

The Rise of a Customer Experience Director in Industrial Support Services

The creation of a customer experience role in business-to-business-to-consumer (B2B2C) services such as facilities management, construction and other support services is a relatively new focus area as companies realize that optimizing the B2B, as well as the B2C, experience can be a service differentiator. When executed well, improving customer experience leads to longer and deeper client relationships and, ultimately, increased revenue and profitability. In addition, it can change the whole business model when not defined as a functional competence.

What are we seeing?

A move away from pure contract management

In industrial support services businesses, where margins are typically low, service differentiation is increasingly important. There is a move to shift from “contract management” into a business where enhancing the customer experience takes priority, alongside execution capability and price.

A new position emerging: customer experience director

In response to the increased focus on customer experience in industrial support services, companies are creating new customer leadership positions – for example, a customer experience director – who sit at a relatively senior level in the organization and, therefore, have influence across the business.

What are the challenges?

A limited talent pool in B2B2C services

The emergence of a customer experience role began in the B2C environment years ago. However, it is only in the last 12 to 18 months that we have seen a rise in demand for talent for this role in the B2B(2C) services environment.

Given the relatively new focus, the talent pool of people who genuinely understand and can drive innovation in the B2B2C services environment is limited.

Need to look outside the industry for talent

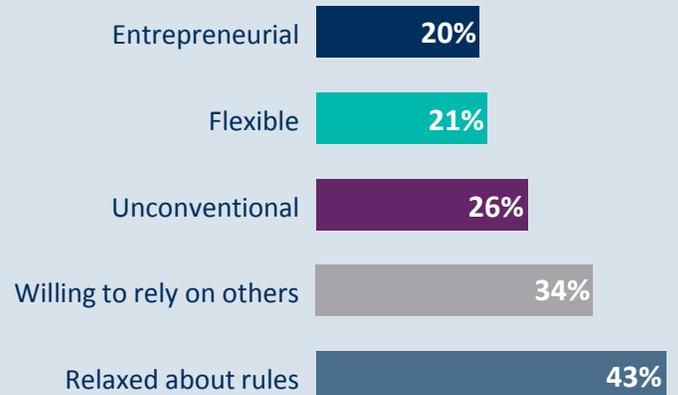
Customer experience directors are more established in the consumer, retail and leisure industries according to our analysis of the FTSE consumer and industrial services companies. In the FTSE 250, 45% of consumer companies have a senior-level customer experience executive, whereas only 37% of industrial services companies in the FTSE 250 do. In the consumer sector, there are also multiple companies with teams focused on customer experience, which provides a greater depth and potential talent pool.

In B2C industries, feedback between the service provider and the end-customer is direct, whereas in industrial services, the end-customer is one step removed, and, hence, the feedback loop is more complicated and requires attention to get right.

This talent is likely to challenge the ways of working and feel culturally different

We analyzed the psychometric profiles of sales and marketing executives in the consumer and industrial services companies and identified their key differences (Figure 1). Most notably, this talent is more relaxed about rules, is more unconventional and entrepreneurial – and, thus, is likely to challenge the status quo.

Figure 1. Statistically significant differences of consumer sales and marketing executives against industrial services



Look for experts in other industries

Look for customer experience talent in other industries such as retail, travel, leisure and other consumer-facing sectors to acquire the necessary skills

Identify talent that will have impact

Our work in this space highlights five core competencies for customer experience leaders: a strategic mindset, a customer-centric focus, an entrepreneurial nature, strong influencing skills and an operational focus, driving the ability to execute and have credibility at the front line



Capitalize on strong influencing skills that these executives will bring

Our psychometric profile review highlighted that these executives are trusted confidants; for example, they are 28% more optimistic, 17% more cooperative and 36% more likely to take others at face value

Be open-minded and prepared for “cultural collisions”

Given the cultural differences in this talent pool, companies need to take extra effort to identify and onboard customer experience executives in their organization

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- Our work encompasses senior executive searches and succession planning, board of director searches and leadership advisory assessments. Key advisors include:

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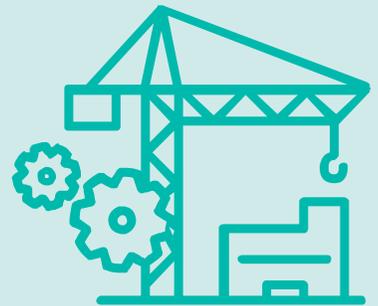
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- Hetty Pye
- Micha Rosenthal

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- Peter O’Brien
- Joe Saliba
- Jeremy Young



- Authors of this paper are Hetty Pye, Aliceson Robinson and Susanne Suhonen

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