IBM

Category: Best Achievement in Operational Excellence to deliver an outstanding Customer Experience Excellence

Title: Net Promoter Score Channel Advocacy Program for the IBM Business Partner Ecosystem

Synopsis

In May, 2018, IBM transformed our approach to improve Business Partner advocacy, moving from an annual survey to implementing a real time feedback loop to improve our Business Partners' experience and develop and nurture promoters of IBM across our global ecosystem using the Net Promoter Score("NPS") survey methodology in collaboration with Medallia. The previous survey yielded <3% response rate from anonymous participants with no closed loop feedback methodology. Our new NPS program enables IBM to gather real-time, direct, and continuous feedback from our partners through a series of surveys. The feedback affirms the channel offerings and programs that are thriving and accelerates continuous improvements where needed. This program is a key performance indicator of our mission: to build, nurture and grow a thriving, effective ecosystem where our partners provide solutions, services, and value-based skills to enable client success.

The most impactful element of this program is the direct engagement with Business Partners on a continuous basis. An IBM employee engages directly with every negative survey responder through a closed loop feedback system within 24 hours to acknowledge their feedback, understand the concerns and take appropriate actions. We've mobilized employees globally to engage with our Business Partner ecosystem in the close loop feedback system.

Since the beginning, we have received over 4,300 survey responses globally from 2,900 Business Partners. The feedback from the surveys directly influences IBM's channel programs, strategy, and transformation priorities. Our Net Promoter Score has improved 22 points, resulting in a 14% increase in promoters of IBM's channel.

<u>Strategic Objectives and Scope:</u>

- Increase promoters of IBM as a channel partner in the marketplace using the Net Promoter Score methodology to leverage direct feedback from key Business Partners to increase collaboration, continuously improve Business Partners' experience across key engagement points with IBM, and implement client-driven actions to convert passive and detractor Business Partners to promoters and recruit new Business Partners.
- Attract and retain a Business Partner ecosystem enabled to grow IBM's channel revenue 30% over two years.

<u>Project Implementation and Timeline:</u>

The project began in February with a design thinking session with IBM's services supplier, Medallia, to design a channel Net Promoter Score survey program integrated within IBM's enterprise Medallia platform. We defined the survey scope, universe of Business Partners, and Medallia platform requirements to automate the survey invitations, responses, closed loop feedback workflow and measurement dashboard/reporting capabilities.

Using the Agile project implementation methodology, we deployed the NPS survey program globally on May 1, including the following:

- o Net Promoter Score methodology to identify IBM channel promoters, passives and detractors and measure IBM channel advocacy improvement
- o Relationship survey sent twice annually to Executives, Program Administrators and Primary Relationship contacts identified in the Business Partner's profile database
- o 4 Moments of Truth surveys – event driven, triggered real time on a daily basis across 4 key engagement points in Business Partner's journey with IBM
    - New Business Partner application experience
    - Lead Passing Quality
    - Opportunity Management process
    - Business Partner Incentive Program
- o Automated alerts to assigned IBM survey Alert Owners to execute swift and comprehensive Closed Loop Feedback client engagement required for 100% of responders with detractor scores to understand the issue and take appropriate actions to move the Business Partner to a promoter of IBM.

- Metrics dashboard, reporting capability and verbatim feedback data analytics to identify and address key pervasive outerloop themes

Project Challenge and Organizational Change

The program was implemented globally, surveying 3,000 Business Partners across seven geographic regions. Medallia built a cloud-based platform that automates the survey process and calculates NPS scores and trends across all survey types dynamically down to the Business Partner, country, geography and global levels. The platform sends automated alerts to trigger and manage the closed loop feedback engagement, including escalation alerts to management. A mobile application is available to monitor survey data and execute closed loop feedback via cellphone. Reporting and text analytics capabilities within the tool provide real-time measurements, governance, and deep dive information on survey themes.

The team delivered education to our entire global organization on the NPS methodology, our survey program design, and management system. We created and delivered education material to enable over 600 survey alert owners on the closed loop feedback steps and Medallia tool navigation. We built a global internal collaboration community for IBM employees featuring enablement materials and videos, best practices guidelines and testimonials, and Medallia platform guides. We also launched a Business Partner NPS Learning Path where employees can earn a Client Advocacy Badge, which over 70% of our organization has achieved.

We've integrated the NPS Channel Advocacy program into the culture of our organization through the following:

- NPS is one of four key performance metrics for the channel
- Weekly survey data insight reviews and sharing sessions with geography owners
- Executive oversight and monthly governance cadence at geo and global level
- Ideation blog to share NPS success stories, foster collaboration and share best practices
- Monthly NPS newsletter published in our Slack channel and BP Compass community
- Quarterly Advocacy in Action Award recognition program
- Frequent closed loop feedback quality assessments

Externally, we created a Business Partner Compass Client Advocacy page within our PartnerWorld® website where Business Partners can learn about our NPS program. We also publish frequent "You Spoke/We Listened" messages to our Business Partners to demonstrate the actions we have taken directly aligned to survey feedback.

<u>Impact and Business Results</u>

We have seen four major transformations since launching the program in May.

First, our measurable scores have improved dramatically. Our overall Business Partner relationship score has improved 22 points. Three of the four Moments Of Truth surveys have experienced impactful score improvement as well:

- Business Partner Application score improved 46 points
- Opportunity Management score improved 14 points
- Incentives score improved 39 points

Second, through survey feedback, we identified 13 specific areas to improve within the Business Partner experience, and outlined specific transformation roadmaps to address each area. Examples of transformations we've already delivered in 2018 that contribute to our dramatic NPS score improvement include:

- Launched a pricing deal hub to improve quote speed
- Deployed a Business Partner Skills Gateway Learning Path to increase product offering skills
- Sped approval process for incentive eligibility by 70%
- Simplified Business Partner onboarding
- Eased navigation within our PartnerWorld website
- Introduced new partner collaboration opportunities
- Increased positive sales collaboration with Business Partners (survey feedback showed positive sentiment increased from 34% to 60% between July and November)

Third, we have ingrained a client-centric culture across our organization thanks to the dynamic Business Partner survey feedback data that is now available to us. As a result of our employees embracing a robust closed loop feedback process, we have seen a 14% increase in promoters of IBM's channel in the seven short months we've administered the program.

Fourth, we plan to expand the program in 2019 to increase the number of Business Partners participating in the program as well as introduce two additional Moment of Truth surveys related to pricing and comarketing programs.