. It maximizes quality by ensuring only tried and tested, best practice actions are utilized, and it enhances productivity because it employs a “learn once, do multiple times” approach.



“If I have seen further than others, it is by standing on the shoulders of giants.”

Sir Isaac Newton 1642 - 1727

A framework enables greater intra and inter team collaboration. Additionally, assets and resources can be assembled ahead of time and are ready when needed and activities can be pre-approved for certain situations.

This in turn means that KPIs are known beforehand and systems can be put in place to take measurements, training can be based upon the framework to yield maximum results, and new team members can be inducted more swiftly and effectively.

Finally, changes to best practice can be made and stored in one place and disseminated to everyone to provide visibility of process for both internal productivity and for meeting external standards (eg ISO).

The Practical CSM Framework

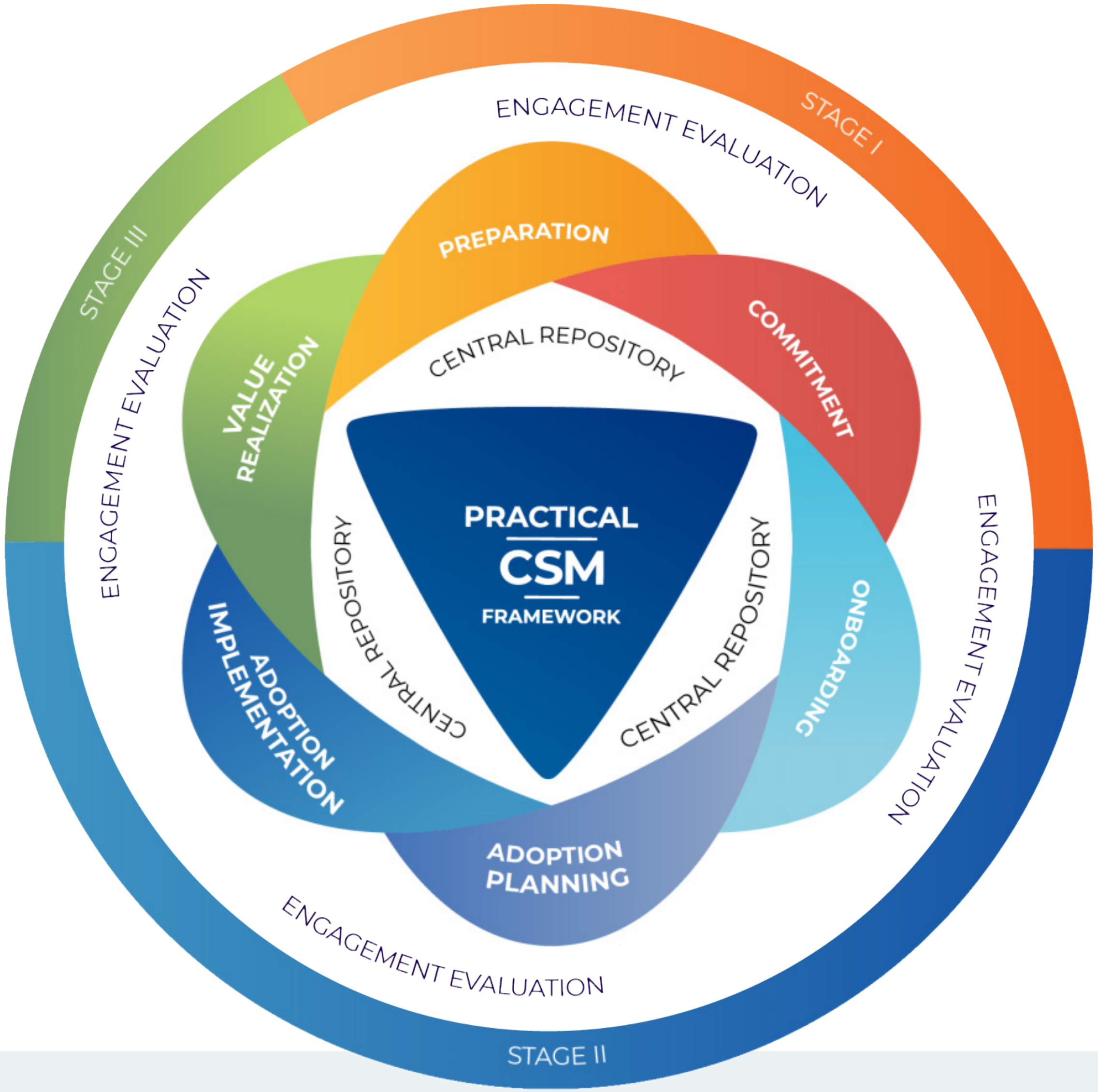
Overview of the Practical CSM Framework

What is the Practical CSM Framework?

The *Practical CSM Framework* is a simple but highly effective framework for customer success management. It divides the typical customer success “journey” into seven key phases, and then outlines the major tasks (or activities) that the CSM will most commonly need to perform within each phase.

The *Practical CSM Framework* is deliberately kept as generic as possible so that it can be adapted/customized to meet the needs of as many different CS teams as possible.

At the same time it provides sufficient detail to ensure that the “heavy lifting” has already been done, and only detailed specifics relating to the CS team’s industry and products need to be added.

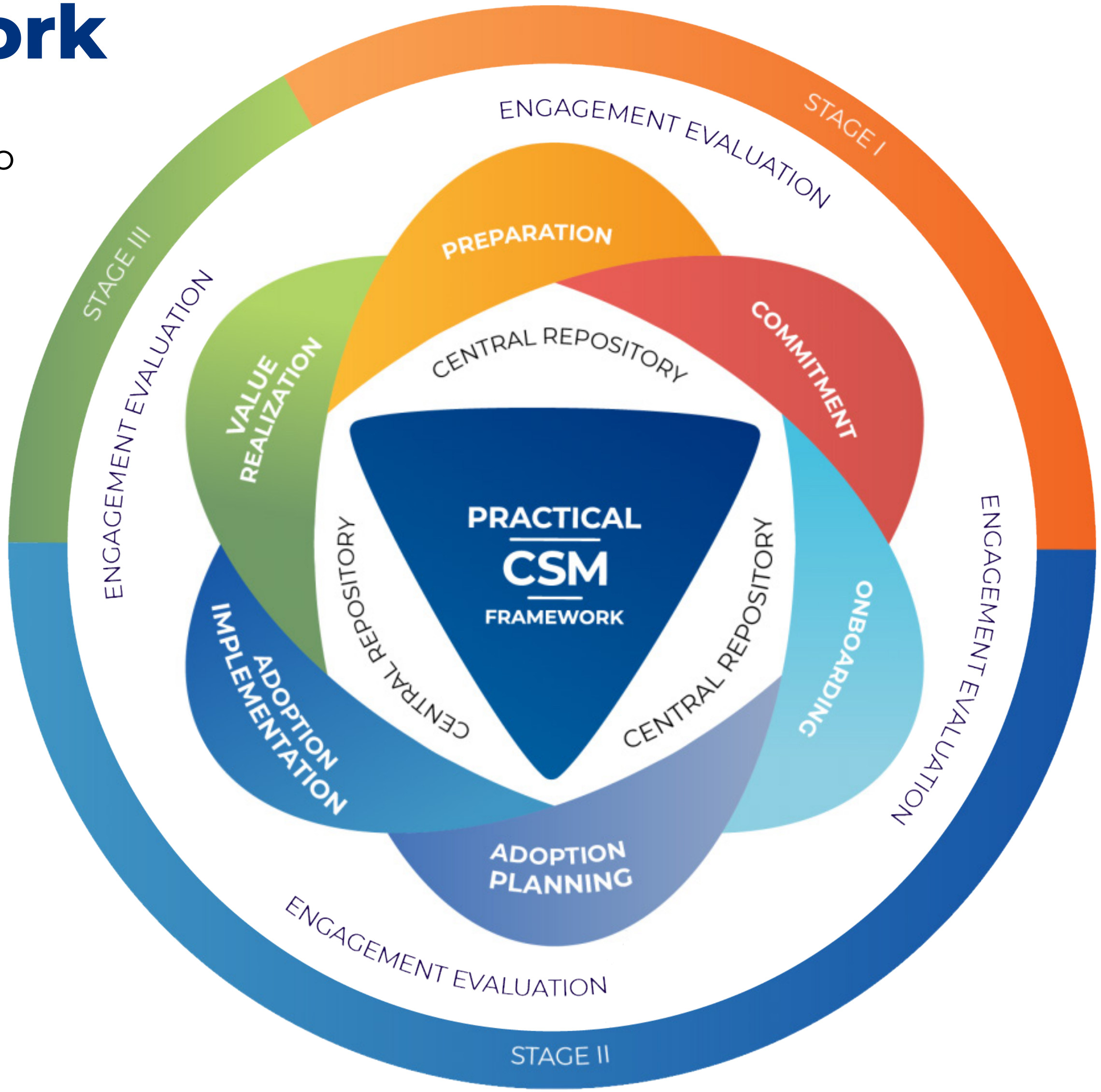


The Practical CSM Framework

The Practical CSM Framework breaks the role of the CSM into seven Phases that a typical customer engagement will go through. Each Phase is then addressed in terms of what needs to happen during that phase and how best to do it.

Why?

- Ensures maximum efficiency by re-applying already known best practices to common situations
- Enables maximum quality by providing a single “authorized” way of acting that all can follow
- Ensures minimum standards of productivity, quality and effectiveness are adhered to by everyone
- Enables the team to grow and take on new people more quickly and easily
- Proves our capabilities internally and to customers

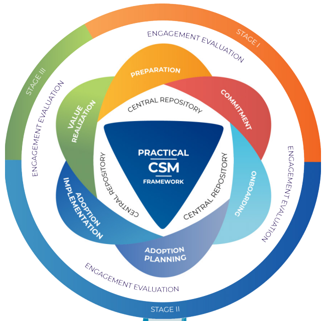


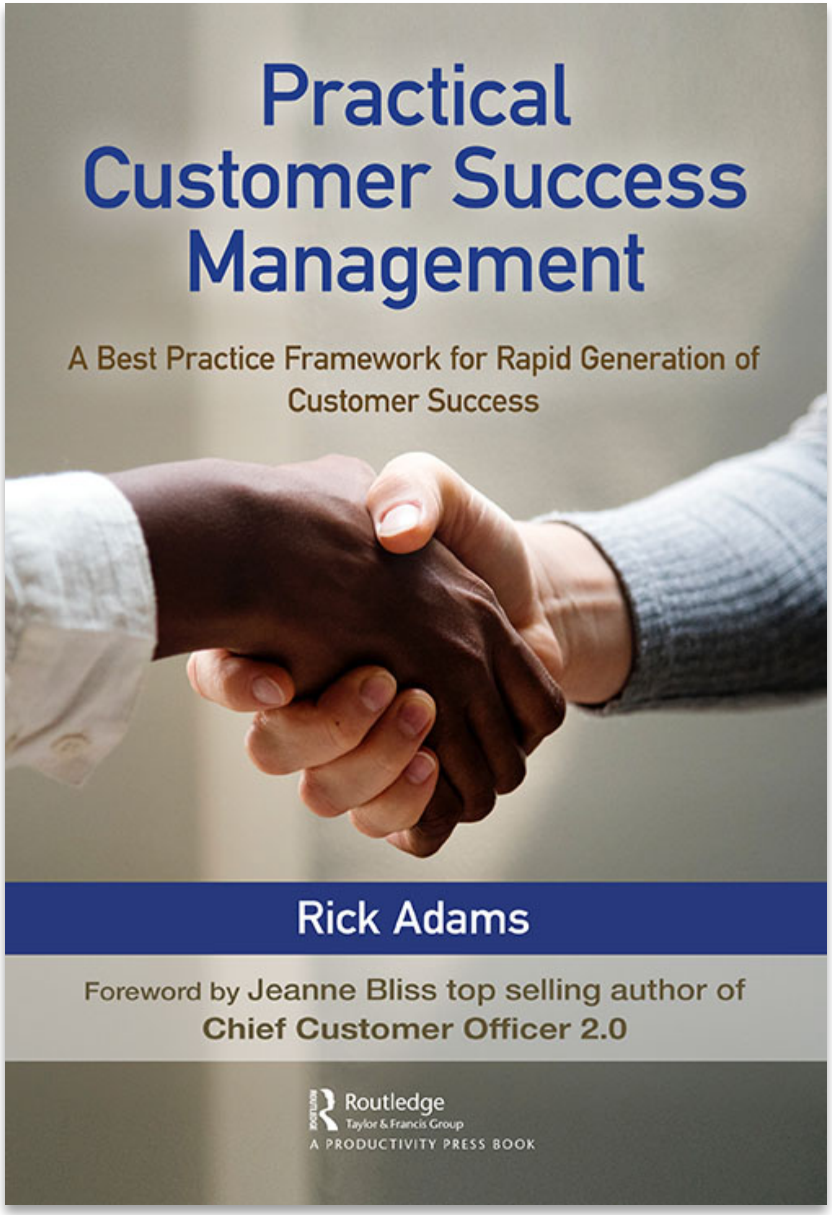
Where is the Practical CSM Framework Published?

A shorter, summarized overview of the Framework is contained in the following pages within this overview document. In addition, we provide a description for each of its seven Phases and an overview of tasks that are likely to be required within each phase.

You can access complete details together with more in-depth explanations about each Phase and the tasks within them inside the book *Practical Customer Success Management – a best practice framework for rapid generation of customer success* which is published by Taylor & Francis and is available from Amazon, Barnes & Noble and other book retailers.

Because the framework is published to the public it is freely available for all to use and requires no fees or commissions (although of course the contents of the book itself remains the copyright of Taylor & Francis).





PRACTICAL CSM ACADEMY

Where can I get training on the Practical CSM Framework?

The Practical CSM Framework is the underlying structure behind all four levels of the certification training inside the Practical CSM Academy.

The Practical CSM Academy is our flagship training, certification and CPD membership portal for Customer Success professionals of all levels.

Basic membership provides Level 1 certification.

Full Membership provides everything you need for mastery of the Customer Success profession in one place, including:

- A Comprehensive professional certification program
- Online and downloadable self-paced study materials
- Live instructor-led training events every month
- Bite-sized “just in time” learning for specific tasks
- Real world scenario-based exercises and fun quizzes
- Downloadable tools, templates and checklists
- Multiple formats-reading, watching and doing
- Content refreshed and added to all the time
- Ask our experts all your CS-related questions

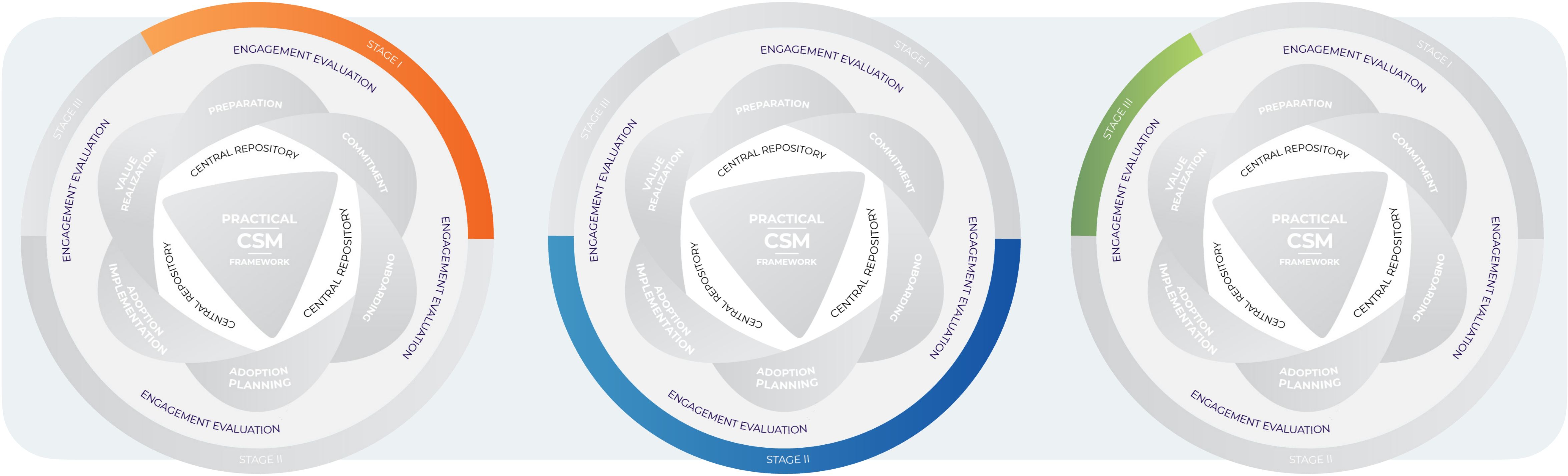
Learn more and enroll now!

The Practical CSM Framework

Practical CSM Framework Stages

Three Stages of the Practical CSM Framework

The Practical CSM Framework can be logically divided into three main stages – Initial Stage, User Readiness Stage, and Ongoing Stage. The framework can also be divided into seven core phases, where the first two phases make up Stage A, the next three phases make up Stage B and the last two phases make up Stage C. We will review each phase in detail shortly, but first of all let's quickly summarize these three Stages, since they are a good way of gaining a quick overview of what the Practical CSM Framework is all about.



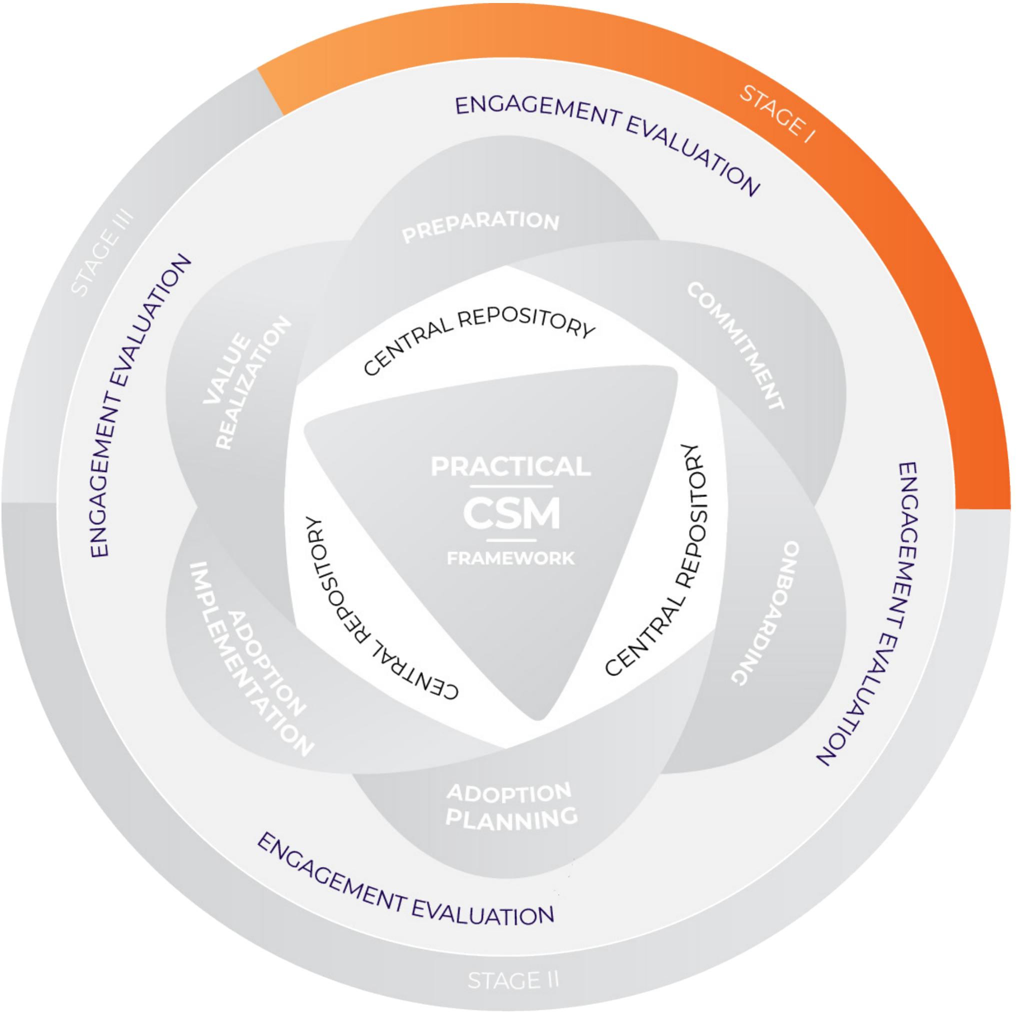
A. Initial Stage **B. User Readiness Stage** **C. Ongoing Stage**

The Initial Stage

The early stages of an engagement are about getting things ready – primarily getting oneself ready as the CSM to be useful and relevant in the context of the customer's needs and desires and getting to know the customer's key stakeholders, as well as reaching an agreement on the types of ways the CSM will be able to help the customer with their journey towards value realization.

Phases within the Initial Stage:

Phase 1: Preparation
Phase 2: Commitment



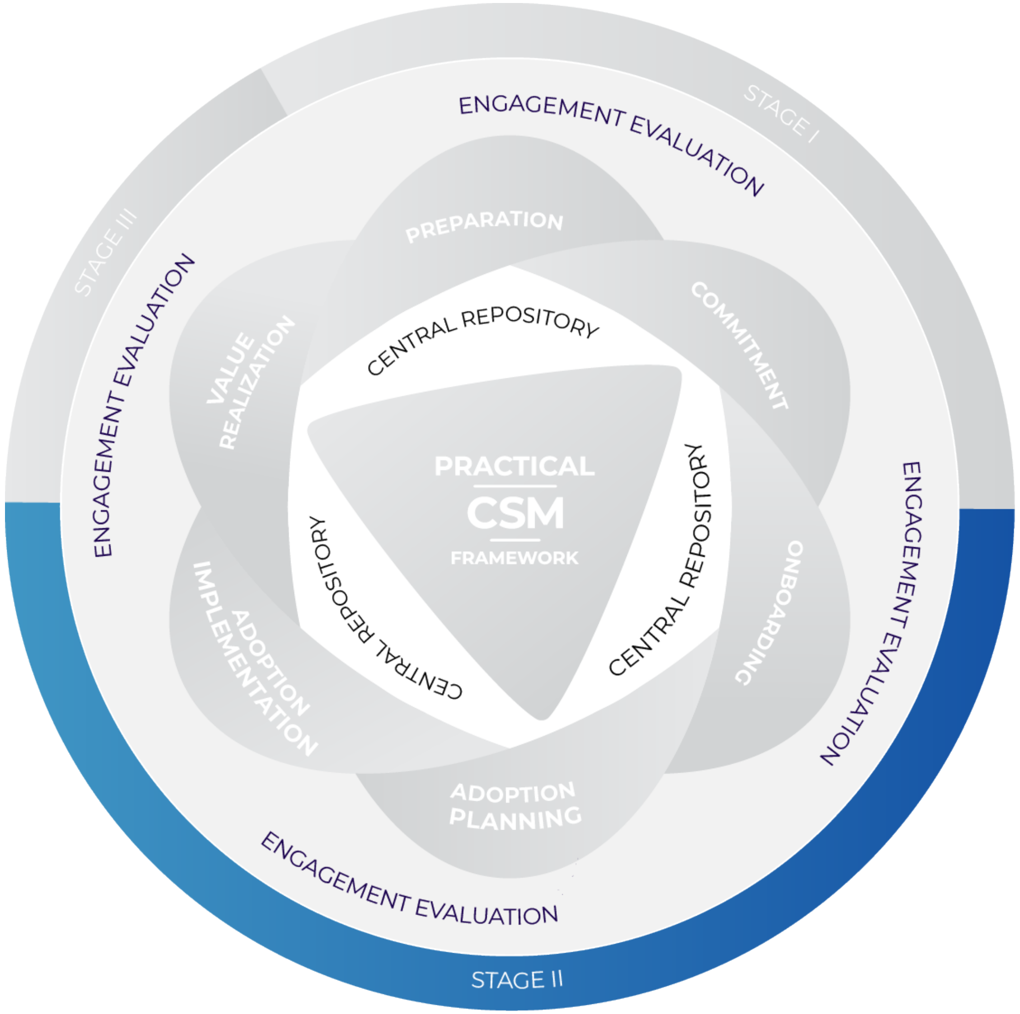
A. Initial Stage

The User Readiness Stage

The user readiness stage is all about helping the customer prepare their users to be able to fully adopt and use the solution they have purchased. This includes both the initial onboarding of products and services and then moves into full scale adoption, which in turn readies the customer to commence solution utilization.

Phases within the User Readiness Stage:

Phase 3: Onboarding
Phase 4: Adoption Planning
Phase 5: Adoption Implementation



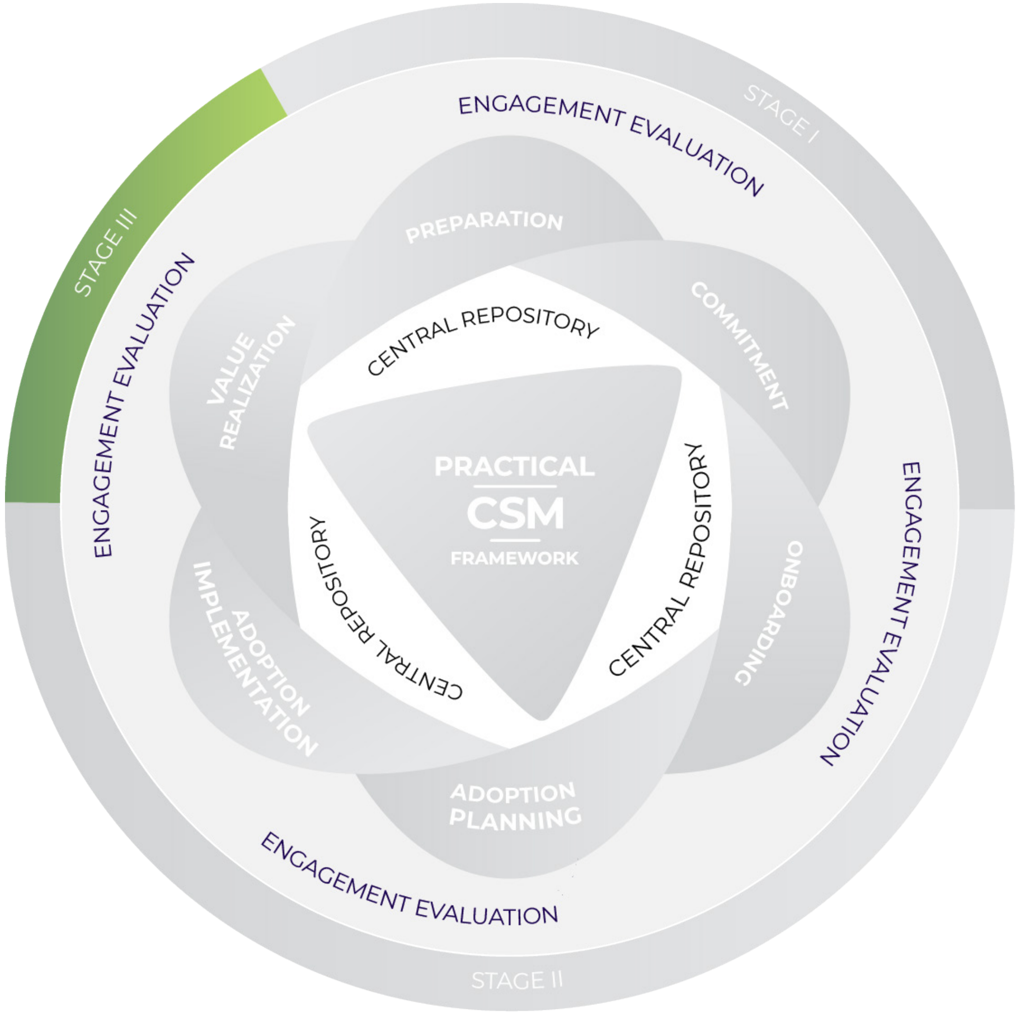
B. User Readiness Stage

The Ongoing Stage

The final stage is ongoing in the sense that it continues on into the future for as long as the customer continues to use the solution. This stage takes over as soon as adoption is completed and ensures that maximum value is continually generated, measured and reported on. At intervals during this stage the CSM will take stock of the engagement and determine what has gone well, what could have gone better and what has been learned for future engagements.

Phases within the Ongoing Stage:

Phase 6: Value Realization
Phase 7: Engagement Evaluation



C. Ongoing Stage

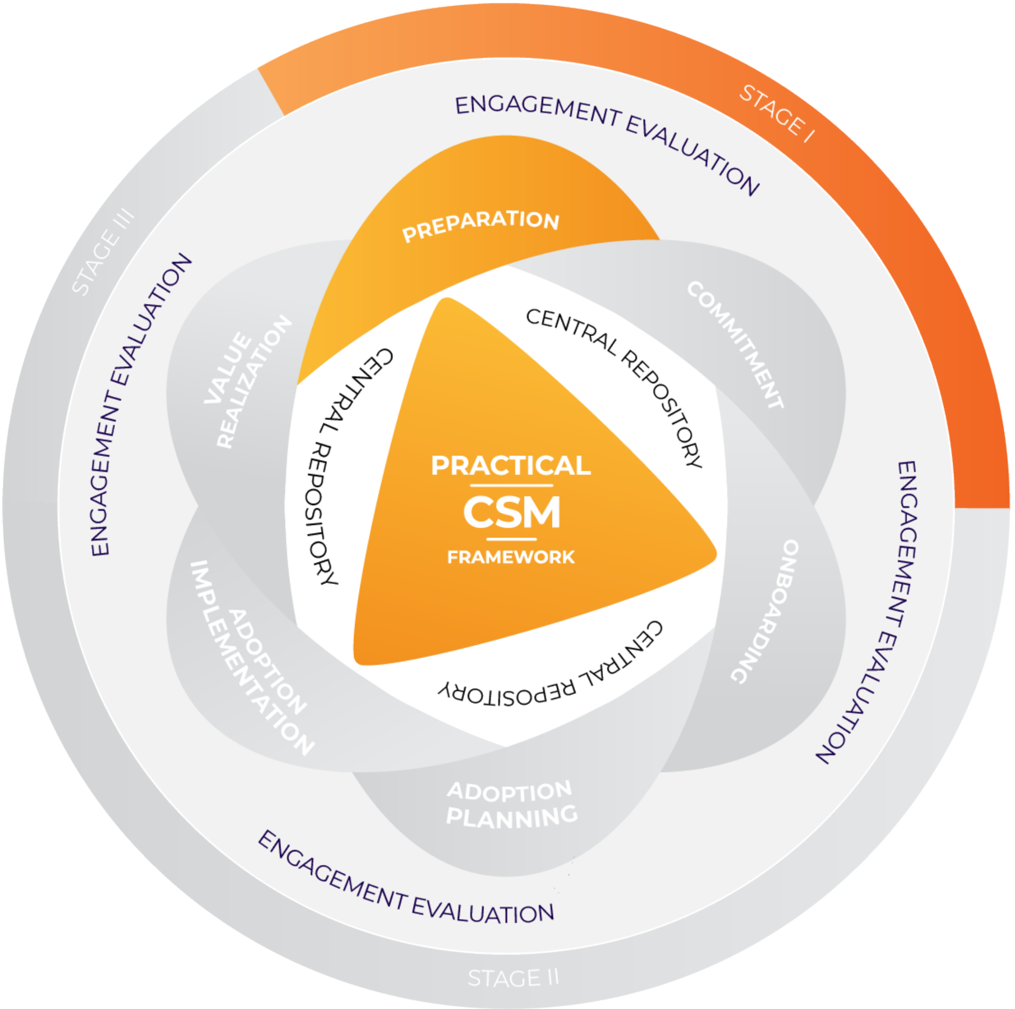
The Practical CSM Framework

Practical CSM Framework Phases

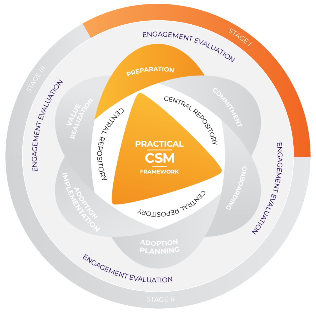
What happens at the Preparation Phase?

Now we will turn to the seven phases. It's within each phase that all the magic really happens, so whilst we only briefly overviewed the three stages, we will spend a lot more time examining each phase in depth, beginning with Phase One: Preparation.

Activities prior to meeting the customer's stakeholder, that prepare the CSM and enable them to be valuable right from the initial meeting, including research and analysis of the customer and their needs, understanding what has been sold and why, plus learning who the major stakeholders are.



Phase One: Preparation



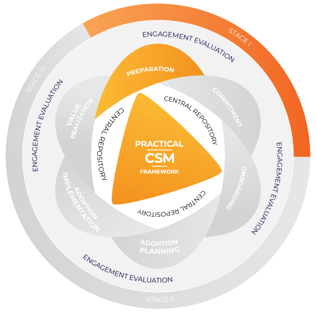
What happens at the Preparation Phase?

Why?

- In order to be useful "right out of the gate" at the very first meeting with the customer
- In order to minimize likelihood of making any mistakes
- In order to know what information must be found or validated
- In order to know what to propose to the customer's stakeholders as a way forwards for working with them to help them attain their outcomes

Essential Personal Qualities for the CSM Role

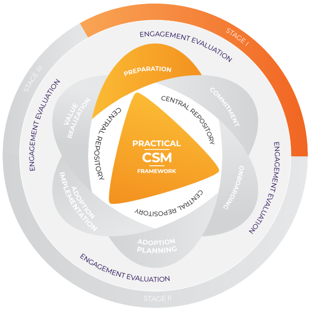
- **Enthusiasm and Energy**
- **Listening and Questioning**
- **Research and Analysis**
- Creative Problem Solving
- Leadership and Influencing
- Determination to Succeed



Preparation Activities

1. Make sure you are aware of upcoming customer engagements and schedule engagement handovers for these engagements well ahead of time
2. Review the information you already have to determine what you need to learn from the handover meeting
3. Complete your handover from colleagues
4. Perform further research on corporate systems as necessary
5. Conduct wider research on the Internet as necessary
6. Document the information in your corporate systems
7. Review the information to get a sense of the customer engagement requirements
8. Formulate a customer engagement strategy
9. Create the customer engagement strategy roadmap
10. Store all documents that have been created in the Central Repository

Preparation Outputs



The Output for **Phase 1: Preparation** is the completed or partially completed Engagement Documentation complete with any other documents you have created. By the end of your preparations you must make sure that you have sufficient information to move forward to **Phase 2: Onboarding**.

What happens at the Preparation Phase?

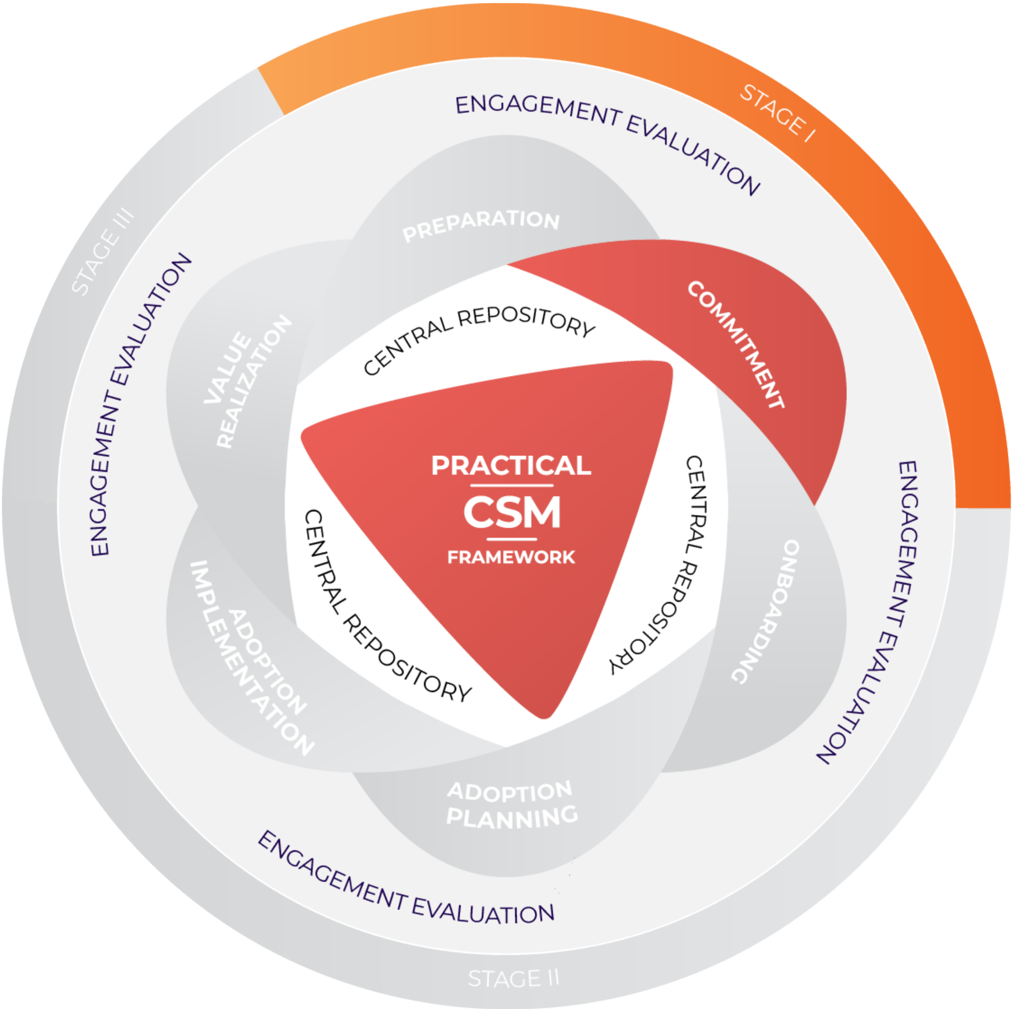
Prior to Meeting the Customer, What Information Does the CSM Need to Research?

- Initiative Information *(what are they trying to do?)*
- Solution Information *(how are we helping them?)*
- Customer Business Information *(who are they?)*
- Customer Stakeholder Information *(who are they?)*
- Engagement Information *(what is, has and will be happening?)*

What happens at the Commitment Phase?

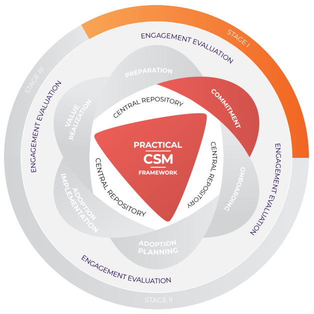
Next Up is Phase Two: Commitment. Phase Two is the second half of the Stage A: Readiness, but this time the focus of that readiness extends beyond just the CSM and also includes the customer's key stakeholders (though not the customer's end users as yet, as they are dealt with in Stage B).

The CSM meets the customer's stakeholder/s and starts to form a relationship with them. They explain their role and agree how they can help the customer. The CSM explains what has been purchased and why, answers the customer stakeholder's questions, and gathers/validates information.



Phase Two: Commitment

What happens at the Commitment Phase?



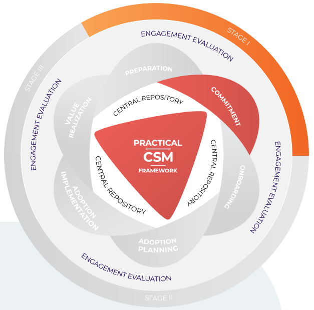
Why?

- Customers may not be familiar with or have false/limiting beliefs about customer success management
- Stakeholders may not understand what they have purchased and/or what their own initiative is and how the two relate
- Stakeholders may not know what needs to be done or how to do those things
- Gaining agreement on and commitment to a specific proposal provides clarity

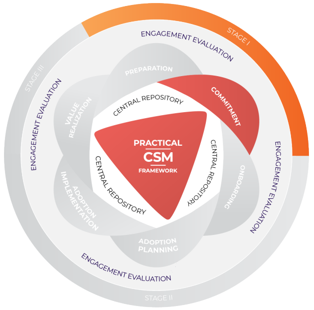
Essential Personal Qualities for the CSM Role

- **Enthusiasm and Energy**
- **Listening and Questioning**
- Research and Analysis
- Creative Problem Solving
- **Leadership and Influencing**
- Determination to Succeed

Commitment Activities



1. Review the information which you created in Phase 1: Preparation
2. If there are any information gaps that need to be filled or assumptions that need to be validated make a note of them and prepare questions for the customer
3. Plan the initial meeting including location, format and style, outcome requirements, agenda, duration, attendees and any collateral requirements such as presentations or case studies
4. Hold the initial meeting and present customer's key stakeholders with your proposed offer of help and assistance with onboarding, adoption and value creation. Negotiate the help you will provide and agree how it will be provided and the way in which you and the customer will communicate with each other
5. After the meeting update your systems as necessary and create the customer engagement proposal based upon the agreement made with the customer
6. Use the RACI Matrix, the Stakeholder Management Matrix and Stakeholder Management Plan tools to begin to formulate and document a stakeholder management strategy for this customer engagement, based upon the information about key stakeholders that you have learned so far
7. Send the completed Customer Engagement Proposal to the stakeholders for their validation and signature and store it together with any other documents that have been created in the Central Repository



Commitment Outputs

The Output for **Phase 2: Commitment** is the completed and signed *Customer Engagement Proposal* together with start points for the RACI Matrix, the Stakeholder Management Matrix and Stakeholder Management Plan. By the end of your preparations you must make sure that you have sufficient information to move forward to PCSMF **Phase 3: Onboarding**.

What happens at the Commitment Phase?

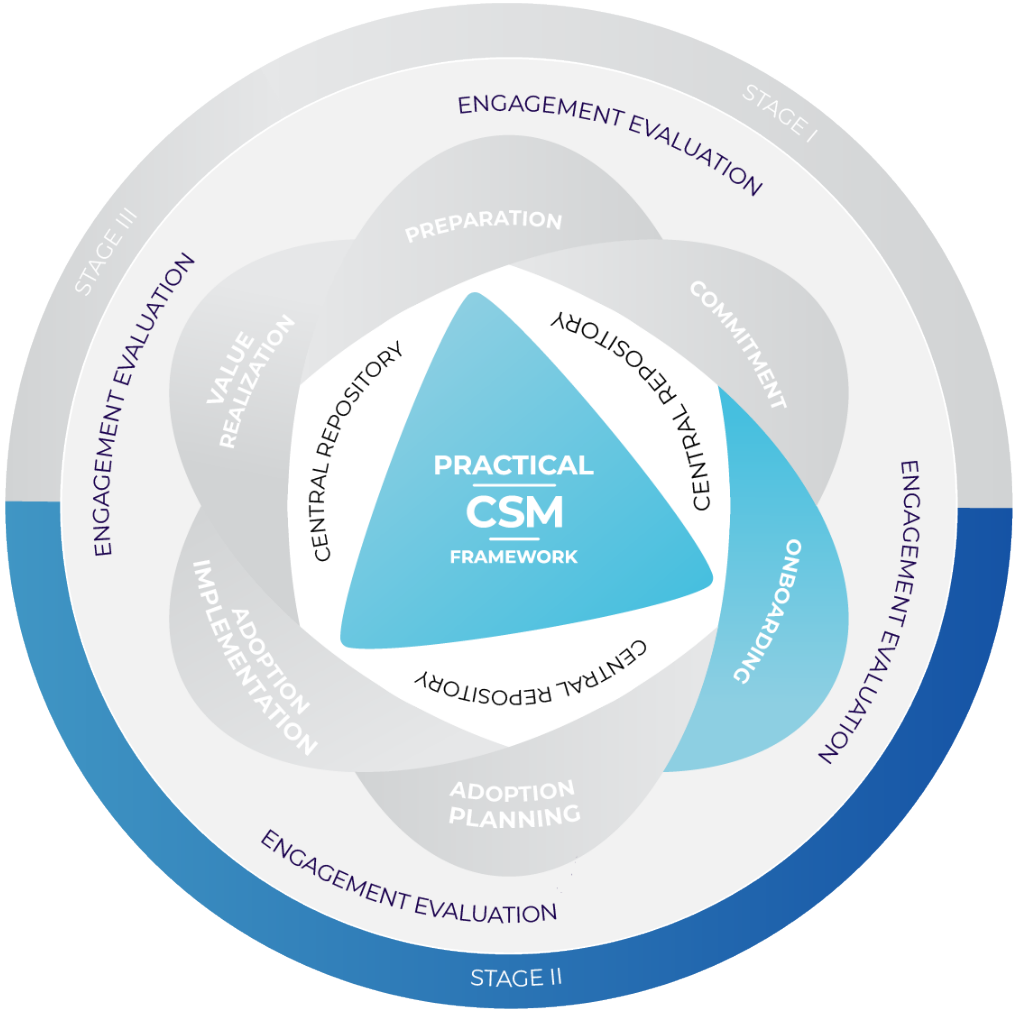
By the End of Phase 2: Commitment...

- Met and started to form relationships with the key stakeholder (and potentially other customer stakeholders)
- Explained and evangelized the role, purpose and value of the customer success manager
- Answered the stakeholders' initial questions
- Researched additional information and validated existing information
- Presented and discussed your success proposal
- Gained commitment on what needs to be done, to what standard, by whom and by when (eg success contract)
- Agreed a working way forwards (eg style, cadence etc)
- Agreed specific next steps

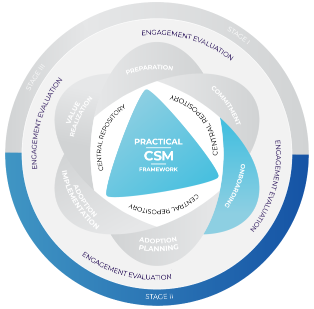
What happens at the Onboarding Phase?

Now we begin Stage B: Readiness. As we already know the concept of "readiness" applies equally to both the customer's organization as a whole and to each individual within that organization who will be playing their part within the wider initiative. This stage covers three whole phases, starting with Phase 3: Onboarding.

The customer is provided with sufficient information and other resources needed to be able to understand what they have purchased, why they have purchased it, what the change management implications are likely to be for their business, and how to start adopting, using and generating value from it.



Phase Three: Onboarding



What happens at the Onboarding Phase?

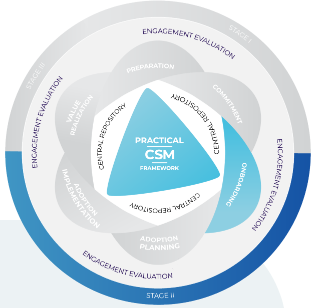
Why?

- The sooner the customer gets started, the quicker they can generate value from their solution
- Informed, educated and enabled customers tend to report a better overall customer experience
- Enabling the customer to help themselves may potentially reduce support and CS time and other costs
- Many customers actually prefer a self service model because it gives them more control

Essential Personal Qualities for the CSM Role

- **Enthusiasm and Energy**
- **Listening and Questioning**
- Research and Analysis
- Creative Problem Solving
- **Leadership and Influencing**
- Determination to Succeed

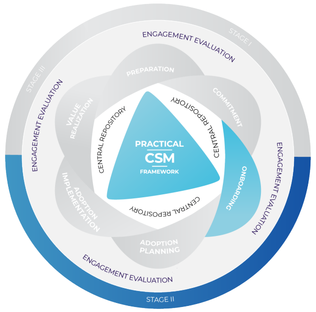
Onboarding Activities



1. Review your customer engagement strategy to ensure you are up-to-date on requirements from the engagement
2. Determine the likely needs and level of complexity of the customer for onboarding.
3. Hold an initial conversation with the customer to discuss their onboarding needs and explain the options available to them
4. Follow up as necessary to learn more information and to negotiate an agreement as to the scope and level of help you will be providing for customer onboarding together with other relevant information such as start times and important deadlines, communication and reporting and any professional services fees
5. Determine a phased onboarding project plan. The plan should include phases, milestones, activities and responsibilities as well as outputs and outcomes for each phase.
6. Work the plan! Make adjustments as necessary along the way due to changes in customer needs or additional information uncovered in these later stages that provide you with additional insight into customer onboarding requirements. Liaise with colleagues and customer regularly during this time to ensure activities are being completed and outputs and outcomes are being attained.
7. Record and manage your own time and to learn lessons for future similar engagements
8. Create customer facing reports at each major milestone and at the end of the onboarding process.

Onboarding Outputs

The Output for **Phase 3: Commitment** is the successful completion of all onboarding activities, which should be signed off by the customer and detailed in your report. By the end of the onboarding phase you will be ready to move forward to **PCSMF Phase 4: Adoption Planning**.



What happens at the Onboarding Phase?

The Welcome Pack

The Welcome Pack (or Welcome Kit) is a neat idea. The concept is to provide the key stakeholder with everything they need to get started in their initiative in one place. The purpose of this is to make it easy for stakeholders to get to grips with and understand the basic information they need to know about. You don't have to use a "Welcome Pack", but if you do decide to use them, you will need to decide what goes into them, and then create, purchase or re-use content as appropriate. Here are some considerations for you to take into account when designing them…

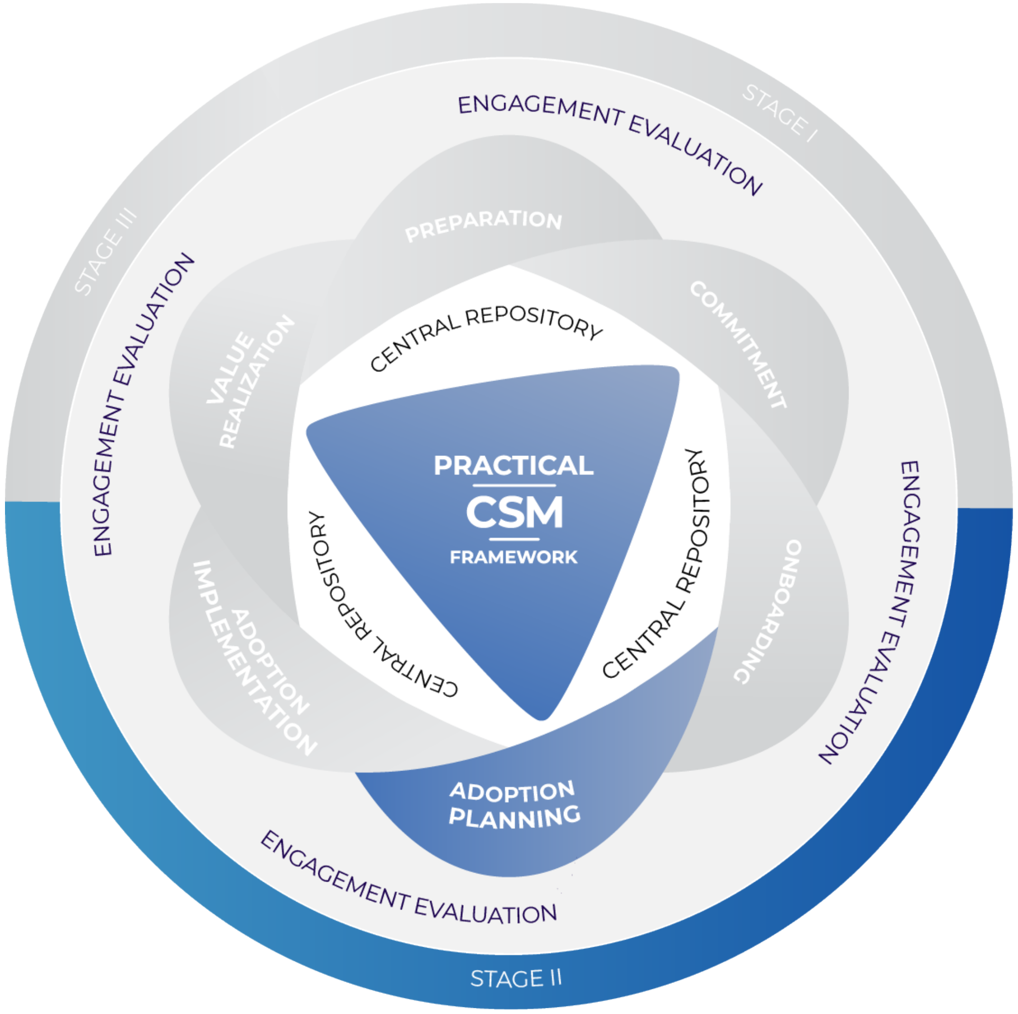
- What information does your customer's SPL need?
  - Solution components
  - Principles features and functions
  - Quantities purchased
  - Licensing and password information
  - Access to support team
  - Access to specialists (if applicable)
  - Access to self service help systems and FAQs
  - Access to online learning libraries
  - 'Get Started" guides

- What format?
  - Printed and bound 'brochures' or 'leaflets'
  - Digital information
- Who should send it?
- Who should receive it?
- When should it be sent?
- Recommend – check they have it and review its contents with them

What happens at the Adoption Planning Phase?

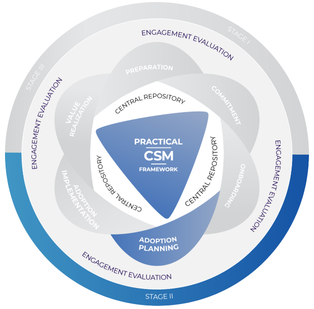
Now we move into Phase 4: Adoption Planning. Adoption is so important to the overall customer success engagement that it has no less than two phases to itself. The first one is this one – Adoption Planning and then comes Phase 5: Adoption Implementation, which we will deal with straight after we have examined Phase 4.

The CSM helps the customer's key stakeholders to determine the type and level of impact within their company of adopting the solution, and helps to develop a watertight change management plan to deliver an efficient and effective adoption implementation.



Phase Four: Adoption Planning

What happens at the Adoption Planning Phase?



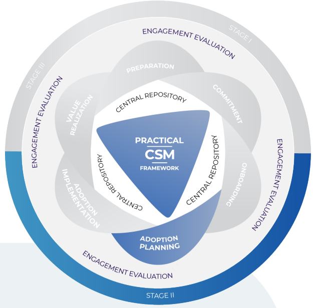
Why?

- An inadequate adoption is likely to lead to reduced user performance when utilizing the solution, in turn leading to poor overall results from the initiative
- Customers may not know how to go about the adoption planning process – particularly if they are a small company with less internal knowledge, expertise, experience and resources
- Successful adoption of the solution is critical to ensuring the customer gains value from it, which in turn increases the likelihood for retention and expansion

Essential Personal Qualities for the CSM Role

- Enthusiasm and Energy
- **Listening and Questioning**
- **Research and Analysis**
- **Creative Problem Solving**
- Leadership and Influencing
- Determination to Succeed

Adoption Planning Activities



1. Review your customer engagement strategy to ensure you are up-to-date on requirements
2. Gain an initial understanding of the needs and level of complexity of the customer for adoption
3. Hold meetings with the customer to discuss their adoption needs and determine their adoption requirements and follow up as necessary to learn and document additional information where any information gaps were uncovered an document each process that will be impacted by the initiative and describe the changes
4. Determine which users will be impacted and then group them into IGs (impacted groups). Document each group and their KSA (knowledge, skills, & attitude) change requirements
5. Capture all practical considerations that need to be regarded during the adoption planning
6. Work through the communication, training and support needs for each IG and document these needs
7. Capture potential adoption barriers that need to be regarded during the adoption planning process

Continued over the page...

Adoption Planning Activities

Continued...

8. Capture potential risks that need to be regarded during the adoption planning process.
9. Work with the key stakeholder and other customer stakeholders as necessary to create an outline adoption plan.
10. Once the outline adoption plan has been approved, proceed to help the customer to flesh out the adoption plan into a fully detailed version, using project management tools to do so if necessary. This may involve multiple stakeholders from HR and Training departments, change management professionals, and team leaders and process owners as necessary.
11. Create a summarized version of the full adoption plan that can be published more widely as an adoption roadmap for all workers (or at least for managers) to see, and start work on any other marketing collateral needed for marketing the upcoming adoption program.
12. Capture a summary of the work you have accomplished plus any lessons you have learned.

Adoption Planning Outputs

The main Output for **Phase 4: Adoption Planning** is a fully detailed adoption plan. If possible, the CSM should store a copy of this document together with other documents created during this phase in the Central Repository, together with lessons learned. By the end of this adoption planning phase you and the customer will be ready to move forward to PCSMF **Phase 5: Adoption Implementation**.

What happens at the Adoption Planning Phase?

Oftentimes the CSM will be involved to a greater or lesser degree in the delivery of Pilots that are run for the customer to trial the product or service before they make their final purchase decision. If this is the case for you then it's important you understand whether or not this engagement is in fact a pilot rather than a full implementation. Here are some considerations about pilots for CSMs:

Adoption Pilots and Phases

- Lessons learned from a pilot might be about the product or service itself and might answer questions such as:
  - What can this product or service do for us?
  - How much value can this product or service provide for us?
  - How can we make the most use of this product or service?
- The **Proof of Concept** pilot…
  - Does this work?
  - Does it do what we thought it will do?
  - Does it "fit" within our organization?
- The **Proof of Value** pilot…
  - How well does it work?
  - How productive / efficient is it?
  - How much does it improve us over previously?

What happens at the Adoption Planning Phase?

Adoption and Change Management

- The start point for any change is the motivation for change to occur
- Motivation for change comes from whatever internal and external drivers are acting upon the company
- Change management expertise helps determine what types of activities should occur to ensure that the desired outcomes are attained

What happens at the Adoption Planning Phase?

The Concept of KSA

In order for your solution to become fully adopted, the customer's **impacted users** must be ready, willing and able to perform new or amended tasks that utilize your solution, in order to generate the new or improved outputs.

KSA stands for:

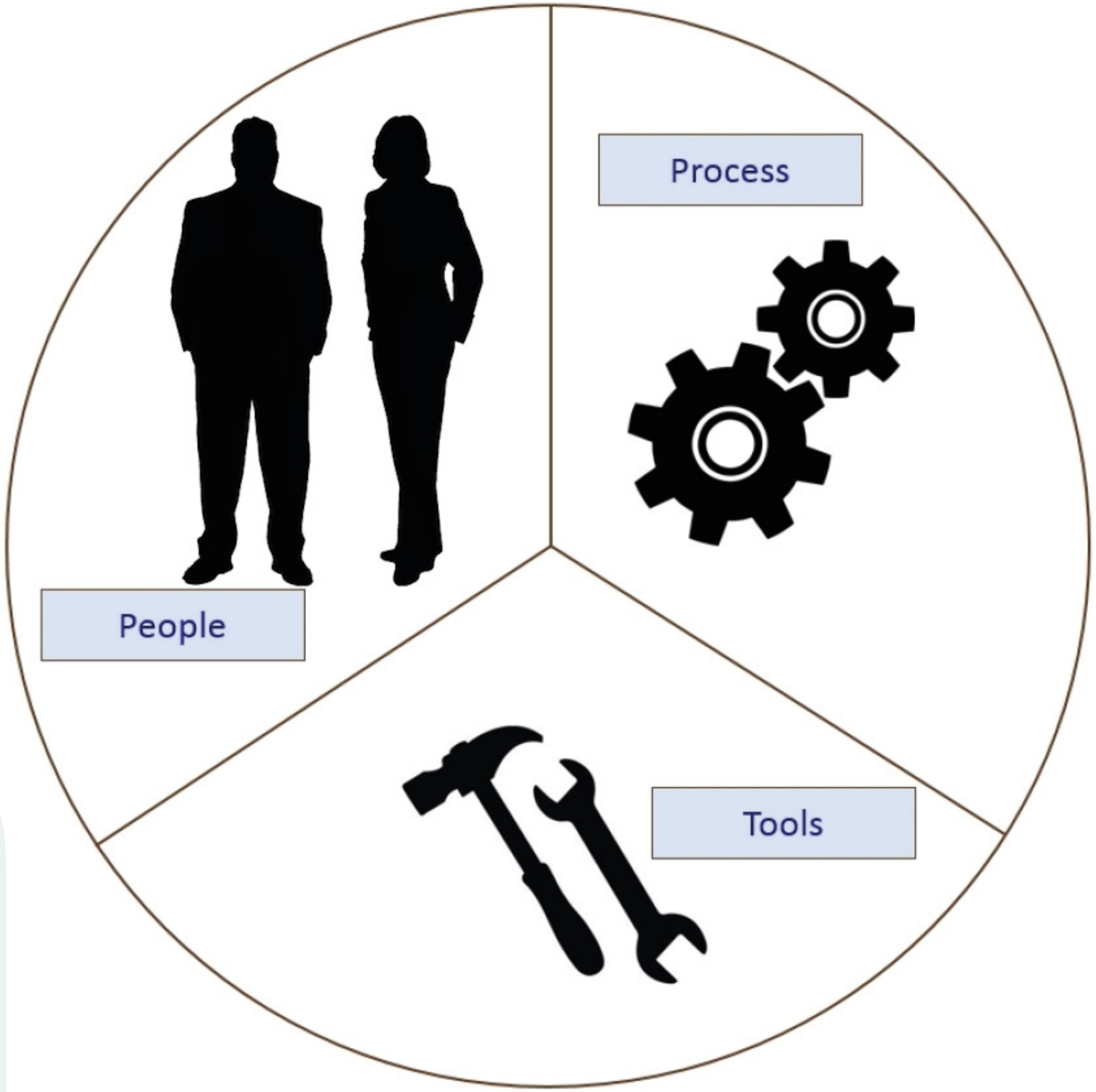
- **Knowledge**
- **Skills**
- **Attitude**

These are the three requirements for change management when dealing with **impacted users**.

What happens at the Adoption Planning Phase?

Capabilities

- A business capability is the ability possessed by a company to perform a specific task
- A capability has inputs and outputs. Work is performed on the inputs to create the outputs
- 'Better' capabilities lead to 'better' outputs *(eg higher quality, greater productivity, greater efficiency, etc)*
- Business capabilities have three components:
  - **People**
  - **Process**
  - **Tools**



What happens at the Adoption Planning Phase?

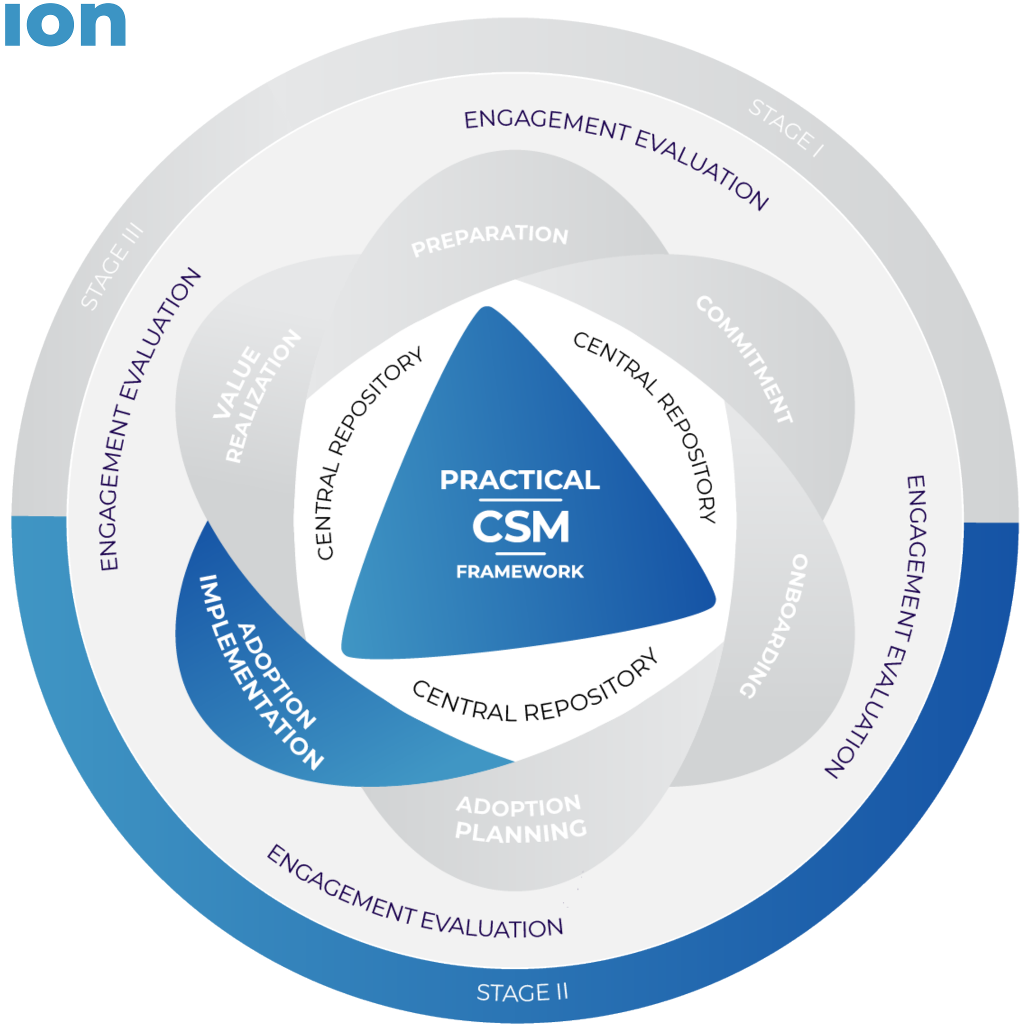
Directly and Indirectly Impacted Users

- **Directly Impacted:** someone who will actually be using the new products and/or services
- **Indirectly Impacted:** someone who will not actually be using the new products and/or services, but for whom change will still occur
- The KSA needs of both directly and indirectly impacted users should be considered

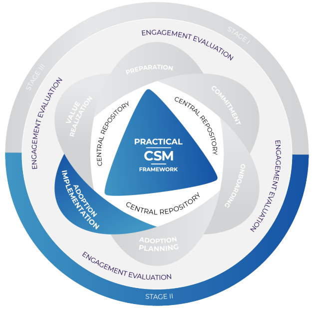
What happens at the Adoption Implementation Phase?

Once the adoption is fully planned the next step is of course to carry out that plan by implementing it.

The adoption plan is implemented, and users are provided with the necessary communications, training, support and other resources they need to ensure they are fully prepared for performing their roles. Results of the implementation are measured to ensure requirements are met.



Phase Five: Adoption Implementation



What happens at the Adoption Implementation Phase?

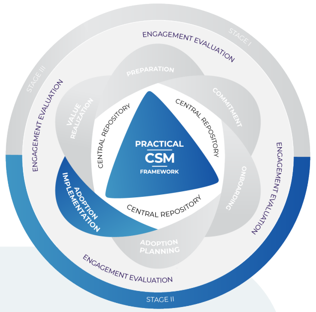
Why?

- Once adoption has been successfully completed, the users are ready and enabled to create value for their company

Essential Personal Qualities for the CSM Role

- Enthusiasm and Energy
- Listening and Questioning
- Research and Analysis
- **Creative Problem Solving**
- **Leadership and Influencing**
- **Determination to Succeed**

Adoption Implementation Activities



1. Review your customer engagement strategy to ensure you are up-to-date on requirements
2. Take some time to review the adoption plan, adoption roadmap and any other documentation that was created by the customer to project manage the adoption program with
3. If necessary break the project phases down into smaller, work packages that can be assigned to individuals to complete and which each have their own deliverables.
4. Create an adoption checklist in a project readiness workshop. Attend to any issues that are uncovered by this process.
5. Commence the adoption program. Allocate time in your schedule to support, advise, counsel and otherwise assist the key stakeholder or whoever is formally project managing the adoption program. Pay special attention to managing people and to ensuring that tasks are completed and measurements are taken.
6. Collate and documents measurements and compile reports (or make sure that those who are responsible for performing those tasks are doing so)
7. Respond to unexpected challenges that turn up, and make sure to document these challenges for reference in the planning for future similar adoption programs with other customers.
8. Attend governance committee meetings or other management meetings as necessary to report on progress and to help determine any changes to the adoption program if any are necessary.

Adoption Implementation Outputs

The main Output for **Phase 5: Adoption Implementation** is the completion of the adoption program. The CSM should store a copy of any documentation created during this phase in the Central Repository, together with lessons learned. By the end of this adoption planning phase you and the customer will be ready to move forward to PCSMF **Phase 6: Value Creation**.

What happens at the Adoption Implementation Phase?

Adoption Implementation Roles

- Logically, the customer should be the owner since the customer is paying, and customers who “assume ownership” are more likely to invest the necessary time and energy to make it a success
- Customer stakeholders will have a deeper and more profound understanding of their own company. This knowledge will enable better decisions about how to implement the adoption process
- The CSM is familiar with their own company’s solutions, and in particular how to onboard, adopt and realize value from them. This familiarity will help ensure a high quality adoption implementation to help realize the maximum value in the shortest possible timeframe

What happens at the Adoption Implementation Phase?

Managing People

- People management is a critical skill of any project manager and indeed of any CSM
- People are what make things happen, and what stop things from happening and can prevent outcomes from being attained
- This is especially so for adoption implementations

Managing Key Stakeholders

- Not all stakeholders are aligned to the initiative
- There will be at least some degree of disagreement or even sometimes outright opposition to the initiative in the majority of cases

Managing Impacted Users

- Within adoption implementation the interests of end users must also be considered
- End users generally have less individual power than key stakeholders, however their willingness to fully participate is still a critical requirement for adoption success

What happens at the Adoption Implementation Phase?

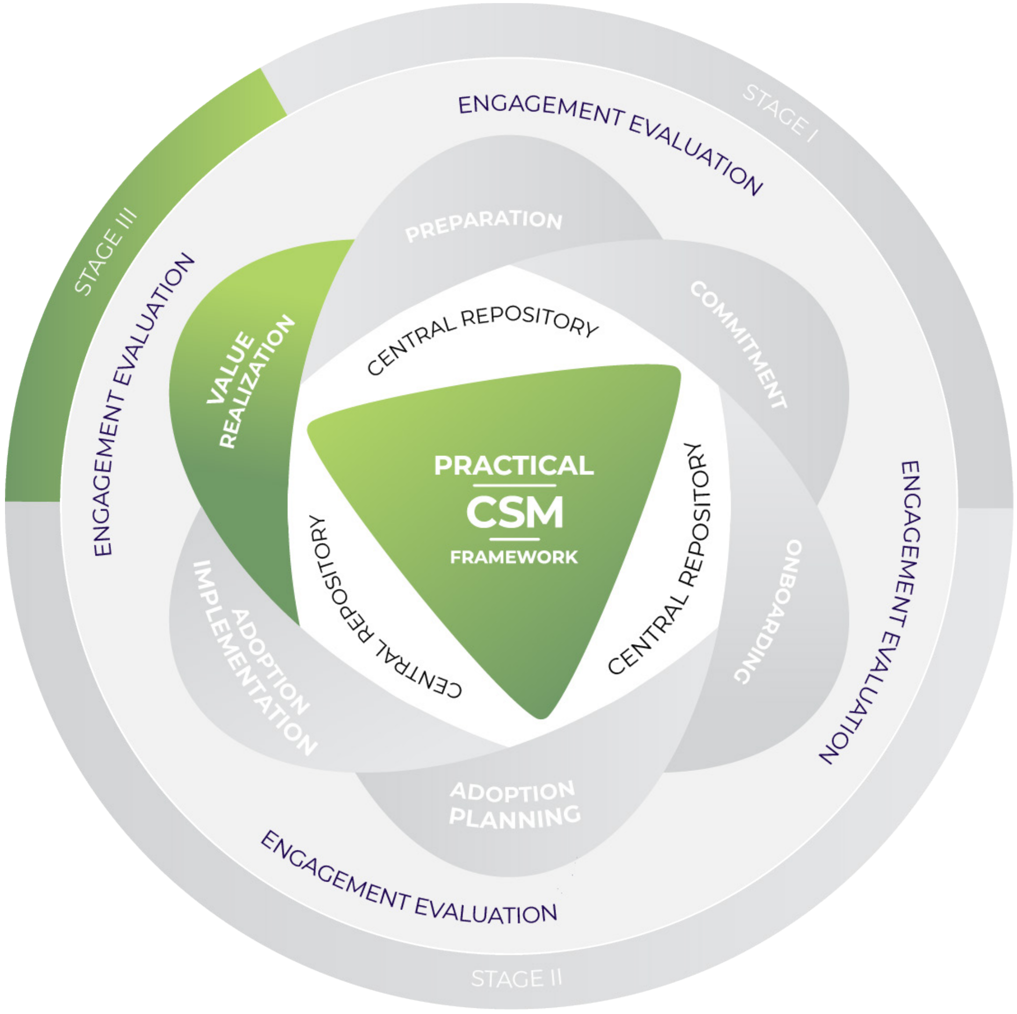
Measurement: Targets, Baselines and Milestones

- CSMs should agree targets for all activities with the key stakeholder and other stakeholders
- For activities with sufficient complexity or time durations, they should also agree milestones
- Finally they should ensure that a baseline measurement is taken right at the start before activity commences
- Measurements tell us where we are now, and help us to predict the future

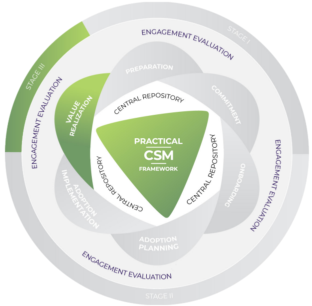
What happens at the Value Realization Phase?

Now we enter Stage C: Ongoing. In the Ongoing stage we deal with the ongoing activities that occur on a regular cadence as soon as adoption is completed. The first of these is Phase 6: Value realization.

This is the **ONLY** phase of the entire lifecycle where customers create value. For customers, everything up to this point is preparatory, and the *real* work starts now. CSMs help with ongoing measurement and reporting of progress toward outcome attainment, and ensure the customer is kept informed and up to date.



Phase Six: Value Realization



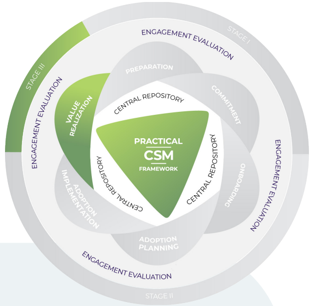
What happens at the Value Realization Phase?

Why?

- Value still needs to be created. This cannot be done until after adoption – now is the time!
- Creating value is not enough – it needs to *realized* by the customer's key stakeholders *(and esp. the budget holders and decision makers)*
- Customers do not always know what to measure or how to measure it

Essential Personal Qualities for the CSM Role

- Enthusiasm and Energy
- Listening and Questioning
- **Research and Analysis**
- **Creative Problem Solving**
- Leadership and Influencing
- **Determination to Succeed**



Value Realization Activities

1. Review your customer engagement strategy to ensure you are up-to-date on requirements
2. Assist customers towards realizing their value by ensuring that KPIs and milestones have been identified, that measurements are being taken and that progress is being monitored and reported and (where necessary) corrective action taken to get the initiative back on track
3. Identify challenges and/or changes that occur and to plan for taking actions to deal with each one
4. Make every effort to ensure that customers perceive the value of the existing products, services and/or solutions that they have purchased in order to maximize the likelihood of them renewing their contracts and renewing at the highest possible level
5. Keep an eye open for upselling and cross-selling opportunities and when such an opportunity is spotted deal with it quickly following your company's policy and process for doing so
6. Attend regular meetings with the customer to report on and discuss progress and to acknowledge and plan for any new challenges or changes that have been identified
7. Take every reasonable opportunity to ask for and obtain feedback and advocacy from the customer
8. Check to ensure that all activity that should have taken place has indeed occurred and if not, formulate a plan to ensure it happens now
9. Update the corporate customer success management software system to ensure that all information pertaining to each customer is accurate and up-to-date

Value Realization Outputs

The outputs for **Phase 6: Value Realization** include updated information that is documented on the corporate customer success management software system together with any completed changes and challenges checklists and/or value realization activity checklists. The CSM should store a copy of any documentation created during this phase in the Central Repository, together with lessons learned. By the end of this adoption planning phase you and the customer will be ready to move forward to **PCSMF Phase 7: Engagement Evaluation**.

What happens at the Value Realization Phase?

Promised and Expected Value

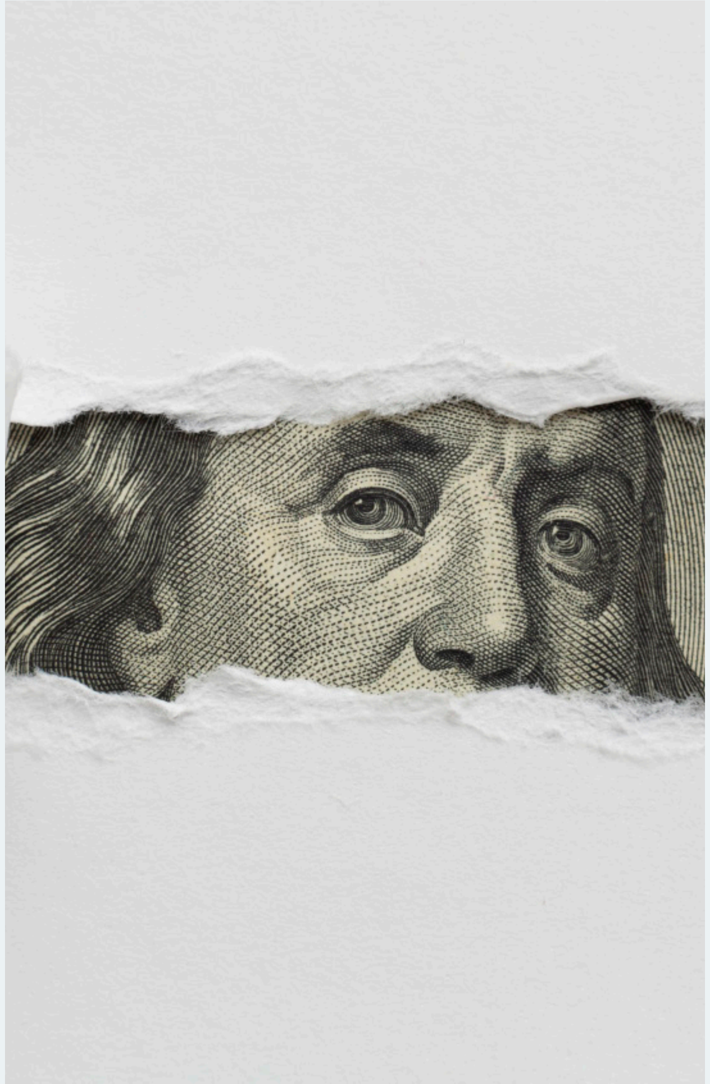
The start point for the CSM when they get to the Value Realization phase is to check back on previous documentation to remind themselves as to:

- What was promised
- What wasn't promised but was also proposed as an expectation in terms of value that would be realized by the initiative
- Customers will typically make their purchase decision based on a combination of both of the above, hence it is necessary to understand both and to measure and report on both

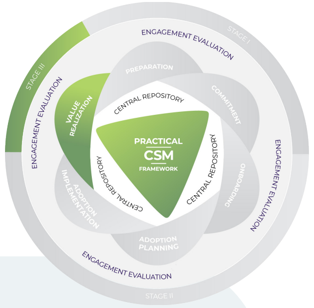
What happens at the Value Realization Phase?

Selecting Indicators to Report On

- Greater numbers of indicators means more work in data collection, analysis and reporting, but will provide a more accurate and/or more multi-dimensional illustration of what is occurring
- The CSM needs the customer to select or agree on outcomes, milestones and indicators to measure progress
- Much of what needs to be measured and reported on will be accomplished directly by the customer
- The CSM should be clear as to what their own and their company's role will be
- The CSM needs to know how they will access the information



What happens at the Value Realization Phase?

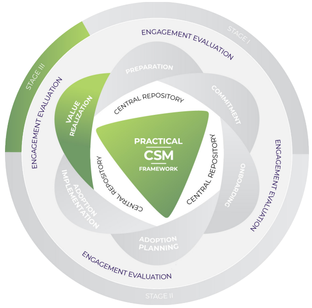


Health Scores

It is during the Value Realization phase that the post adoption customer engagement will be added to any ongoing customer health monitoring system that the CS team might be using to help them track and monitor customer relationship health. Most of these tools use a simple "traffic light" style warning system to help CSMs spot potential customer health issues and deal with them as soon as possible.

As with all automated tools, health monitoring systems need to be carefully set up and any health score parameters and metrics need to be carefully thought through and tested before the health scores that the system outputs can be relied upon. Selecting and setting up health monitoring tools is a complex topic that is beyond the scope of this eBook. However, here is some basic information about how health scores work and what some of the most common indicators used within a health monitoring system mean.

- Health scores are used to determine how "healthy" the relationship is between the company and the customer
- It uses percentages and traffic lights to make it simple
- It enables CSMs to focus their time and energy on the right customers and activities
- Provides a standardized benchmark for customers
- Provides a way to measure value from CSM activity

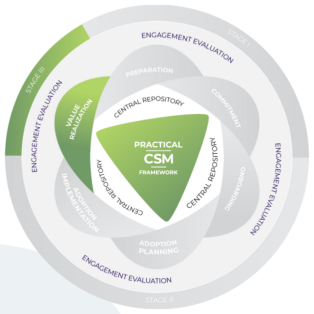


What happens at the Value Realization Phase?

Health Score Indicators

Indicator	Description
Sponsorship	Level & standard of internal advocacy for the seller provided by key customer stakeholders (often refers to seniority of budget holders or decision makers)
Advocacy	Amount of external advocacy for the seller provided by the customer organization
Sentiment	Overall level of satisfaction with reseller's products, services, and relationship
Support Utilization	Pattern of utilization of support services
Product Utilization	Level of usage of products (measured variously e.g. no. of logins, time spent, features used, etc.)
Company Health	Perceived general health of the customer organization (e.g. share value, profitability, productivity, etc.)
Net Promoter Score (NPS)	Combined rating for customer sentiment that includes satisfaction survey ratings and promotional activity (for example references and case studies)

What happens at the Value Realization Phase?



Business Reviews

Another essential activity to take place during the Value Realization phase is the Business Review. Sometimes these are referred to as QBRs (quarterly business reviews) or EBRs (executive business reviews), we refer to them simply as “business reviews” here in order to leave both cadence and seniority of attendees open to whatever is appropriate to the needs of the customer. The following is some basic advice around setting up meaningful business reviews with your customer:

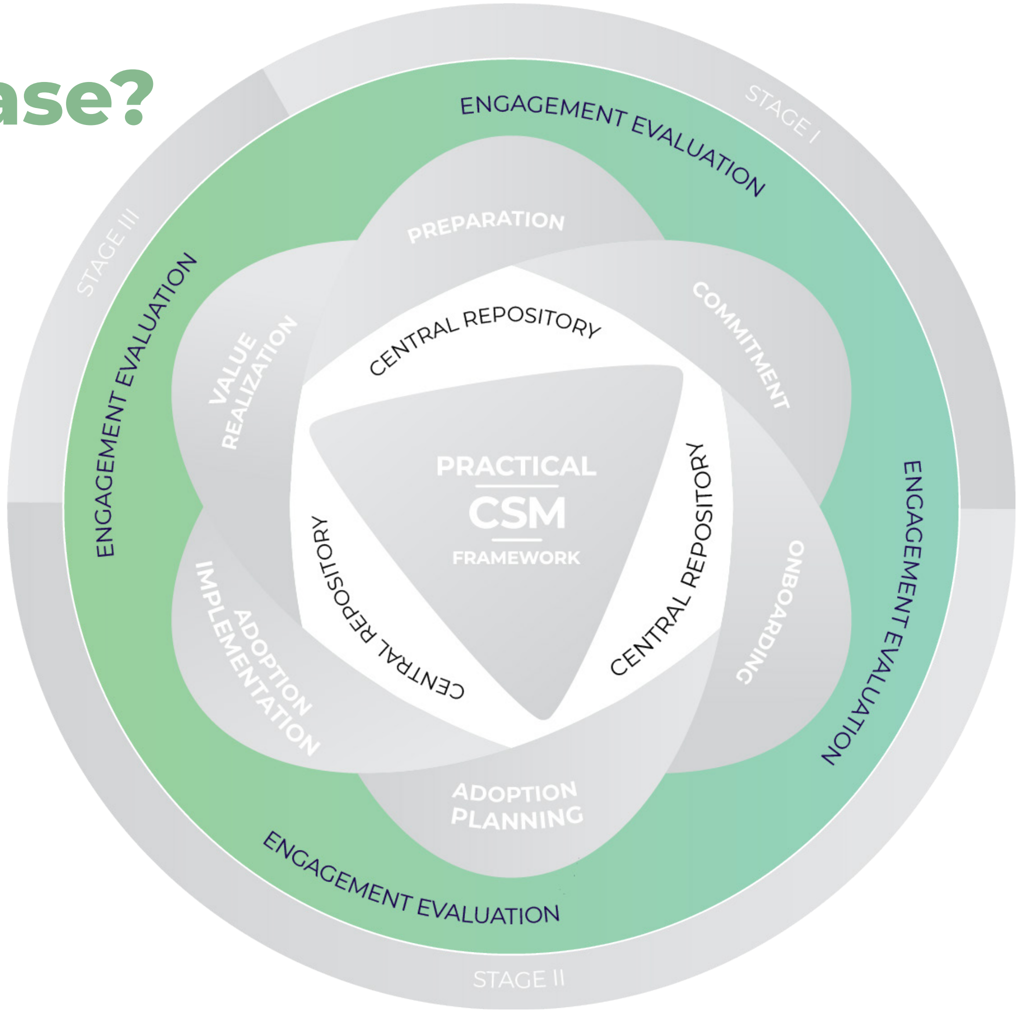
The CSM needs the customer to select or agree on outcomes, milestones and indicators to measure progress.

- There is no “one size fits all” approach. The CSM needs to decide and/or negotiate with the customer’s key stakeholders on:
  - What information will be shared *(and why)*
  - Who should attend
  - How often they should occur
  - How much time they should take
  - Which format should be used *(eg face-to-face, online)*
  - How the meeting should be managed *(eg agenda, minutes, time keeping, follow up, etc)*
- The important thing to bear in mind is that a BR must create value for *both* parties *(sometimes less is more)*

What happens at the Engagement Evaluation Phase?

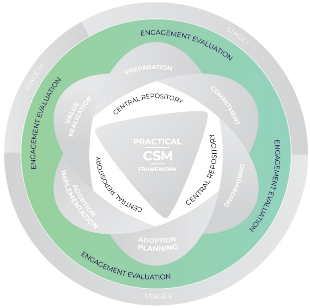
Now we have arrived at our final phase, Phase 7: Engagement Evaluation. Just like Phase 6, this also belongs in Stage C: Ongoing. Because Phase 6: Value Realization is itself ongoing in its nature, Phase 7: Engagement Evaluation does not occur afterwards but at the same time or to be more precise at regular intervals during this ongoing stage.

This is where the CSM steps back to review the engagement as a whole. Lessons should be learned and shared from each new engagement in order to improve performance in subsequent engagements. Resources that have been created can be templated to make things easier in the future.



Phase Seven: Engagement Evaluation

What happens at the Engagement Evaluation Phase?



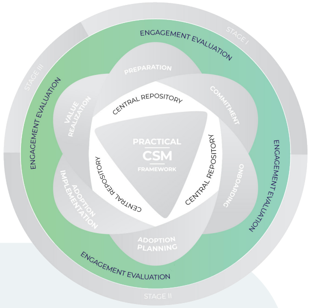
Why?

- The CS team will become stronger more quickly if time is deliberately taken to monitor progress and learn lessons
- Successes should be rewarded and celebrated
- New tools and techniques should be documented and shared
- Problems the have been encountered should be noted and where necessary training should be undertaken to plug any knowledge or skills gaps

Essential Personal Qualities for the CSM Role

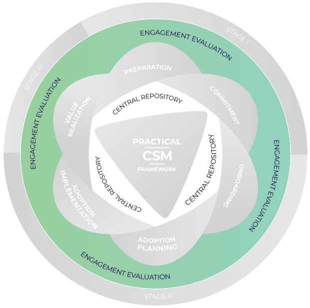
- Enthusiasm and Energy
- Listening and Questioning
- Research and Analysis
- Creative Problem Solving
- Leadership and Influencing
- Determination to Succeed

Engagement Evaluation Activities



1. Review the work you have completed for a customer engagement on a regular basis to determine lessons learned both for self and team
2. Capture any best practice processes, tools and templates that you have developed for this customer engagement and save them in a format that makes them accessible for either yourself or the customer success team as a whole as appropriate
3. Determine any mistakes made or lessons learned about how things could be done better in future similar engagements and plan how this can be achieved
4. Develop your own vision for your personal career success, determine the critical success factors for attaining this vision and then design and plan activities for achieving those critical success factors and work the plan to do so
5. Meet on a regular basis (for example quarterly) to formally review progress made in the previous period and determine activities and targets for the upcoming period. This can be done with your team manager where possible but otherwise select a colleague or peer to work with
6. Contribute as appropriate not just to the content within your customer success team's central repository but to the management and maintenance of it
7. Act as a team player by helping team members when opportunities arise to do so, and do not be afraid of reaching out to fellow team members for their assistance when you need it
8. Celebrate your own and your team's successes as often as you have the opportunity to do so

Engagement Evaluation Outputs



The main Output for **Phase 7: Engagement Evaluation** is a better *you*. This is achieved through learning the lessons of the experiences you encounter as you engage with each customer and help them on their journeys towards value realization. In addition to this, the best practice processes, tools and templates that you and your team members have available to them will be improved as your body of knowledge and experience matures and evolves.

What happens at the Engagement Evaluation Phase?

What Value has the Customer Received from this Engagement?

- Are customers getting the help that they need in the form of both advice and practical assistance in order to attain the outcomes they were hoping for?
- How should this value be measured?
- Is the customer aware of this value?
- Is my own company aware of this value?
- What difference is this information actually making?

What happens at the Engagement Evaluation Phase?

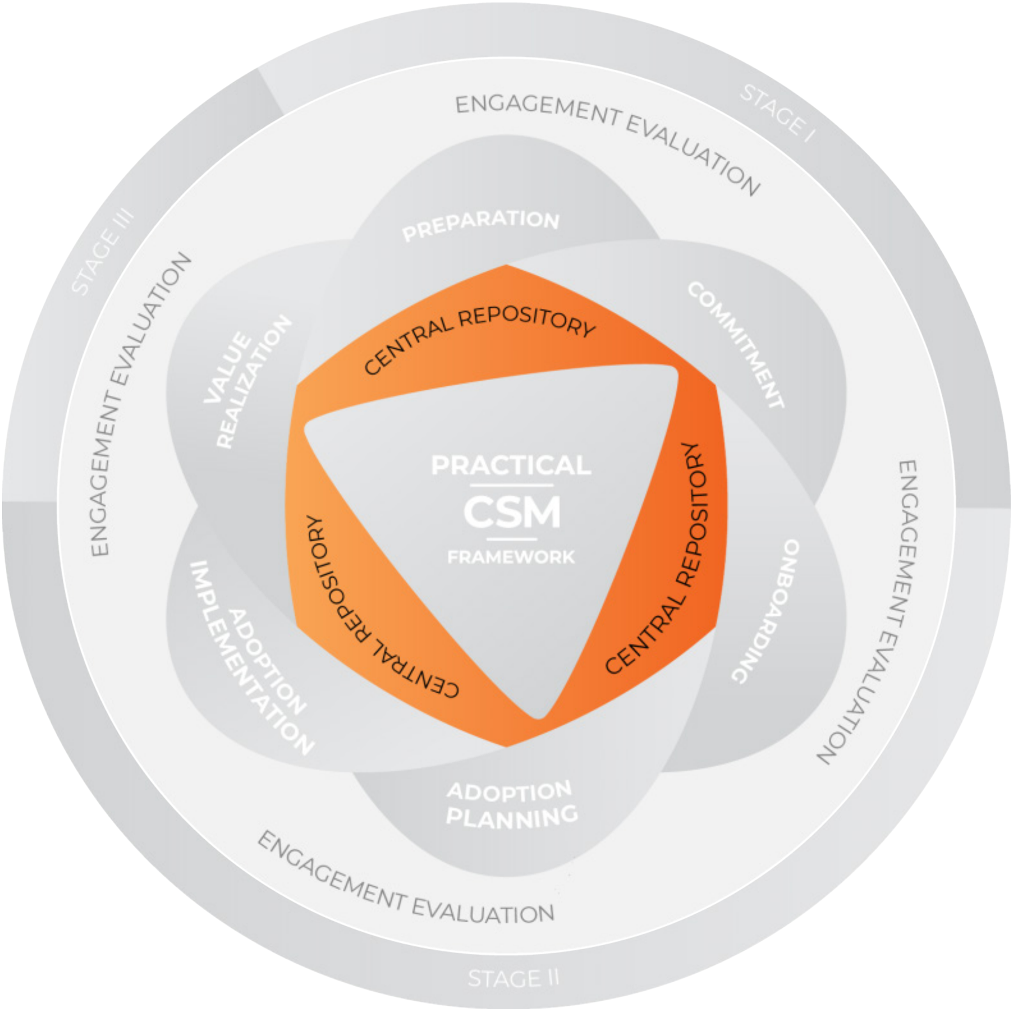
What Value has my Company Received from this Engagement?

- Helping customers attain their outcomes is a means to an end rather than being the ultimate end in itself
- From a business leadership perspective, CS is an investment from which a return is required
- CSMs should therefore be measuring and reporting on the progress being made towards the attainment of their own company's outcomes
- CSMs should also be reporting on information learned from customers around Product Effectiveness and Customer Experience
- How is this reported and discussed within my team?
- How is this reported to and discussed with other teams?

The Central Repository

Now that we have been through all three stages (and therefore all seven phases) of the Practical CSM Framework in depth, we need to quickly explain the bit in the middle of the diagram called the “Central Repository”.

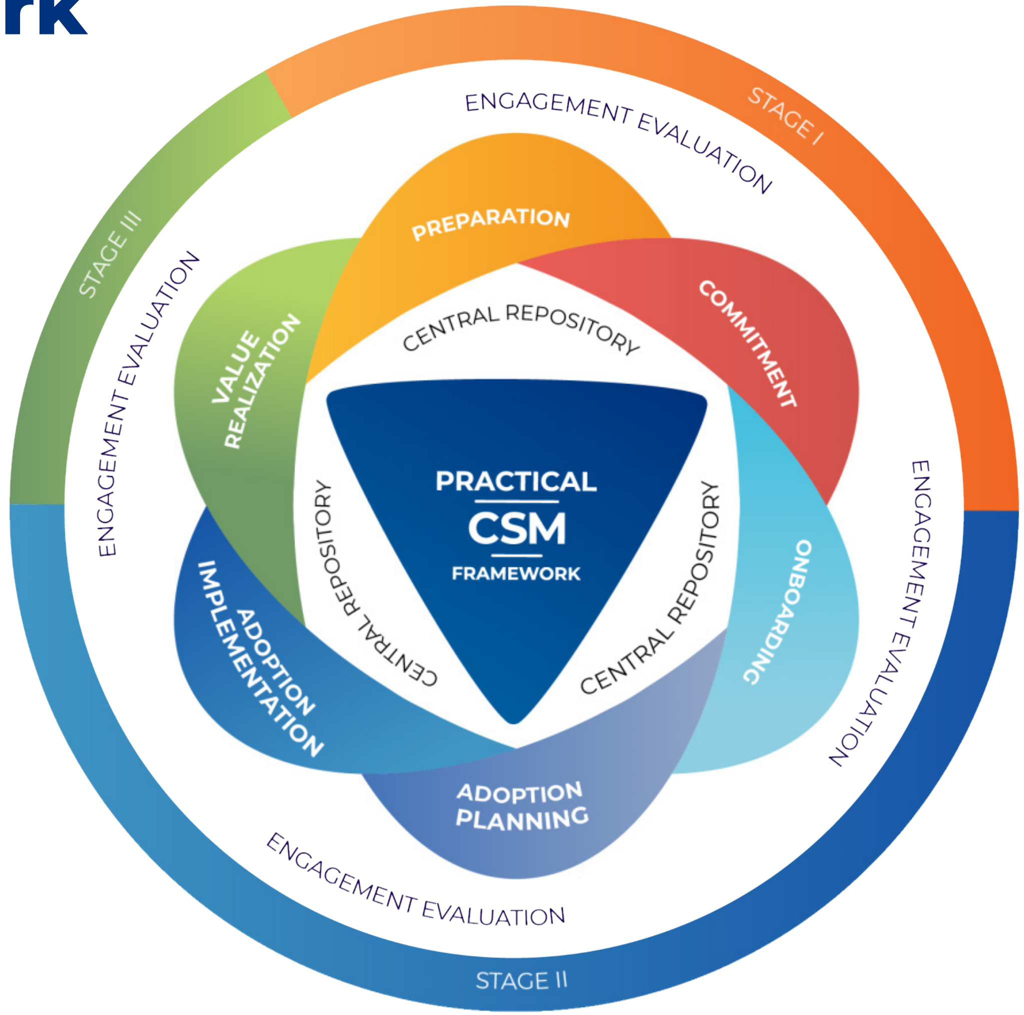
- It’s handy to have everything stored (or at least referenced) in one place so that it can be managed more easily and to make sure it is available when needed.
- The concept behind the Central Repository is to ensure there is a place to store all information from each of the phases in a central location so that anyone who needs to access the information at any stage within the engagement can do so.
- Ultimately, new content created and stored within this Central Repository can also be templated for re-use in future engagements if this seems like a good idea.



The Central Repository

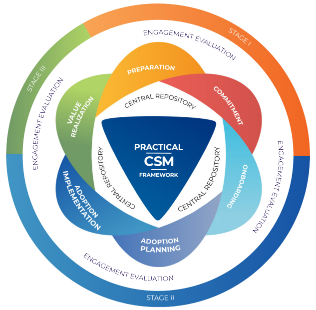
The Practical CSM Framework and Cycles of Iteration

- The Practical CSM Framework is depicted as a wheel or cycle rather than as a linear progression.
- This has been done deliberately in order to illustrate the concept of cyclical work, although in fact there are both linear and cyclical patterns that occur in most customer engagements.
- In a typical customer engagement there is a linear progression from initial meetings through to reporting on end results, as described earlier in this chapter.
- This is a fairly obvious progression since most things have a beginning, middle and end to them.
- However in addition to this progress from beginning to end it is important for CSMs to recognize that the reality of their progression is likely to be more complicated than that.



The Practical CSM Framework

Flexible Use of the Practical CSM Framework



Finally, before we end this section, we want to point out that the Practical CSM Framework is very much designed with flexibility and agility in mind. It is our intention that practitioners use this framework as guidance only, and do not lean entirely upon it or let it become doctrine that cannot be challenged or amended. As we discussed earlier when we talked about the Pareto Principle, the 80/20 rule states that for example 80% of the time things will follow the general rules and you can do things in the order and in the way that the Practical CSM Framework suggests you do them. But 20% of the time this will NOT be the case and you will need to use your CS professional experience to decide what things to do and/or in what order to do them. Below are some ideas about flexible use of the Practical CSM Framework for your consideration.

- Typically the CSM will have to revisit previous phases (or even stages) and/or jump ahead to future phases/stages in order to get the job done.
- Sometimes this is due to outside pressures such as deadlines or budgets.
- At other times it's simply a product of learning on the job and uncovering new needs or requirements that need to be dealt with but which were not known about at the start.
- The Practical CSM Framework cycle is therefore illustrative of the need for the CSM to be flexible in their approach and willing to jump forwards and backwards through the phases as necessary whilst at all times maintaining an overall progression forwards in order to ensure the engagement's desired outcomes are attained.

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