Establishing Effective Governance and Sponsorship

CXPA Canadian Board
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Customer centric culture

Every aspect of the corporate culture – from the top-down - is focused on the customer:

- Intent
- Experience
- Expectations
Customer centric culture

A clear governance structure ensures that the Voice of Customer has a seat at the leadership table. Benefits to the organization are:

- Financial
- Social
- Operational
Who owns the customer experience to drive a customer centric culture?

“The cross-functional nature of CX means that projects often rely on more than one group or department to be successful.”
What is CX Governance and why should we care?

- At its simplest form, it’s the development of a formal plan and process that a company will use to manage their CX program and ensure its success.

- It offers the organizing framework for establishing the vision, goals, and priorities of the program as well as an intentional discipline to ensure the program adapts as business and customer needs change.

- The structure aids decision-making, cross-functional alignment, and accountability as companies implement or redesign a CX initiative.

“CX governance is the “eat your vegetables and exercise regularly” mantra of customer centricity. It may not be as much fun as running customer-thinking workshops, building customer journey maps or talking to customers, but without a governance framework in place to guide and prioritize decision-making, it’s difficult — if not impossible — to drive meaningful change within a business.”
Forbes
CX Governance Framework – one size does not fit all

The Governance function serves the following purpose, regardless of company structure:

- Aligns the organization
- Enables effective decision making
- Drives accountability
- Supports a CX resource structure
- Organizes and properly allocates CX funding
- Mitigates conflict
- Provide a structure for CX measurement
Customer centricity in Canada

Maturity model dimensions include:

- Strategy
- Culture
- Organization
- Insights
- Action
- Impact

- [cxpaglobal.org/Canada](http://cxpaglobal.org/Canada)
Prerequisites to setting up an Effective Governance Model

1. Active Leadership Participation

2. **CX Vision**: an illustration or description of what the business will resemble in the future aligned to the organization purpose and business outcomes

3. **Define a clear CX Strategy**: your customer experience strategy defines customer expectations and how you will meet and exceed them in a manner that’s in sync with your business and brand strategies.
# Common Approaches to CX Governance

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<thead>
<tr>
<th>Description</th>
<th>Centralized</th>
<th>Decentralized</th>
<th>Hybrid</th>
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| **Pros**    | ● Easier decision-making  
              ● Quicker execution  
              ● Focused vision  
              ● Central quality control and clear lines of accountability | ● Program Management team guides discussions and provides improvement suggestions - does not dictate  
              ● Program Management responsibilities could be shared and/or siloed across business | ● Program Management team guides discussions and provides improvement suggestions - does not dictate  
              ● Program Management team focuses on the process of governance while unit-level teams provide decision input and are responsible for actions |
| **Cons**    | ● Insular perspective  
              ● Inefficient for unit-level action  
              ● Limited unit-level visibility  
              ● Difficult to scale  
              ● Prone to change resistance resulting from pushback on central authority | ● No consolidated process control  
              ● Slow to make decisions  
              ● Fosters inconsistent processes  
              ● Unclear lines of accountability / executive sponsorship  
              ● Siloed understanding of customer journey | ● Complex decision-making process  
              ● Requires regular, two-way communication between unit-level teams and Program Management team |
Roles and Responsibilities

- Executive Sponsor
- Steering Committee
- Core CX Program Management Team
- CX Support Teams (Stakeholders /Advisor & Subject Matter Experts /)
- CX Operational Champions / Ambassadors
Successes & Challenges

Organizations excel in CX governance by:

- prioritizing customer needs
- leveraging data and technology
- empowering employees
- fostering a customer-centric culture throughout the organization.

Organizations lacking CX governance may be challenged by:

- delivering consistent and satisfactory experiences to their customers
- may face consequences such as decreased customer satisfaction, loss of market share, and diminished brand reputation.

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Let’s chat CX Governance and Sponsorship!

Questions.
Comments.
Suggestions.
Testimonials.

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THANK YOU

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# The Five Essential Elements of CX Program Governance

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<tr>
<th>ELEMENT</th>
<th>DESCRIPTION</th>
<th>3 TIPS TO MAXIMIZE IMPACT</th>
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<tr>
<td><strong>CX Core Team</strong></td>
<td>The centralized team that sets the direction and sustains CX efforts across the organization</td>
<td>+ Have the right talent on the team&lt;br&gt;+ Be able to access and contribute to internal processes and programs outside the core team’s direct control&lt;br&gt;+ Invest in building strong working relationships across the organization</td>
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<td><strong>Executive Sponsor</strong></td>
<td>The primary advisor and reporting executive who engages with peers at the executive level on behalf of the CX core team to build buy-in and support for CX strategy</td>
<td>+ Have the right positioning and influence with senior leaders&lt;br&gt;+ Ensure the CX strategy is aligned with the organization’s strategic priorities&lt;br&gt;+ Define a clear CX program charter that is well-understood and appropriately resourced by senior leaders</td>
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<td><strong>Steering Committee</strong></td>
<td>The group of decision-makers from critical company functions who come together to shape and approve CX strategy</td>
<td>+ Engage with the steering committee as true business partners&lt;br&gt;+ Create opportunities for the steering committee to actively support CX&lt;br&gt;+ Use steering committee members to clear blockers to progress</td>
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<td><strong>Working Group</strong></td>
<td>The group of influential managers from across the company who lend their expertise and effort to the CX core team to move CX initiatives forward</td>
<td>+ Get the “best” representatives involved as members of the working group&lt;br&gt;+ Be sure working group members have the support they need&lt;br&gt;+ Actively direct their efforts, working from a clear plan and agreed-upon objectives</td>
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<td><strong>CX Ambassadors</strong></td>
<td>Employees at all levels of the organization who provide input and engagement in moving CX strategy and action plan forward</td>
<td>+ Don’t start an ambassador program until the core team is able to actively manage its efforts&lt;br&gt;+ Capitalize on ambassadors to extend the reach of the CX core team across the organization&lt;br&gt;+ Make the program a rewarding experience for participants</td>
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