



The Customer Success Center of Excellence

Is a Customer Success Center of Excellence right for your organization?

As Customer Success organizations mature, leaders are recognizing the potential for amplifying the capabilities of CS across the entire business. After all, once you've built a strong foundation, chances are you've invested a great deal of time, money, and resources into growing your CS organization. Even if you're just getting started, there are many advantages to facilitating broader, company-wide conversations about end-to-end customer life-cycle management and Customer Success.

Companies of all shapes and sizes can benefit from the principles outlined in this paper, especially those CS leaders who are currently struggling with a common emerging problem. In particular, CS leaders who work in complex environments with multiple products, business units, or across different geographies, or those in businesses growing rapidly through an acquisition strategy have been impacted by unique challenges – namely an environment that can be hostile to their efforts in creating a consistent and scalable CS practice. When faced with issues like competing personalities, differing perspectives, or conflicting agendas across departments, CS leaders end up stuck with inefficient and ineffective approaches that leave customers suffering from a disjointed and fragmented customer experience. In a world where speed to market is a premium activity and customer experience has overtaken price and product as a key brand differentiator, the gravity of this problem cannot be overstated.

If this sounds like where your team is at, you might benefit from building a Customer Success Center of Excellence (CoE).

A Center of Excellence is a specialized internal team that develops and provides leadership, best practices, research, support, and training for a specific focus area. They are responsible for creating a shared framework and governance structure, providing a common/shared language, and a foundation that can be built on by multiple stakeholders. They are common in the realms of IT, Operations, Human Resources, and Marketing. CoEs, when done right, strike the right balance between structure and autonomy, enabling businesses to address innovation and transformation priorities without disrupting the day-to-day operations of their teams. A CoE focuses on making progress, pushing boundaries, and discovering the next stages of evolution for operational excellence.

The concept of a Customer Success Center of Excellence (or CS CoE, as we like to call it) hasn't gained widespread adoption yet, but we are starting to see signals of change as more companies aim to be first to market with a consistent CS approach. Much like Customer Success itself, CoEs act as a driving force within an organization, accelerating time to market, establishing common metrics and success criteria, [breaking down silos](#), and iterating new approaches to facilitate continuous improvement.

A good metaphor for understanding how a CoE can work within a larger organization is to compare it to the federal and state relationship here in the United States. The CS CoE acts as a governing body and determines a shared set of principles and guidelines that must be followed, much like federal laws. However, those who are closest to the customers still have the autonomy to determine what will make the most sense based on the product, business unit, or region, like how state laws differ to meet the unique needs of each state's citizens. This system allows a company to remain flexible and agile, meeting its customers where they are, while ensuring there is a consistent approach that is true to the brand. CS CoEs are especially effective within enterprise technology businesses as they make the transformation from a legacy model to a XaaS model. Building a Center of Excellence around Customer Success just makes sense.

Some Customer Success leaders have already taken the leap to build Centers of Excellence around their own CS teams. If you're considering forming a CS CoE, we've gathered some advice and best practices from those who have been there and compiled a guide to help you on your path towards CS operational excellence.

Infusing the organization with the CS mindset

In order to effectively become that driver, you need to anticipate the broader organizational shift in perspective that will be required. CS isn't just about getting customers to renew - it's an entire customer-centric business ideology. The whole business might need some help shifting over to this new ideology, especially if you're in the middle of a move to a XaaS model. Customer Success isn't meant to be an island. Everyone can benefit tremendously from the CS way of thinking, its practices, its tools, and [its insights](#). Mature Customer Success organizations imbue the whole company with methodologies and processes that deepen and elevate your relationships with your customers. Forming a CS CoE supercharges the spread of this specialized knowledge across all your service delivery or customer-facing teams, beyond CSMs alone. It also helps executive leadership understand the value mature CS capabilities can bring to the table. In the absence of a CoE, there are often multiple voices and perspectives being shared from different leaders. Establishing a CoE will help cut through the noise and create a unified voice that delivers a much more potent message, more effectively driving company-wide change.

Now that many hardware companies are making the switch to XaaS, they need guidance for adopting this whole new Customer Success mindset. Rigo Rodriguez, Senior Director of Global Customer Success at Pure Storage, is creating a CS CoE as the company transitions from historically on-prem solutions to the XaaS model. "We wanted to get past our legacy hardware roots and really start to develop a more hands-on, higher level of engagement - a more strategic, consultative approach to that customer lifecycle experience," he said in the webinar we mentioned earlier. Rodriguez's goal: to leverage the framework of the CoE to develop and extend CS best practices across the business.

As Quezada puts it, “One of the most overly used, cliché [sayings] in Customer Success is, ‘It’s not a role, it’s a philosophy.’ As a CoE, it’s your job to [evangelize that philosophy](#). Make sure other people understand what their role is as part of the Customer Success team.” By definition, a CoE drives cultural and operational changes across the enterprise. They are a fantastic way to channel fragmented efforts into a streamlined approach, making these big, company-wide shifts in mindset easier to tackle.

Establishing a governing authority for CS

We’re all well aware (maybe a little too aware) that the concept of Customer Success isn’t always well understood by business leaders. Proponents of CS find themselves in the unenviable position of not only having to define what CS means for their particular business but also having to explain its value to their colleagues and executive leadership. Sometimes, the idea of CS sprouts up in different, independent business areas, but it’s not actually “Customer Success” as we know it. It might be Technical Account Management or Professional Services in practice but labeled as Customer Success, nonetheless. Worse yet, these disparate teams don’t communicate or work together, causing confusion and doubt about what CS can do and what it’s all about.

To clear up this confusion and build a strong, cohesive CS strategy once and for all, Carlos Quezada, Head of Customer Success at Aruba, began by creating a CS Center of Excellence. In our [recent webinar](#) on the topic of Centers of Excellence in Customer Success, Quezada explains, “In order for me to have the opportunity to influence and unify, I had to do something different than being another little pocket of CSMs within the company...For me, it was really important to go in and establish that what we were doing was a lot more than just hiring CSMs. It was really establishing [CS] as a discipline.”

By founding a CoE right from the start, Quezada developed a consistent, company-wide definition of Customer Success. A CS CoE can help cement the role of Customer Success in your business and clarify its position in relation to more traditional internal teams like Sales and Marketing. It allows CS leaders to build a core team of subject matter experts so that everyone is on the same page when it comes to the management of your end-to-end customer lifecycle.

Guidance for growth

A Customer Success CoE guides your organization as you rise to higher levels of CS maturity. Even as your business changes and grows, a CoE can help ensure the foundation you’ve built continues to serve as a model for new programs and enhancements. For example, if you are ready to [transform your CS capabilities](#), a CoE acts as the center of knowledge providing expert support and direction for CS and other service delivery teams as they form and fine-tune customer lifecycle programs. The core CoE team supports advanced CS projects like [Partner Success pilots](#) or [Customer Success monetization](#) initiatives by acting as the nucleus from which all CS guidelines are formed.

Creating a Customer Success Center of Excellence

Suppose all this is getting you excited to start a CS CoE of your very own. Good news! The process for getting one up and running is simpler than you may expect. In earlier stages of CS maturity, incorporating a CoE can be as simple as aligning your current trajectory with a CoE framework. From the more mature side of the spectrum, you already have robust CS capabilities to draw from in order to build out your CoE. No matter where you are on the [Customer Success Maturity Model](#), a CoE can help you propel CS operational excellence in your business.

Defining the CS CoE

So, here we are with the ultimate question. What exactly is a Customer Success Center of Excellence? [Gartner defines a CoE](#) as a “center of knowledge concentrating existing expertise and resources in a discipline or capability to attain and sustain world-class performance and value.” For a Customer Success CoE, we can take this a step further, bringing in existing subject matter experts from across your customer-facing service departments, CS-specific operations roles, and CS leaders to form the backbone of the team.

Though it will certainly take your CS Operations to greater heights, a Customer Success CoE is different from a CS Ops team in several ways. For one, CoEs typically get executive buy-in with their own budgets and much more high-level visibility from leadership than traditional CS Operations teams. And, as mentioned above, the team is typically more cross-functional and can include interdepartmental roles. The role of a CoE is geared toward developing processes and rolling them out to the greater organization, advancing business intelligence, and managing change. A CS CoE focuses on innovating new solutions and strategies and then introduces them to the delivery teams like CSMs or Professional Services.

We mentioned earlier that CSMs are one piece of this larger puzzle. Depending on the structure of your CS CoE, CSMs may not even sit within the CoE itself. As the CoE works on designing, iterating, and launching improvements across the board, CSMs might sit on different delivery teams across the company. A CSM's role is to take the programs and procedures the CoE has crafted and customize them to meet the unique needs of the customers they support. For example, a CS CoE might come up with a streamlined onboarding process with guidelines that everyone across the entire company will follow, but CSMs (or Pro. Services or Onboarding Specialists) are responsible for fitting the cadence of the onboarding schedule to fit their customers' timeline and levels of urgency. CoEs provide the coloring book, then it's the job of CSMs and other delivery experts to draw inside the lines.

Other organizations and your CoE

Approaching the formation of a CoE from a Customer Success perspective can sometimes present unique challenges. Other teams might feel like you're stepping on their toes if they perform functions similar or adjacent to CS in their specific area. This can be especially true for more extensive, global enterprises where teams all over the world are working with customers across multiple cultures and product lines. Part of your job as a CS leader will be educating other groups about what the CoE does and (critically!) does not do.

The intention is never to take anyone's job or exercise absolute control over every customer-facing role at your company. Driving consistency throughout your customer experiences is the goal, but the purpose of the CoE isn't to force 100% consistency over the whole enterprise. The CoE designs guidelines and processes that get everyone on the same page - say 80% of the way towards a consistent customer experience - leaving each unique team with the flexibility to meet the specific needs of their segment of the customer base.

As you begin creating your CS Center of Excellence, have conversations about customer engagement with other teams involved in the customer lifecycle. Get their perspective on the current state, what's working, and what's not. When you involve other groups in these deeper discussions about the customer experience, you gain a greater understanding of how it can be improved, you help them understand the value of a CS CoE, and you get their buy-in for the whole process.

As you define and develop your CS CoE, your goal is to provide your customers with a superior, unified experience. This is something every team can get on board with.

The critical elements of a CS CoE

There are many different ways you can go about structuring your Customer Success Center of Excellence. The size of your business, the current team(s) in place, and how established your CS organization is within your company hierarchy are all factors that will influence the design of your CS CoE. A common setup you might see involves a CoE leadership team, a core CoE group, and extended CoE members from other departments to serve as connections and communication channels with other invested internal groups. For example, the [Project Management Institute](#) recommends overlapping memberships with other invested individuals from around the company who to help develop the organization and learn from it on a volunteer basis.

Quezada approached the construction of his CS CoE at Aruba with four separate divisions that act as a support structure for overall customer experience enablement. The four divisions are CX Enablement, Digital Communications, Architecture & Automation, and Delivery. All of these groups report to the Head of Customer Success, but each have distinct roles related to the charter of the CoE.

Another ESG client, a global, publicly traded, fortune 100 Information Technology enterprise, opted for the pillars of Customer Success Strategy, CX and Engagement, CS Portfolio and Operations, and Customer Success Delivery, on which to build their CS CoE foundation upon.

Just as Customer Success organizational structures can vary widely across the industry, the framework of CS CoEs will differ depending on your unique business needs. But regardless of structure, there are a few elements that nearly every CS CoE can benefit from. Use this list to help you as you assemble your CoE strategy.

Key elements of a Customer Success Center of Excellence

A collaborative partnership with other internal groups – When others feel like you're intruding on their ability to help their customers, you won't be as successful. A CS CoE needs buy-in from and coordination with other service delivery teams. The CS CoE is meant to learn from different groups and consolidate all the fantastic work everyone is doing to standardize it across the organization so that everyone can benefit.

An understanding of your level of CS maturity – You can be anywhere on the spectrum of Customer Success maturity and benefit from a CS CoE. However, you should have a good grasp of where you are today to truly understand where you can be in the future.

A CS CoE charter – In the same way that [project charters can help with larger Customer Success projects](#), a charter is also helpful as you establish your CoE. Writing out an official charter will help you define your vision, scope, and the problems you want to solve.

Executive stakeholders – While you might be able to form your CoE without buy-in from executive leadership, we wouldn't recommend going too far down this road without a strong endorsement from an executive champion. You will need this to navigate the inevitable politics down the road.

Data, data, data – We always recommend taking a [data-driven approach](#) to any Customer Success initiative, and this is especially important as you're forming your CoE. Integrating BI analytics right from the start will allow you to validate, confirm, and substantiate your decisions as you evolve.

Change management strategy – Complex initiatives are [6x more likely to fail](#) without a comprehensive plan around the massive company-wide change to come.

Data analytics technology and tools – To use all that data and make actionable decisions, you need tools. The right [CS tech stack](#) will enable your CoE to scale operational capabilities as your business evolves over time.

A CS Operations Manager – This is a critical role for your CS CoE. You need someone who can bring everything together and manage the team while keeping high-level operations delivery in perspective. Installing the right person in this role early on will be essential as you build out your team.

A CS Operations team – In that same vein, the next step is hiring a CS Ops team to support your CS Operations Manager as you expand and grow.

Reasonable goals and expectations – Rome *wasn't* built in a day (forgive the cliché!), and your CS CoE won't be either! Measurable, straightforward metrics that show you are driving results will help you manage everyone else's expectations as you get your organization off the ground.

Criteria for success – Even at the very beginning of your journey, you should have some idea of what success looks like for your new organization. Start with smaller, attainable goals, but don't be afraid to dream big too. What could your Customer Success Center of Excellence accomplish if you were given everything you need? In one year? In three years? After all, Customer Success is all about that big picture mindset. Be bold.