

Gartner for Customer Service & Support

The graphic features two vertical orange bars on the left side of the page. To the right, a glowing white path with a gradient of orange and blue curves across the bottom half of the page, ending in a white arrow pointing upwards and to the right.

Your Must-Have Toolkit for Customer Service Strategic Planning

5 activities that are key to impactful strategic planning

Strategic planning can be an arduous process, but certain activities will differentiate your plan as one that really drives impact.

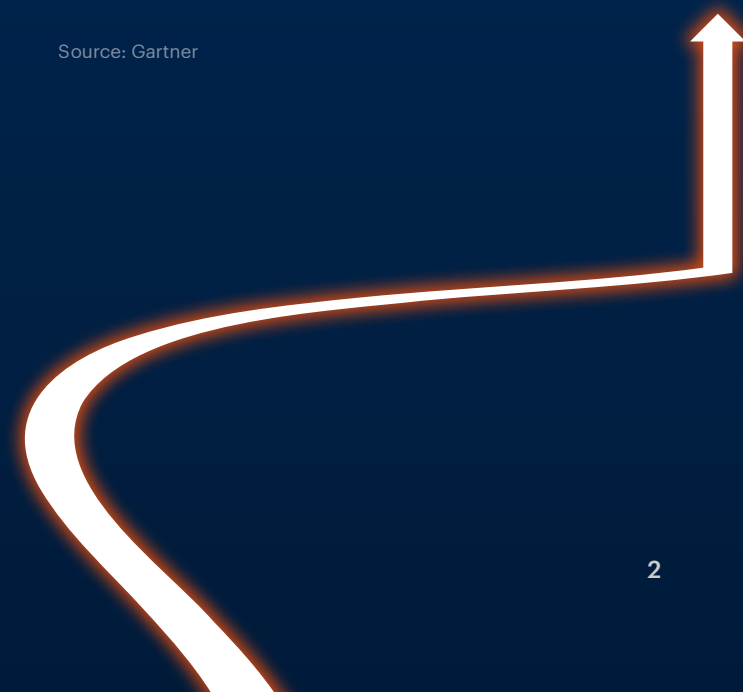
These five steps are especially important. And think now about the tools you will use at each stage to capture and share key data and information with stakeholders:

- 1 Verify the business context.** Confirm the enterprise mission and goals and make sure your service and support employees know how they apply to their everyday work. Align your customer service goals for impact.
- 2 Assess your customer service org's capabilities** to deliver on your goals and create a plan to fill the capability gaps that will slow your impact.
- 3 Strategically manage customer service** budgets to prioritize cost, budget and investment decisions to favor initiatives that will drive impact — and demote those that won't.
- 4 Decide how to measure your progress.** Select measures and metrics that will demonstrate the progress you're making against the commitments you've made.
- 5 Document your strategy** — ideally on just one page — to simply and clearly state where the customer service organization is, where it is going and how it will get to the future state.

46%

of customer service and support leaders say their **organizational structure prevents them from achieving their most critical goals.**

Source: Gartner





Tools and frameworks you'll need

1

Verify the business context

- Strategic Alignment Tool
- Trendspotting
- Scenario planning

2

Assess your function's capabilities

- Capabilities Assessment Tool

3

Strategically manage functional budgets

- B2C Service and Support Metrics Benchmark
- B2B Service and Support Metrics Benchmark
- Cost Optimization Framework
- Gartner BuySmart™

4

Measure your progress

- Guide to Cascading Metrics

5

Document your strategy

- Strategic Planning Templates

1. Verify the business context

Surface and verify the priorities of the enterprise and your business partners.

First make sure you understand enterprise business goals well enough to craft a strategic plan for your customer service organization that will support enterprise ambitions.

Document both the business context and the likely impact on your function of factors:

- **Within** your function
- **Internal** to the enterprise
- **External** to the enterprise



Key tools for this may include:

- A simple **conversation guide** to focus your conversations with business partners
- **Trendspotting** frameworks to look at drivers of change, including those in the more distant future
- **Scenario planning** activities to align business partners around your hypothetical futures



Understanding the organization's strategy and goals

Organizational strategy


Organizational goal No. 1

Organizational goal No. 2

Organizational goal No. 3

Key questions to ask:

- What are the key business objectives for the next one, two and five years?
- What are the organization's core strategies to achieve these goals?
- How does the organization plan to execute these strategies?
- What are current challenges facing the organization?

 **Don't forget:** A productive relationship between customer service leaders and the CFO will also be critical for effective strategic planning (see [page 11](#) for more).



1. Verify the business context

Conversation guide to get business partner perspective and alignment

Questions about that business partner's domain	Notes of your business partner's answer
What are your key business objectives and resultant goals for the next two to five years?	
What are your primary strategies? How do you plan to execute on these strategies?	
What is the direction of the key product line, supply chain, service offerings, etc.?	
How will you know if your unit is successful? What will you measure?	
What are the key success factors that will make or break your unit's success long-term?	
What major obstacles will the business unit face in reaching these objectives?	

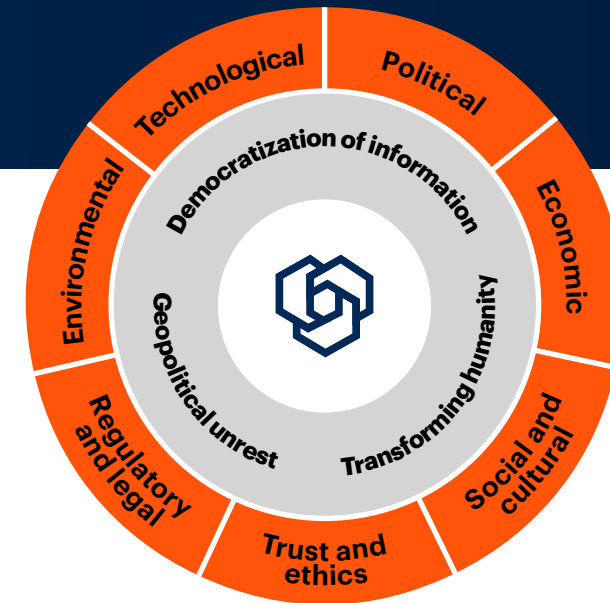


1. Verify the business context

Framework to scope for emerging trends that present risk and opportunity

No executive leader can predict the future, but you can adopt a deliberate approach to sensing and responding to trends.

Use a construct like the Gartner TPESTRE of trends (at right) to prepare to respond to disruptions and plausible futures. Key considerations are your organization's footprint (existing presence within a market or industry) and foothold (strategic opportunities to expand).



Footprint includes your:



- **Customer base:** established group of loyal customers
- **Operational facilities:** manufacturing plants, distribution centers, infrastructure or supply chains
- **Brand reputation:** market perception of your organization

Foothold includes:



- **Innovation and pilot projects:** testing new offerings with new emerging technologies
- **Partnerships** to gain market insights
- **Acquisitions** to establish a larger presence
- **Targeted marketing campaigns:** gauging interest in a new product or service in new markets

Forces and trends impacting your organization's future

Technological: evolution, impact and disruption of technology change

Political: political attitudes, institutions and legislation shifting the political environment

Economic: factors in the economic environment locally and globally that influence businesses and governments

Social and cultural: attitudes, behaviors and lifestyles of individuals and groups in a society

Trust and ethics: ethical expectations, behaviors, duties and biases of people and companies toward one another and society

Regulatory and legal: changes in laws and governmental policies and regulations to reward or punish a particular behavior

Environmental: technical, political, economic, cultural, ethical and legal changes supporting environmental protection and sustainability

Source: Gartner



1. Verify the business context

Framework to prepare for scenario planning

Good scenario planning requires you to first identify trends likely to create significant risks or opportunities.

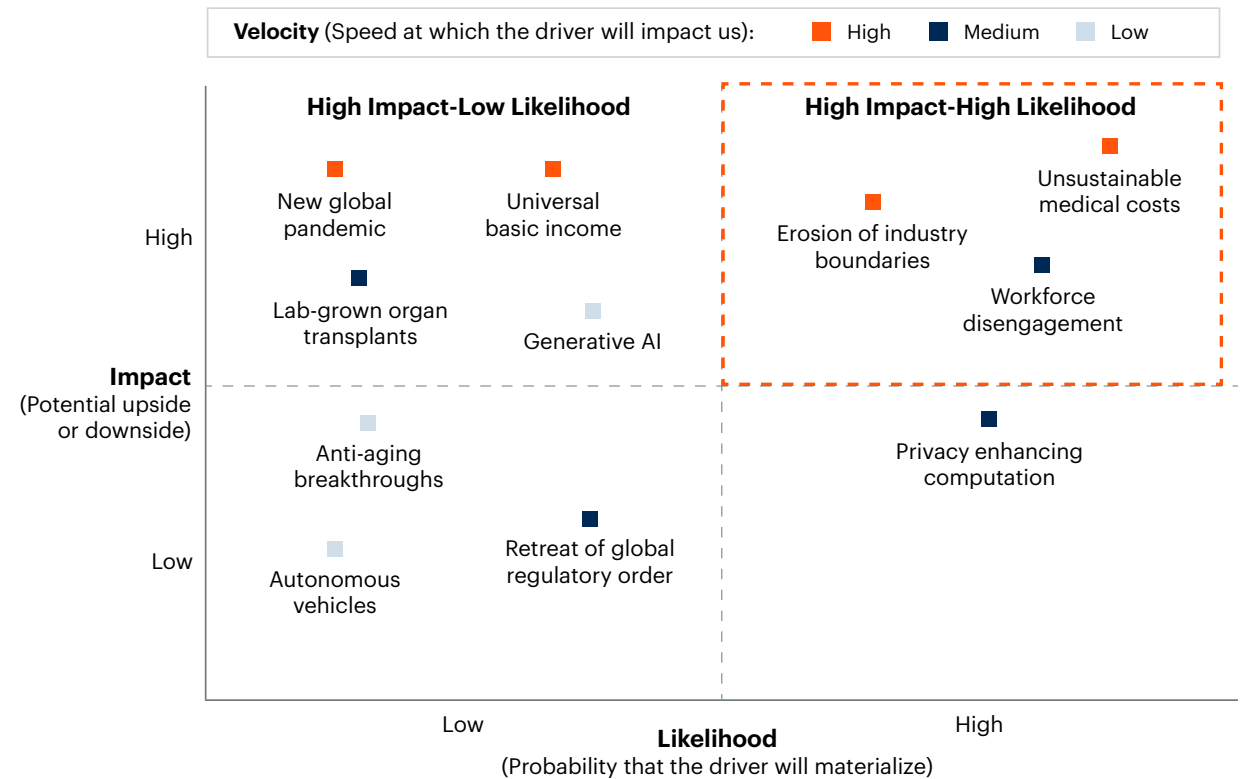
Make sure to:

- Align with a diverse set of business partners on the trends
- Prioritize the trends based on their relative importance (use a tool like this simple 2x2)

From here, categorize and relate trends together to develop scenarios. Develop a storyline for each scenario to test if it seems credible and feasible.

Strategic plans should include actions aligned to whichever scenarios you deem most pressing.

Prioritize actions based on the most material scenarios



2. Assess your function's capabilities

Determine how well-positioned your function is to deliver on strategy.

To ensure optimal results from strategic efforts, it's critical to assess the role of customer service and support in the enterprise and how well it performs that role. As the enterprise strategy evolves, so will this assessment.

In your strategic planning cycle, make sure to undertake a capabilities assessment soon after verifying the business strategy so you can build a roadmap to improve your effectiveness.

It's important to assess both the availability and maturity of existing capabilities. Take a rigorous approach like that taken by the Gartner Customer Service & Support Score tool methodology.

Measure the following:

- **Existing performance** across key objectives and activities typically within scope for the customer service and support function
- Your **maturity** in different activities on a simple-to-understand scale so you can easily compare maturity in different activities and against best-practice levels
- The **criticality** of activities on a simple scale so you can focus on requisites for your customer service and support organization to deliver to enterprise strategy

The objective of this assessment is to plot a path to maturity for each critical activity.



Did you know?

Gartner clients can customize Score assessment tools for their function, and expert partners are available to walk you through your results and action plans.



2. Assess your function's capabilities

Benchmark your function's maturity, capabilities gaps and path to improvement

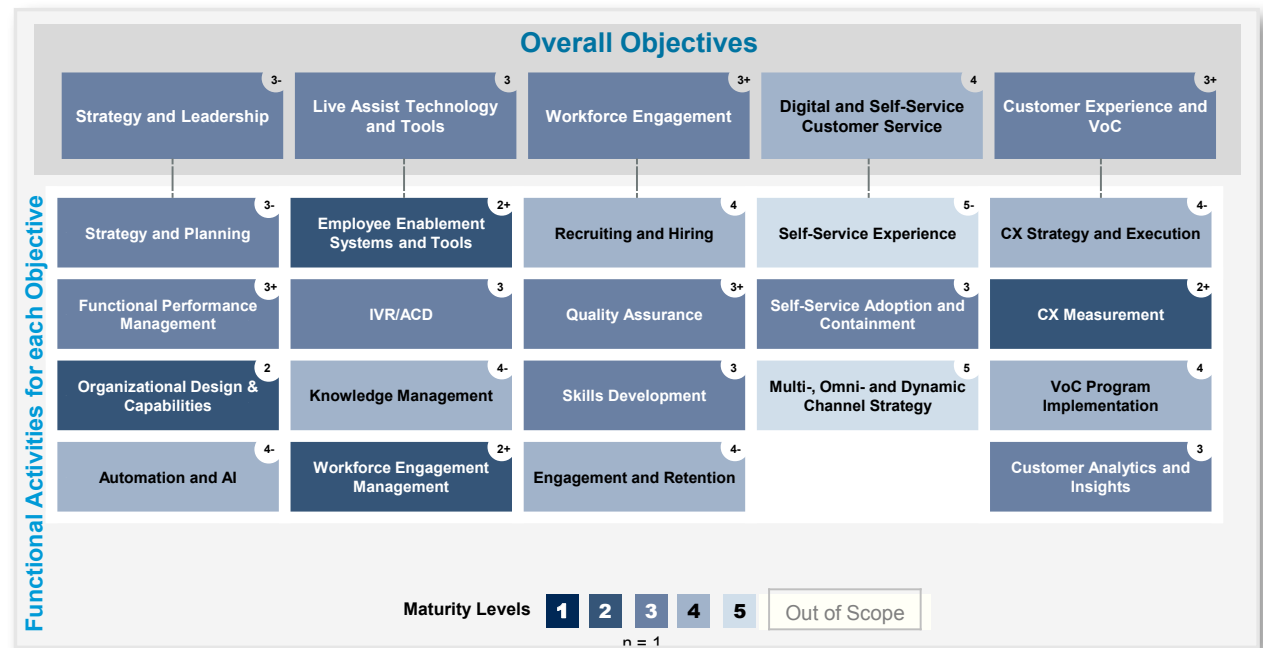
The **Gartner Customer Service and Support Score** is a strategic planning tool for heads of customer service and support and other members of their leadership team. This must-have tool uses objective, peer-based performance standards to evaluate the maturity of your customer service and support function across five objectives and 17 activities. It then analyzes the results to provide data-backed guidance on which activities should be prioritized for improvement.

Results from the score will help you with the following:



- **Strategic planning:** Understand how well your function is performing in its current state, and plan future enhancements.
- **Functional transformation:** Support short- and long-term planning by identifying next steps and associated resources.
- **Resource allocation:** Ensure strategy and resources align with market opportunities and business needs.
- **Consensus building:** Develop support for initiatives by gathering feedback from your leadership group.

Maturity levels of objectives and activities



Source: Gartner

[→ Learn More](#)

3. Strategically manage functional budgets

Customer service and support leaders face an era of doing more with less budget.

Customer service and support leaders face new challenges in managing budgets — and appealing for funding — as the focus at many organizations shifts to fueling growth with productivity and efficiency.

Bottom line, service and support leaders are being asked to achieve growth at lower cost. That means being as efficient as possible with headcount, technologies, workflows and processes — deploying resources in the most productive way possible.

Service and support leaders will need a strategic mindset and tools to apply three best practices in cost management in this environment:

1. **Reallocate funding** from low- to high-potential investments.
2. Fund growth investments using **costs saved** in less important activities.
3. **Use unallocated funds** for as-needed growth investment support.

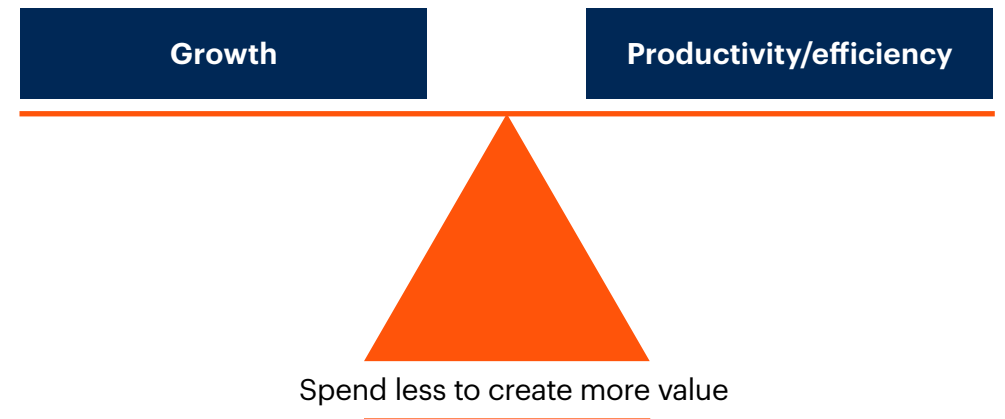


Technology is one area of spend where every functional leader will need better decision-making tools to select the right vendors and negotiate effectively to assure ROI.

51% of customer service leaders are **prioritizing improving operational efficiency** in the year ahead.

Source: Gartner

Constrained growth puts the focus on productivity/efficiency



Source: Gartner



3. Strategically manage functional budgets

Guide to scoping the CFO point of view for better collaboration

Step No. 1 for service and support leaders wanting to build a productive conversation with their CFO is to better understand the CFO's role, key priorities and focus. This understanding will help you build your value story and make it CFO-ready when seeking funding and investments. Customize with metrics specific to your organization or industry using the tools/resources in this section.

CFO role at a glance — illustrative

	Description	Success metrics for CFOs
Mission	To guide and protect the financial performance of the company	<ul style="list-style-type: none"> • Growth <ul style="list-style-type: none"> – Revenue and margin • Capital returns <ul style="list-style-type: none"> – Return on invested capital (ROIC) – Economic value-added (EVA) • Cost optimization targets • Cash conversion cycle • Shareholder value <ul style="list-style-type: none"> – Shareholder confidence – Stock performance • Other business-specific metric(s)
Main objectives	<ul style="list-style-type: none"> • Growing or maintaining profitability and operational efficiency • Effective cash management • Upgrading finance's capabilities (including both technology and skills) • Unlocking the value of data and analytics for the business • Improving the returns and value capture from investments 	
Key activities	<ul style="list-style-type: none"> • Secure funds and set strategy to meet growth aspirations • Allocate capital effectively toward goals • Track corporate performance • Manage critical business risks 	

Source: Gartner



3. Strategically manage functional budgets

Benchmark your functional budget and efficiency against peers

The dashboard is titled "Getting Started" and contains the following sections:

- Getting Started:** Start here and answer a few required questions. Then proceed through the other sections, in any order. Includes "View Results" and "Edit" buttons.
- Cost per Contact:** Metrics Included: Cost per Live Contact, Cost per Contact - Live and Self-Service, Cost per Contact by Channel & Channel Volume Distribution. Includes "View Results" and "Edit" buttons.
- Spending:** Metrics Included: CS Spend as a Percentage of Revenue, Spend Allocation by Category & BPO Contract Types. Delegate: Finance Partner (Recommended). Includes "View Results" and "Edit" buttons.
- FTE Headcount:** Metrics Included: Role Dist., Span of Control, CS as a % of Enterprise Employees, Contact Distribution. Delegate: HR Partner (Recommended). Includes "View Results" and "Edit" buttons.
- Workforce Management:** Metrics Included: Schedule Adherence Rate, Utilization Rate, Occupancy Rate, Overtime Rate, Shrinkage Factor, Absenteeism & Auxillary Time. Includes "View Results" and "Edit" buttons.
- Talent Management:** Metrics Included: Remote/Part-time Workforce, Attrition/Turnover, Coaching, Training & New Hire Onboarding. Delegate: HR Partner (Recommended). Includes "View Results" and "Edit" buttons.
- Phone Productivity:** Metrics Included: Handle Time - Inbound & Outbound, Speed to Answer, Abandonment Rate, Time to Abandon, Service Level & Transfer Rate. Includes "View Results" and "Edit" buttons.
- Web Chat Productivity:** Metrics Included: Handle Time, Response Time, Speed to Answer, Concurrent Chats. Includes "View Results" and "Edit" buttons.
- Email Productivity:** Metrics Included: Handle Time, Turnaround Time & Service Level. Includes "View Results" and "Edit" buttons.
- Self-Service Productivity:** Metrics Included: IVR Routing Time, Containment Rate, Routing Zero Out Rate. Includes "View Results" and "Edit" buttons.

Source: Gartner



Did you know?

Gartner clients can use the B2C and B2B Service and Support Metrics Benchmarks to evaluate and optimize investments to support long-term improvements.

→ [Learn More About B2C](#)

→ [Learn More About B2B](#)



3. Strategically manage functional budgets

Framework to map the relative value realization of your cost initiatives

To optimize costs strategically and productively (rather than just cutting), you need to know what drives costs, which costs relate to differentiating capabilities (i.e., value drivers) and what are your returns on investment.

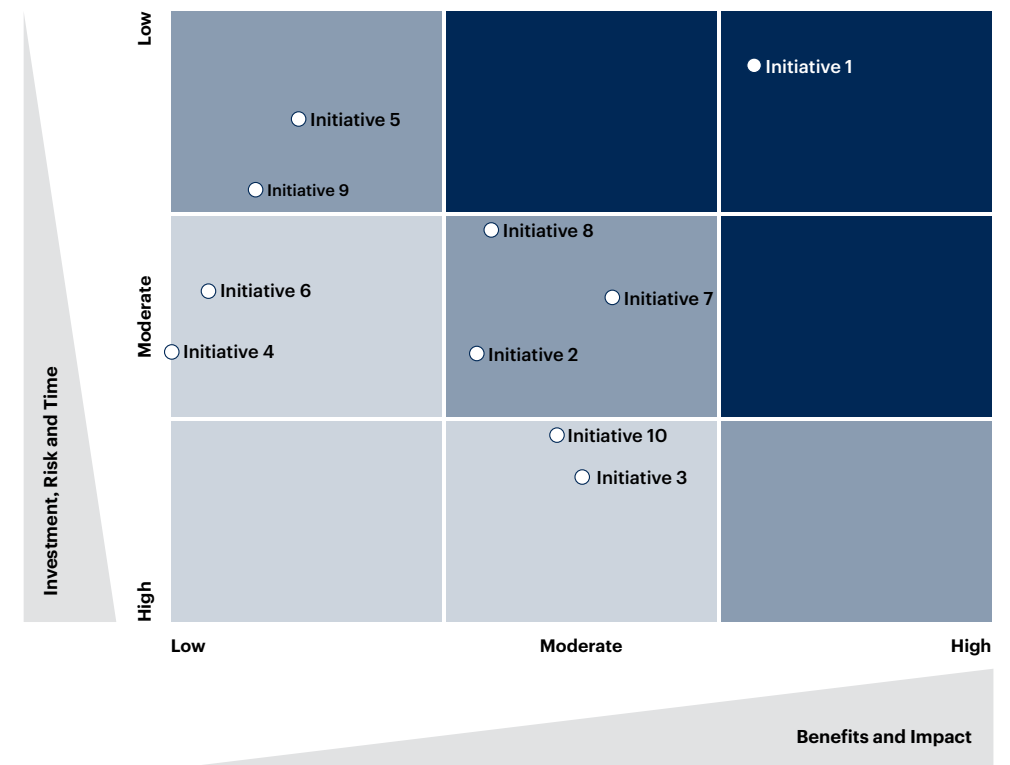
Strategic cost optimization rarely succeeds without three things:

1. Standardized cost management framework
2. Shared understanding of cost-to-value relationships
3. Consistent definition of success beyond cost saving

Use a structure like the Gartner Cost Optimization Framework to refine and visualize your cost optimization ideas by the level of benefit, cost, risk and viability so stakeholders have full visibility into the relative merits of deploying spend.

[→ Learn More](#)

Map your cost optimization initiatives and visualization trade-offs



Source: Gartner



3. Strategically manage functional budgets

Tool to evaluate tech decisions and buy with more confidence

Use Gartner BuySmart™ to get quick access to our proprietary expert and peer insights and evaluation templates for a wide range of technology vendor solutions.

- **Discover** a wide range of possible technology vendor solutions, driven by proprietary expert and peer insights and evaluation templates.
- **Evaluate** using requirements, questionnaires, scorecards and more, chosen by and visible to your whole team.
- **Select** vendors using your aggregated team scores to remove bias and clarify decisions.
- **Optimize** your spend and reduce risk with a Gartner expert proposal review.

→ [Learn More](#)

CRM for Sales Group

OVERVIEW CHECKLIST REQUIREMENTS VENDORS QUESTIONNAIRE SCORECARD SELECTION

Vendors (3)

Vendor	ATTA	Cumulus	Windmill
Scorecard	95 / 100 Complete	88 / 100 In progress	No score Not started
Functional requirements	79	79	—
Technical requirements	91	—	—
	84	84	—
	90	—	—
	79	79	—

Vendor Evaluation

- Finalize vendor selection
- Negotiate contract
- Execute contract
- Onboard vendor

4. Measure your progress

Identify metrics that will show if your plan is working.

Use metrics to assess the customer service and support function's performance and its progress in delivering on strategy.

It's important to understand the difference between measures (observable business outcomes that show whether your actions plans are working) and metrics (the data that quantifies those measures).

To choose meaningful metrics:

- Focus on alignment with strategic priorities.
- Don't overengineer or overpopulate your list of metrics; limit it to a few simple SMART metrics.
- Mix metrics as needed for different dimensions of the business (e.g., customer, operational, human capital).
- Identify which metrics will specifically trigger actions predetermined by your strategic plan.

You will need to revisit your strategic plan as business conditions change; make sure to realign your measures and metrics accordingly.

Whatever metrics you choose must be SMART:



Specificity

The metric is sufficiently granular for the goal it measures.



Measurability

The metric can be measured with reasonable ease and accuracy.



Actionability

The metric can lead to action to improve performance.



Relevance

The metric is aligned to overall objectives.



Timeliness

The metric provides early warning signals of approaching risks or gaps in performance.



4. Measure your progress

Guide to selecting metrics that measure your progress toward goals



5. Document your strategy

Provide a single-page overview to simply and clearly communicate your strategic plan.

Your strategic plan defines the roadmap of initiatives and portfolio of investments your customer service and support organization intends to pursue to execute on its commitment to drive business strategy.

Putting your customer service and support strategic plan on a single page makes it easier for you to share, summarize and communicate — and easier for business partners to visualize and understand.

One-page templates are meant to provide a summary of your strategic roadmap, not to serve as the overall strategic plan.

Make sure yours contains the initiatives identified as a part of the overall strategic planning process for your function.

See the next page for a simplified view of a Gartner one-page plan (and use the fillable template for your planning), but note that different functions and organizations will need to customize their view, its component parts and level of detail.



Did you know?

Gartner clients can submit documents for review by experts who can assess and provide feedback and input for your strategy template.



5. Document your strategy

One-page template to capture your strategic plan for easy communication



Vision statement

State where the organization wants to go, what you want to accomplish.

Example: Drive and support top-line growth by providing a more consistent and seamless customer service experience.



Statement of strategy

Develop a concise statement to summarize the essence of the plan, the target state and required initiatives.

Example: Simplify the self-service website and guide customers to the best service channel to improve CX and reduce contacts.

Current state

4 to 7 key metrics characterizing your current state

Do

- Accurately measure the organization's baseline and progress toward target state
- Capture mission-critical risks to running the business metrics

Don't

- Create overly detailed metrics related to day-to-day performance

Example: Customer effort score of 5.2 out of 7

Example: First contact resolution — 74% for the current state

Plan

4 to 7 initiatives required to achieve the target end state

Do

- Reconcile conflicting views
- Build strong buy-in
- Focus resources and attention

Don't

- Push ahead without consensus and buy-in

Example: Update CRM system to pull customer information.

Example: Simplify the self-service website and guide customers to the best service channel to improve CX and reduce contacts.

4 to 7 assumptions that must be true for the plan to succeed

Do

- Communicate explicitly
- Specify quantifiable thresholds
- Allow for real-time course corrections

Don't

- Create confusion or disagreement around basis of strategy
- Omit risks that must be mitigated

Example: Live service costs xx times as much as self-service.

Example: 40% or more of today's live volume could be resolved in self-service channels.

Future state

4 to 7 key metrics characterizing your target state

Do

- Describe the organization's desired end state
- Set goals to determine when the end state will be reached

Don't

- Target scenarios too distant from the current state

Example: Customer effort score — 5.75 out of 7 within 6 months

Example: First contact resolution — 79% in 8 months



5. Document your strategy





Fillable template to outline your own strategic plan on a page

Type in the fields below to complete the interactive form

 Vision statement	 Statement of strategy		
Current state	Plan		Future state
4 to 7 key metrics characterizing your current state	4 to 7 initiatives required to achieve the target end state	4 to 7 key metrics characterizing your target state	
	4 to 7 assumptions that must be true for the plan to succeed		

Actionable, objective insight

Explore these additional complimentary resources and tools for customer service and support leaders:

 <p>Tool Customer Service Employee Experience Diagnostic</p> <p>Uncover factors affecting performance and explore strategies for improving efficiency and satisfaction.</p> <p>Learn More</p>	 <p>Research The Future of Customer Service</p> <p>Develop a vision for the future by understanding the latest technology, service delivery and customer behavior trends.</p> <p>Download Now</p>	 <p>Tool Customer Service & Support Cost Optimization Framework</p> <p>Discover new ways to reduce cost, optimize customer service performance and reinvest.</p> <p>Learn More</p>	 <p>Research Top Priorities for Customer Service Leaders</p> <p>Explore emerging customer service trends, priorities and action steps to drive business impact.</p> <p>Download Now</p>
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