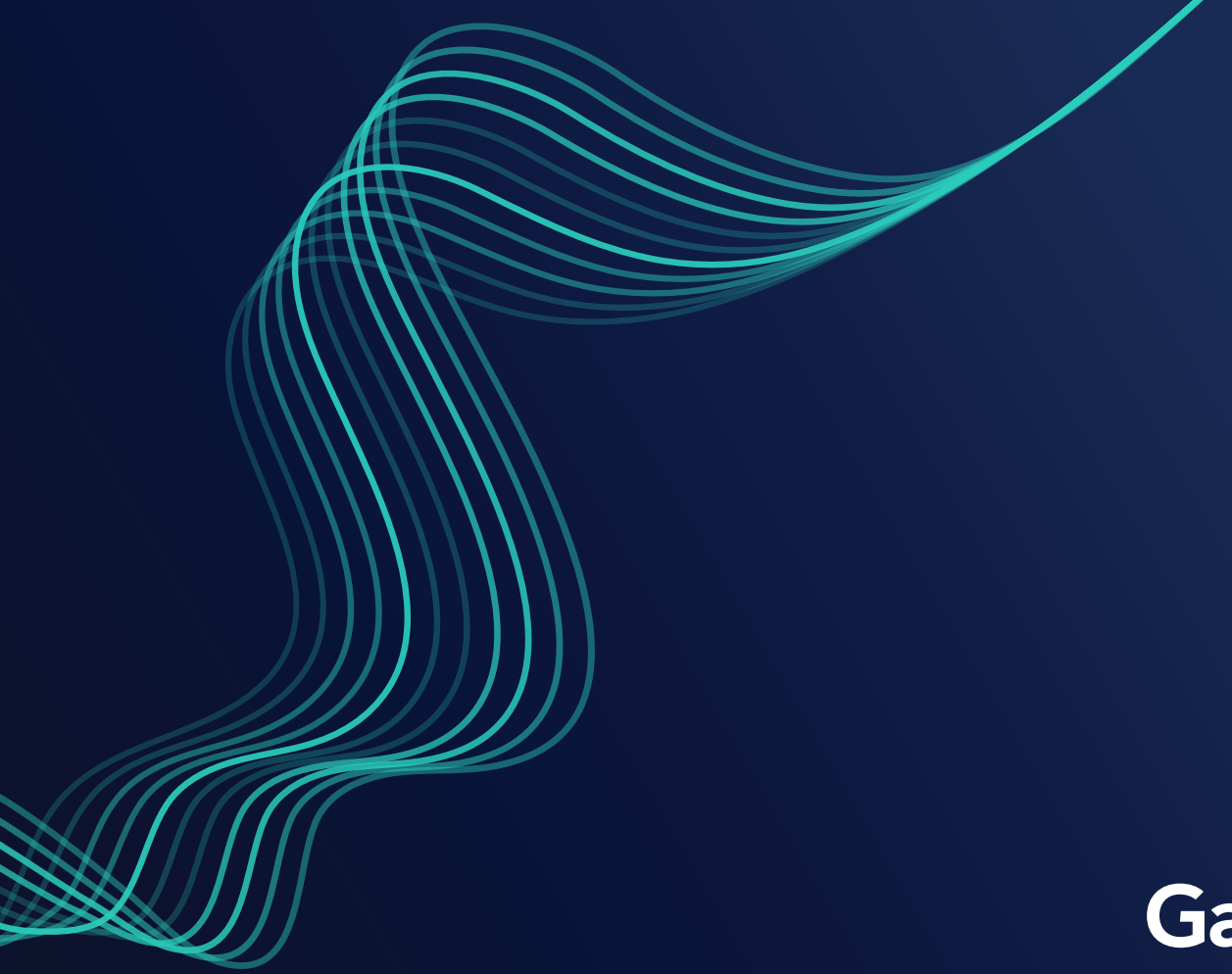


Gartner for Sales


Case Study: Unified and Customer-Journey- Aligned Commercial Organization






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Introduction

Siloed commercial operations pose a hidden yet significant threat to growth. CSOs can use this research to create a unified go-to-market strategy with teams whose responsibilities are tied to buying jobs — effectively collapsing sales, marketing and service silos into a single commercial engine.

 Company Name SMART Technologies	 Industry Technology	 Headquarters Location Calgary, Canada	 Revenue \$470.6 million (2022)	 Employees 620
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Case Overview

 Problem <ul style="list-style-type: none">• B2B buyers have increasingly turned to digital and multichannel buying.• SMART Technologies' leadership realized that its siloed commercial operations unintentionally led to a discontinuous purchase experience for digital and multichannel buyers, resulting in operational redundancies, excess spend and lost business.	 Action <ul style="list-style-type: none">• Create a compelling, customer-centric change narrative to get buy-in at the C-suite level.• Redesign customer-facing commercial roles based on the most critical discrete skills and responsibilities for supporting customers at specific stages in their buying journey.• Combine the newly defined roles into cohesive teams to enable shared visibility and accountability.• Establish client-focused shared business processes that draw on the collective knowledge and expertise of team members.	 Results <ul style="list-style-type: none">• SMART Technologies increased year over year (YoY) revenue by about 48%, lead volume by 50% and lead acceptance rate by 35%.• Defined all customer tasks and supporting organizational activities — regardless of legacy functional responsibilities — and mapped out the skills needed to execute on each of these activities to develop customer-centric commercial roles.• Combined the newly defined roles into cohesive teams with a shared set of objectives to enable visibility and team leader accountability at scale.
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Problem

Compared to sales rep-led B2B buyers, digital commerce buyers are 22% more likely to regret their purchase.

Digital commerce buyers are B2B buyers who complete a purchase on an interactive and self-service platform (even if they interact with sellers during the buying journey).

However, compared to self-directed purchasers, buyers with sales rep-led purchase decisions are 63% less likely to complete a high-quality deal. This is at least partly because silos between sales, marketing and customer service hinder communication and coordination between these functions. In turn, this can inhibit customer learning, thwart buying job completion and, ultimately, make it more difficult for customers to make good decisions (see Figure 1).

Figure 1: Illustrative B2B Buying Journey



While SMART Technologies could try to continuously improve functional effectiveness across sales, marketing and service, it realized that incremental steps would fall short in providing a continuous experience for customers that spanned across functional areas. As long as functional silos continued to exist, the company would always be out of sync with clients, as misaligned priorities and incentives and limited visibility between the commercial teams impeded customer-focused collaboration.

SMART Technologies achieved its commercial goals by focusing on four critical components during its integration efforts:

- **Coordinated commercial change leadership:** Working with leaders of commercial functions to create a compelling, customer-centric change narrative helps achieve buy-in from the CEO and other C-suite executives who don't have visibility into the customer trends and operational inefficiencies, necessitating the convergence of commercial functions.
- **Outside-in role redesign:** Mapping skills based on customer tasks and organizational activities — regardless of legacy functional responsibilities — reveals operational redundancies and gaps.
- **Integrated commercial teams:** Organizing newly defined roles into teams that enable end-to-end visibility between functions and ensure coordinated support for the entire customer life cycle.
- **Customer-centric business processes:** A transparent budgeting exercise and shared performance metrics incentivize teams to jointly deliver value across the customer journey.

Coordinated Commercial Change Leadership

Work closely with the heads of marketing and service to create a compelling, customer-centric change narrative highlighting the customer trends and operational inefficiencies necessitating the convergence of commercial functions.

Embarking on a change journey as transformative as reorganizing a large part of the organization requires significant buy-in from not only other C-suite executives including the CEO but also team leaders who are impacted by the change. To initiate this change, SMART Technologies' CSO along with the heads of other commercial functions — marketing and customer service — followed three steps:

Create a Shared, Customer-Focused Vision of the Future

The heads of sales, marketing and service met to align on a customer-focused vision for how they could stay competitive given the changing behaviors and expectations of buyers. The traditional serial process — where marketing handles early-stage demand generation, followed by sales conducting opportunity pursuit and conversion, and ending with service handling support and working toward renewal — no longer reflects how customers buy.

Rather, today's B2B buying is remarkably nonlinear, with buyers revisiting key buying jobs and beginning subsequent jobs before completely finishing previous ones. Therefore, SMART Technologies' customer-focused future vision includes shifting from the traditional serial approach to parallel engagements where sales, marketing and customer service work together to help buyers complete critical buying tasks, potentially simultaneously. This way, the teams are able to drive commercial outcomes across all functional areas in a much more resource-efficient manner.

Focus on High-Impact Trends to Drive Executive Buy-In

Commercial leaders then anchored the business case to the broader executive leadership team around a set of trends that accelerated the business need for the convergence of the different commercial functions. These trends included external ones like the prevalence of digital and nonlinear buying and internal ones characterized by commercial engine leakage (i.e., operational redundancies and excess spending). Commercial leaders were then able to get buy-in from other C-suite executives, including the CEO, by highlighting how external and internal factors were making their current siloed operations unsustainable.

Provide Tailored Skills Development to Impacted Team Leaders

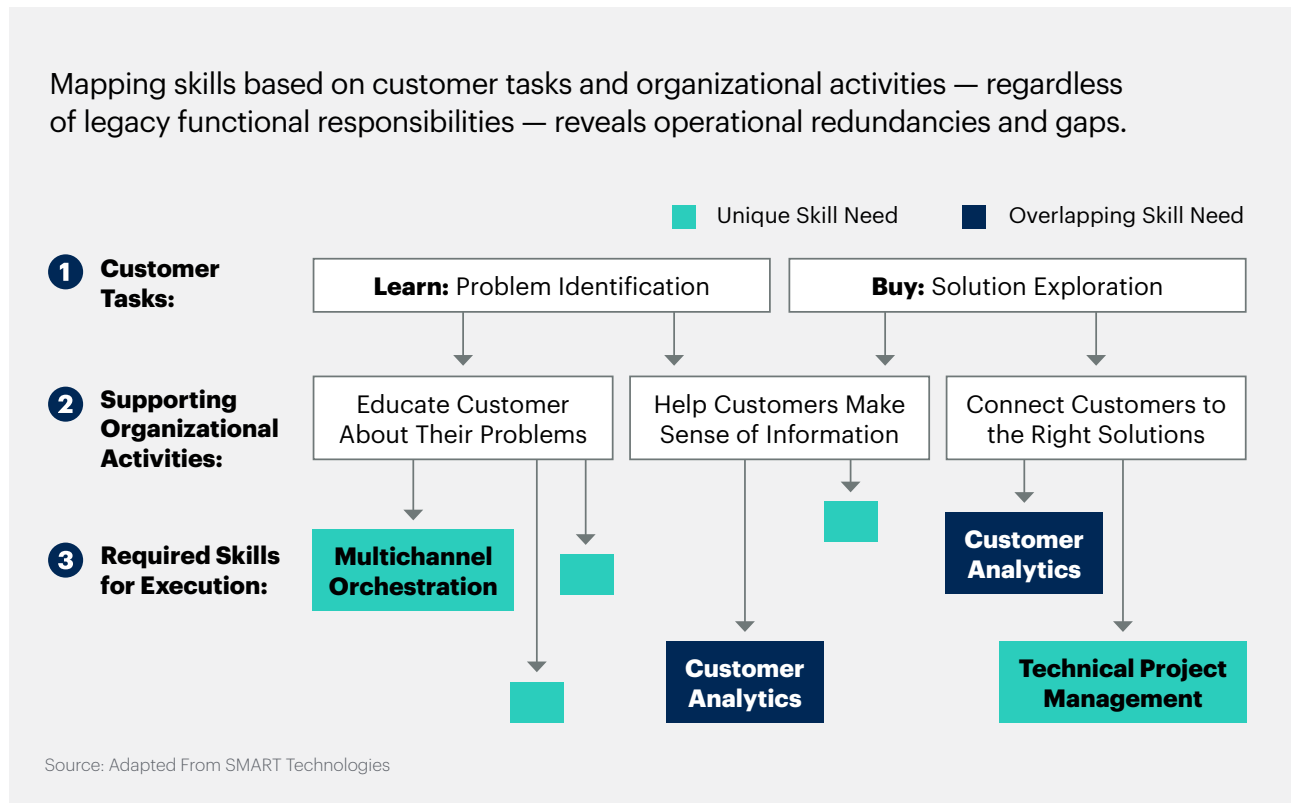
Finally, SMART Technologies provided a tailored skills development program for its impacted team leaders to accelerate the adoption of new organizational processes and workflows. SMART Technologies' development program investment was critical for the success of the initiative because the team leaders play an important role in fostering collaboration among individuals with different commercial backgrounds.

Outside-In Role Redesign

Define all customer tasks and supporting organizational activities — regardless of legacy functional responsibilities — and map out the skills needed to execute on each of these activities to develop customer-centric commercial roles.

The CSO and other commercial leaders at SMART Technologies recognized that for an organization to truly be customer-centric, the commercial teams should operate and be designed to reflect how customers buy (see Figure 2). Consequently, these leaders completely redesigned customer-facing roles following four distinct steps.

Figure 2: Customer-Journey-Based Skills Mapping



Step 1

Identify Customer Tasks

The commercial leadership team first mapped the end-to-end customer journey detailing the tasks that customers typically performed as part of their purchase. This journey mapping included prepurchase (i.e., the buying journey) and postpurchase activities such as adopting and using the product/service, which are key to contract renewal and growth. CSO’s can use our Job-Based Buying Journey Template to start with mapping the buying journey.

Step 2

Specify Supplier, Not Seller, Activities to Support the Buyer

Commercial leaders at SMART Technologies specified the activities a supplier would need to perform to help customers complete their purchase-related tasks and did not presuppose any functional designations.

The commercial leaders also made sure that they captured all organizational activities, ensuring that they noted any customer-facing support gaps to address.

Step 3

Identify Key Skills Dependencies of Supplier Activities

Finally, SMART Technologies' commercial leaders identified the discrete set of skills necessary to effectively execute each supplier activity. For example, the company identified multichannel orchestration, defined as being able to coordinate outreach campaigns across multiple channels, as a critical skill for educating customers about their problems. Further, the company found multiple different customer tasks and organizational activities required analytics skills.

Step 4

(Re)define Commercial Roles for Maximum Leverage

Based on this mapping exercise, commercial leaders audited the skill sets of their employees to determine which activities could be performed by current employees and what gaps they needed to fill. Commercial leaders created new roles based on the complementary set of unique skills identified. As a result, some employees were let go if their skill sets did not align with new needs or if there was an oversupply of needed skills.

SMART Technologies created commercial shared services groups for cross-functional skills to avoid redundancies and ensure coordinated application of essential skills throughout the customer journey. Specifically, these skills included building and managing customer systems, analytics and digital services.

For instance, marketing and sales operations teams now operate as a single analytics team that reports on the end-to-end customer journey and supports business metrics. Therefore, consolidating these interdependent and overlapping commercial resources into shared services groups is essential for maintaining a single view of the customer and influencing the customer's purchase decision at every stage.

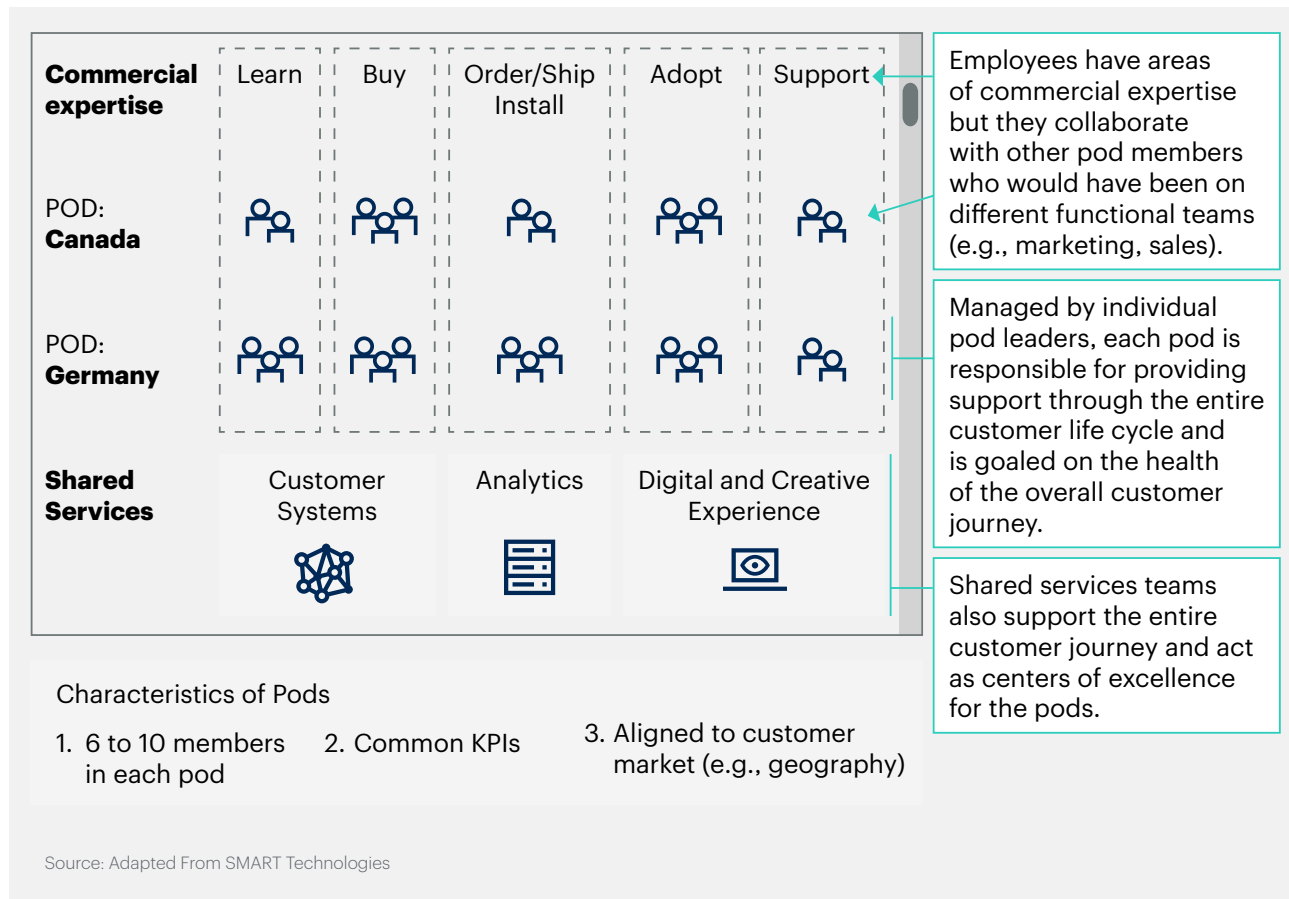
Shared Accountability for the Customer Life Cycle

Combine the newly defined roles into cohesive teams with a shared set of objectives to enable visibility and accountability at scale.

Moving to an Updated Commercial Structure

SMART Technologies' skills mapping exercise impacted most commercial team members across marketing, sales and customer service. These members experienced changes in title, role, manager, team or a combination of these. SMART Technologies leveraged a series of open forums (e.g., town halls) to regularly communicate the customer-centric value of these changes, keeping employees engaged and informed throughout the process. The company aligned the new roles to discrete stages in the customer journey to support customers as a unified commercial engine (see Figure 3).

Figure 3: SMART Technologies' Updated Commercial Structure



SMART's new commercial organization is composed of the following roles and teams:

- Channel-agnostic Learn experts focus on helping customers realize a need and understand how that need translates into a purchase.
- Buy experts include most of the former sales teams and help support the purchase — from reviewing alternative solutions to testing the different options.
- Order/ship/install experts are typically channel managers responsible for channel enablement.
- Adopt experts consist of a consolidation of previously dispersed employees who help with implementation and technology usage.
- Support experts assist customers with day-to-day product issues.
- Three commercial shared services groups support the entire customer journey and include:
 - A Customer Systems team that builds and manages a consistent view of all customer-facing systems (e.g., CRM)
 - An Analytics team that performs end-to-end reporting on the entire customer journey
 - A Digital and Creative Experience team that manages all web-related content and communication

SMART Technologies organized employees into regional pods, or teams, where pod leaders who effectively act as chief commercial officers for their markets coordinate and oversee their day-to-day activities.

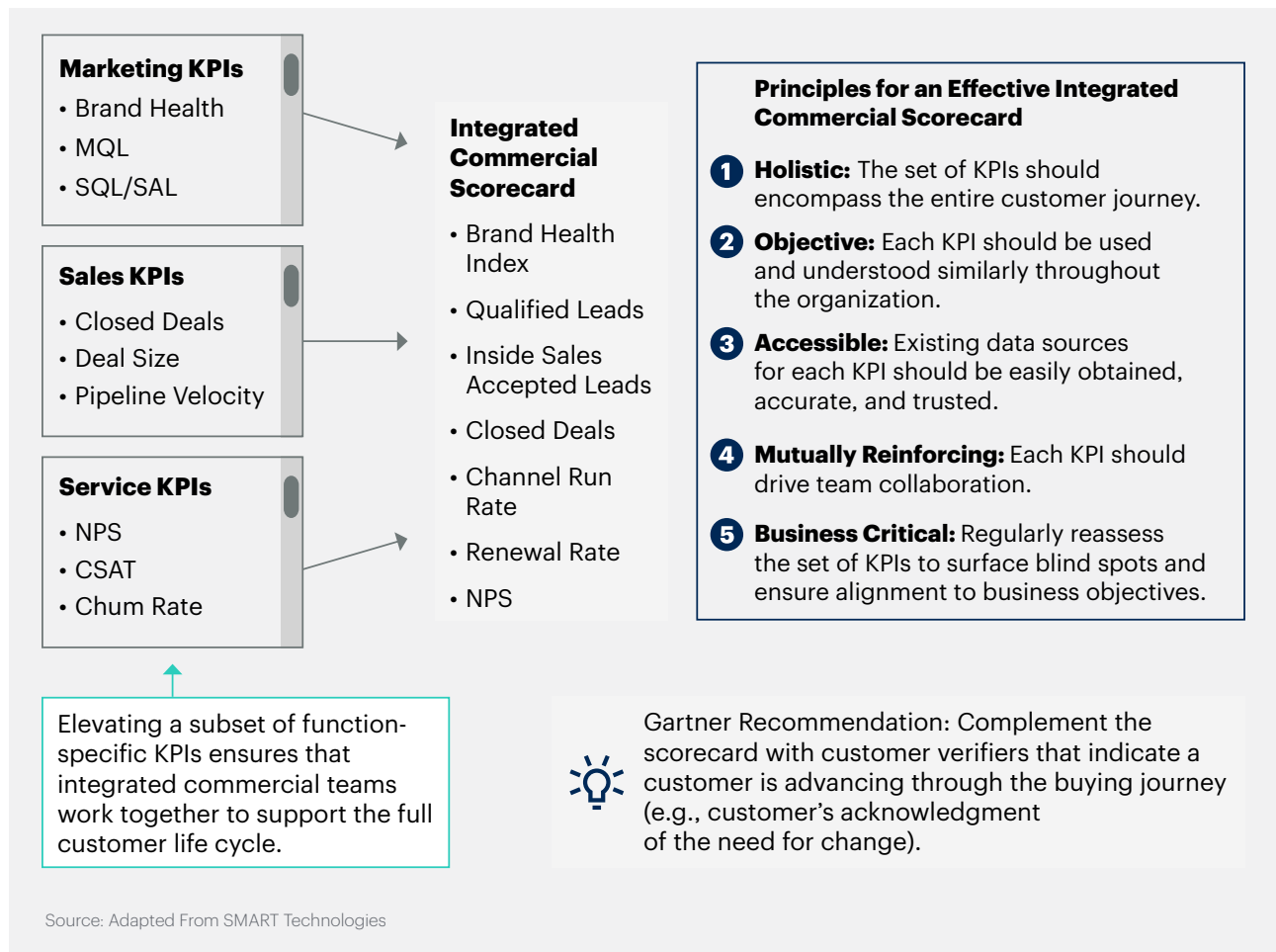
Each pod consists of six to 10 employees who are responsible for customers within a given market and receive assessments on the health of the overall customer journey using an integrated commercial scorecard (described in the next section). Under this new matrixed commercial structure, SMART Technologies fosters teamwork at scale among pod members who previously were on different functional teams. Additionally, this structure provides leaders access to cross-functional resources around data and technology through its shared services groups.

Customer-Centric Business Processes

A transparent budgeting exercise and shared performance metrics incentivize teams to jointly deliver value across the customer journey.

SMART Technologies realized it needed to link its business processes to match its integrated approach to role design and reducing functional silos (see Figure 4).

Figure 4: Creating Shared Accountability



Source: Adapted From SMART Technologies

Key Performance Indicators

SMART Technologies realized that to foster accountability among pod members, it needed to create one common and agreed-upon scorecard to measure commercial success. The leadership team used the customer journey to identify and elevate a subset of function-specific metrics into an integrated commercial scorecard that could also be used to measure the performance of each pod and hold pod leaders accountable. In total, the scorecard had to be:

- Holistic — The set of key performance indicators (KPIs) should encompass the entire customer journey.
- Objective — Each KPI should be used and understood similarly throughout the organization.
- Accessible — Existing data sources for each KPI should be easily obtained, accurate and trusted.
- Mutually reinforcing — Each KPI should only be achievable through team collaboration.
- Business-critical — The set of KPIs should be regularly reassessed to ensure alignment to business objectives.

The scorecard consists of seven metrics:

1. Brand health index
2. Qualified leads
3. Inside sales accepted leads
4. Closed deals
5. Channel run rate (recurring revenue)
6. Renewal rate
7. Net Promoter Score (NPS)

This scorecard sets the basis for all business review conversations between the pod leaders and executive leadership to assess the performance of each pod and the overall business. Pod leaders also use the scorecard to further improve collaboration and scale best practices across pods.

Most importantly, pod leaders use the scorecard as a highly visible accountability measure by leveraging it to rally their team around a common set of objectives and keeping them accountable to goals that seem beyond the scope of their immediate responsibilities. For example, since entire pods are now responsible for lead acceptance numbers, Learn experts take into account how they can better partner with Buy experts to ensure they accept the leads that are handed off to them.

As part of the pod structure, SMART Technologies regularly reassesses its metrics scorecard. To do so, it takes a bottom-up approach by asking pods what measures are the most important to understand their client impact. Leaders then synthesize these responses to readjust their scorecard on an ongoing basis. This synthesis helps leaders assess organizational and personal blind spots known by the functional teams. Although these metrics are similar to traditional KPIs, their use across commercial pods and buying journey aligned teams is unique.

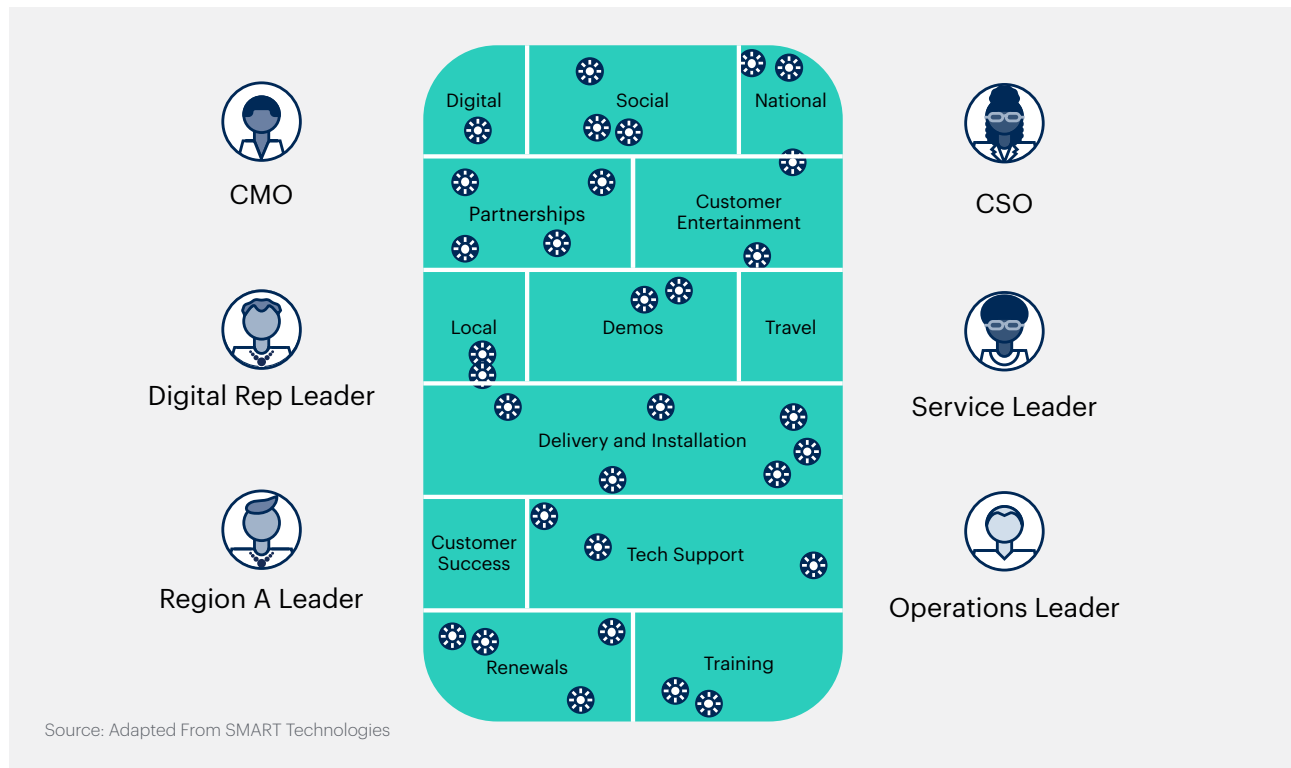
Shared Budgeting Consensus Exercise

SMART Technologies recognized that budgeting and planning investments can impede closer commercial integration and that misaligned investments waste money and are detrimental to customer outcomes. To remedy this, it conducts a joint budgeting exercise to prioritize investments (see Figure 5).

The casino-themed budgeting process takes place live around a table marked with key initiatives. Leaders use gaming chips to represent their budget allocations against the initiatives. The process follows five steps:

- **Allocate:** Business leaders, including the CMO, CSO, functional leads, team leads and some directors and senior leaders, are given chips corresponding to their previous year budget levels. These leaders place their chips on the key initiatives on the table in proportion to their preferred budget allocation, including one “big chip” representing their most crucial investment.
- **Discuss:** Leaders explain why they choose to invest where they do, and the group reflects on overall commercial prioritization.
- **Learn:** Leaders observe one another’s prioritization and readjust their investments (if necessary) in response.
- **Refine:** Leaders consider how they would adjust their budget allocation in response to different scenarios.
- **Finalize:** Leaders use the results of the game to set the budget for the coming period.

Figure 5: Shared Budgeting Builds Consensus



Three main benefits of the casino table exercise are:

- The discussion of priorities enables the group to collectively surface assumptions, leading to more informed debate and decision making.
- Publicly committing to investments by placing chips on the table creates positive social pressure for leaders to contribute to cross-functional priorities.
- The transparency of the process reveals areas of collective over or underinvestment.

Realizing the Benefits of the New Commercial Pod Structure

SMART Technologies’ new structure changed how customer-facing employees interact with one another. These employees work as a cohesive unit to deliver on a common set of outcomes. In particular, the new structure unlocked three key outcomes that facilitate collaboration:

1. Enhanced visibility — Operating as a single unit with a relatively small team size allows customer-facing employees to have visibility into each other’s responsibilities and workflows.

Example: During the lead nurturing phase, Learn and Buy experts actively exchange customer information that offers a view into what interactions customers have already had with SMART Technologies and what further interactions are needed. This coordinated approach to engaging customers allows SMART Technologies to avoid duplicative outreach efforts and prevent a discontinuous customer experience.

2. Increased information sharing — Pod members and leaders now have a fully transparent, 360-degree view of the entire customer journey.

Example: Learn and Support experts identify characteristics of the most profitable customers and incorporate this information into customer personas, which in turn helps them target more profitable customers and improve commercial outcomes.

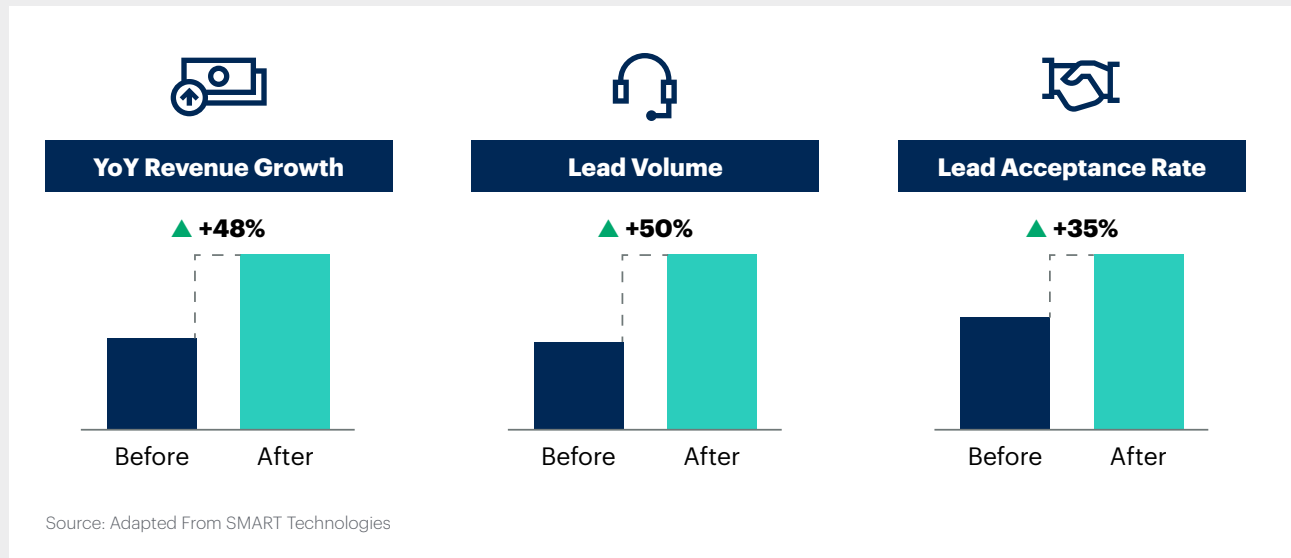
3. Customer-centric mindset — Customer-facing employees now have a common mandate based around the customer: Deliver a unified customer experience that serves as the basis for commercial success. Consequently, collaboration among different commercial roles naturally occurs to deliver on these customer-focused outcomes.

Example: Buy experts participate in customer support engagements to provide insights about the customer to Support experts so they can jointly improve postpurchase satisfaction.

Results

Since implementing the new commercial pod structure, SMART Technologies has achieved unprecedented business performance. YoY revenue has increased by about 48% and other leading indicators point toward continued success: Lead volume has increased by 50% and lead acceptance rate has increased by 35% (see Figure 6).

Figure 6: YoY Revenue Growth



Commercial leaders at SMART Technologies have also expressed how this initiative has improved the collaborative culture as well as the customer-centric mindset of the organization.

“Fostering a collaborative culture and breaking down functional silos are some of the most noticeable changes. The teams have improved teamwork and collaboration, which creates efficiencies for decision making across the business.”

Jeff Lowe, EVP and CMO, SMART Technologies

“These changes are essential to growing the business and meeting customers where they are. It’s no longer acceptable just to be customer-centric — you must also have the courage to make the changes the customer needs.”

Jenna Pipchuk, EVP Global Sales, SMART Technologies

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