



Executive Sponsor Programs

Designing & Managing a World-Class Executive Sponsor Program

Table of Contents

Mapping the Path to ESP Success	1
Launching the Program.....	3
Sustaining the Program.....	6
Conclusion	10
Geehan Group Research / References	11

Forward

Reflecting on the research presented in this paper, the majority of insight collected from the 21 participating companies resulted in best practices and lessons learned. A quantitative analysis of the companies would not result in any meaningful data as the majority of the companies started their Executive Sponsor Program more than once and are still in the process of engraining the program into their culture and internal processes.

Geehan Group provides expertise in designing and implementing B2B Strategies to drive Sustainable, Predictable, and Profitable Growth through Customer Advisory Councils, Strategic Planning, Executive Summits and Executive Sponsor Programs.

Copyright © 2016 Geehan Group

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior permission of the copyright owners.

Mapping the Path to ESP Success

It seems straightforward, but it's not

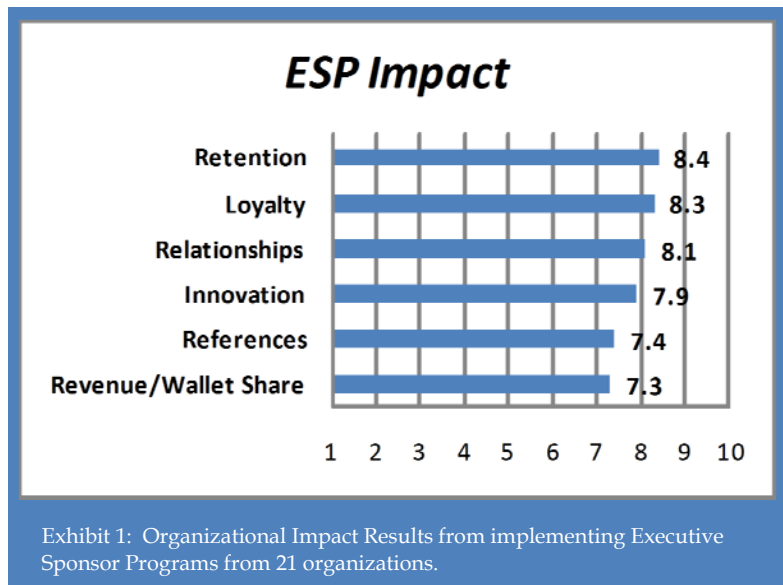
Organizations that have achieved Executive Sponsor Program (ESP) success have yielded solid results in four top areas: retention, loyalty, relationships and innovation. These results drive many organizations to implement an Executive Sponsor Program.

We found that those organizations that focus on long-term relationships rather than quick account fixes or short-term sales, achieve the most benefit with the highest probability for long-term success. Scott Hardey, Executive Vice President of Customer Service from Planview shared his views on what this program has meant to their organization, "The customers we have in this program are more loyal, have higher customer satisfaction scores and have a greater overall spend with us."

Most organizations approach the ESP as a program that sounds easy to implement – one that simply assigns members of the company's executive team to focus on building relationships with key accounts. The reality, however, is that most companies fail in their initial attempts to implement the program. Jeb Dasteel, Chief Customer Officer, from Oracle articulates it this way, "We have rolled out a myriad of customer programs over the past seven years. The Executive Sponsorship Program was a real challenge. Engaging senior level people in a consistent way and normalizing the activity across all levels can be complex. There is a lot of 'art' to implementing successfully."

In fact, 63% of companies we studied launched their Executive Sponsor Program two or more times before the program was considered a success. We also found that 31% of the organizations are either in their first launch or couldn't identify how many times they had tried to launch in the past.

63% of companies we studied launched their Executive Sponsor Program two or more times before the program was considered a success.



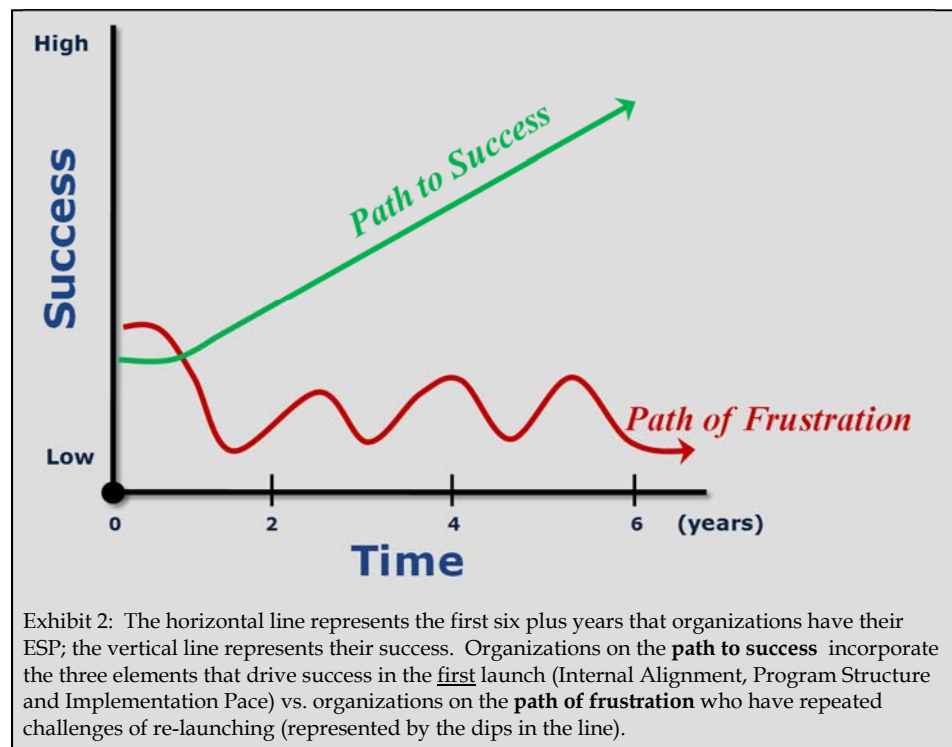
The definition of an Executive Sponsor Program varies from company to company, but in general, most B2B companies define the program as one that "assigns and engages executives within the organization to their most strategic customers outside of any sales transaction." Organizations clearly identify the customer accounts to participate in the program, using the ESP to deepen relationships and expand their portfolio of products/services with their largest and most strategic accounts.

Why does something that looks straightforward become so difficult? We found the difference between those organizations that achieve success and those that encounter hurdles can be attributed to these components:

- Internal Alignment
- Program Structure
- Implementation Pace
- Monitoring & Rewarding (discussed in *Sustaining the Program*)

	Launch	Sustain
Internal Alignment	CEO Commitment	Engrained in Culture
Program Structure	High Structure	Low Structure
Implementation Pace	Pilots	Planned Rollout / Contained Program
Monitoring & Rewarding	Launch Indicators	Sustain Indicators

We further found that two elements which enabled organizations to successfully launch the program also helped them sustain the ESP – **Internal Alignment** and **Program Structure** – with the additional element of **Monitoring & Rewarding**, which will be discussed in the *Sustaining the Program* section. Overall, we found a distinct separation in practices used by those organizations that followed a **path to success** versus those that followed the **path of frustration**.



The organizations that found the **path to success** focused on two things: *launching* and *sustaining* the program.

Launching the Program

Launching an ESP contains various elements. We are going to focus on the three that are most critical to lead you down the **path to success**. They are **Internal Alignment**, **Program Structure** and **Implementation Pace**.

Internal Alignment

It starts with the CEO

The companies that achieve greatest success in the launch of their ESP begin with **Internal Alignment** of key stakeholders – mainly the CEO (or Business Unit President if the program is at that level). We found that the CEO is the only individual in the organization who has the enterprise view and authority that can drive the level of commitment from the leadership team to engage at the appropriate level with accounts in an ESP. One program manager even shared, “the reason we had three failed launches prior to our success is that the CEO was a sponsor for us in theory, but not in practice. Once we were able to fully engage the CEO in playing his small, but vital role in sponsoring the program, we finally got traction.”

Overcoming the challenges in building consensus toward ESP objectives, vision and expectations must include the CEO’s commitment to support the program. Those programs that failed to leverage the CEO as the program sponsor often relied on the Sales Leader as the program sponsor. This approach on the surface appears acceptable, but in reality when launching the program, Sales Leaders don’t have the authority to ensure that peer executives truly become engaged in the program.

Additional alignment for success in the ESP includes various constituents and influential individuals in the organization. They each play an important role in the success of ESP because they each are involved with the success of the customer engagement or the overall program. They are:

- ESP manager
- Sales leaders
- Marketing leader
- Account managers
- Executives on the leadership team (executive sponsors in the program)
- Customer executives

We found that attempting to align the perspectives, visions and ideas of these differing groups requires a seasoned ESP manager, one who can handle the diverse personalities, focus on long-term objectives, and manage multiple duties. Support and “air coverage” from the program sponsor to earn the respect of the sales and executive team is critical to the success of the ESP manager.

The final component in alignment we found critical to a successful ESP was the education and preparation of the company executives to participate in the program. Many executives have the confidence to participate in the

Organizations on the **path to success** have an organized approach to effectively communicating, educating and on-boarding executives.

program and would not admit that they don't have the experience or understand the parameters for which to operate within the program. For instance, executives may not be clear about the level of authority or commitment they can make to the customer based on things that arise over the course of the relationship. Additionally, some of the organizations that struggled to implement the program neglected to prepare internal executives, assuming they would be able to play the executive sponsor role because of their experience and/or internal role. This is especially true with non-customer facing executives. Executives also have competing priorities and demands on their time, thus limiting their engagement and dedication to their assigned accounts and contacts. Bonnie Bryce from EMC has found that "The significant level of customer engagement by our executive team differentiates us from other companies."

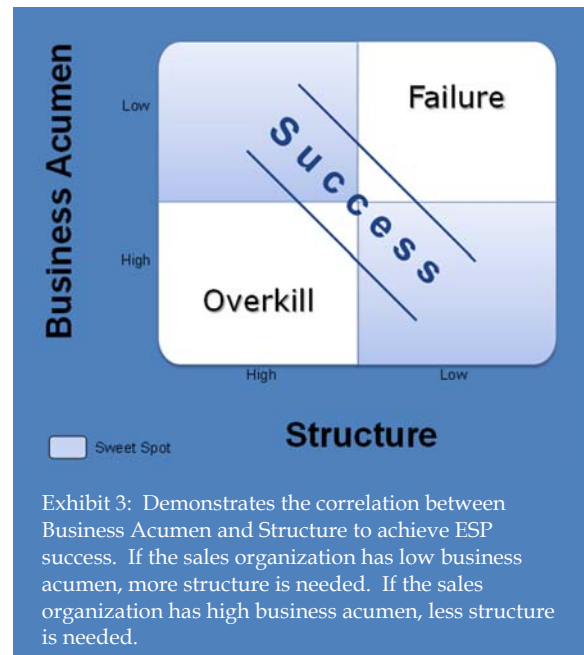
Those organizations on the **path to success** have an organized approach to effectively communicating, educating and on-boarding executives in the ESP.

Program Structure

The delicate combination of art and science

The second critical element to achieve ESP success is proper **Program Structure**. Surprisingly, we found that organizations can be successful with varying degrees of structure for the program. Program structure is how the program is organized around communications, methodology, training, tools and templates.

As we further analyzed the level of structure required for success, we found an interesting correlation between the level of business savvy or business acumen of the sales organization, and the need for program structure. Those organizations whose direct sales force possess sound business acumen require significantly less program structure than those organizations whose sales force had low levels of business acumen.



We also observed two important structural components that separate those on the **path to success** versus those on the **path of frustration**: The *account selection process* and the *executive matching process*.

In *account selection*, many organizations on the **path of frustration** were caught up in politics and competing interests (such as short-term sales) to determine which accounts to include in the program. This internal conflict often led to diversion of objectives and goals with accounts, confused customers and executives, and thus created activity that never materialized to long-term gain. Conversely, the **path to success** organizations exhibited a best practice that included an objective approach toward determining the accounts to include in the program. Account characteristics such as an interest to partner, account size, account growth potential and marquee brands were objective considerations of organizations who achieved success with their ESP. Gary Vastola, Vice President of Service Offering Marketing, from Xerox shared, “We believe focusing on our most strategic accounts versus picking a large number of accounts is one of the keys to our program success.”

“Selecting the right accounts and matching the right customer with the right executive is not an exercise you do in a two hour meeting.”

DeeDee Rixe, Microsoft

The *matching process* was the most overlooked best practice in organizations on the **path of frustration**. ESP at its heart is about building solid relationships at the executive level – it’s “match.com” for business. Research showed that in the rush to accelerate success, organizations have a tendency to randomly assign executive staff to accounts based on titles, geographies or other factors that don’t take the “*relationship*” into proper perspective. Those organizations on the **path to success** employ a more systematic approach to executive matching that incorporates both art and science to align the right company executive to a corresponding customer executive.

Uncovering a common bond outside of a functional role, such as interests in similar philanthropic causes, college alums, hobbies and cultural similarities help bring human nature and bonding to the relationship. The role of the ESP manager as matchmaker is a time-consuming effort that requires a combination of inherent people skills and a “roll-up-your-sleeves” attitude to uncover and analyze the backgrounds of the executives targeted for engagement in the program. DeeDee Rixe from Microsoft has found that “Selecting the right accounts and matching the right customer with the right executive is not an exercise you do in a two hour meeting. You need to be very thoughtful and purposeful in your planning.”

ESP at its heart is about building solid relationships at the executive level; it’s “match.com” for business.

The ESP manager must be able to identify the level of structure necessary in the program, balance both the art and science of account selection and executive matching, and determine which relationship-based assignments will blossom for mutual benefits. Organizations failing to properly match executives found that relationships did not materialize and led to a “check the box” approach which was more mechanical than relationship enhancing.

Scott Hardey from Planview shares, “We spent a lot of time on the executive-to-executive matching process. Having proper alignment in the matching process is a foundational success factor.”

An additional aspect of Program Structure when setting your program up for success is the initial Monitoring and Rewarding. This will be discussed further in *Sustaining the Program* section.

Implementation Pace

Go slow to go fast



“... key to our success ... start with a small number of accounts. This allowed us to secure early public success and build the momentum needed.”

Virginia Chambers, AT&T

The third characteristic on the path to ESP success is **Implementation Pace**. We found that organizations who continually failed in their efforts to launch an ESP simply took on too many accounts at the onset. The amount of change, communication and management associated with launching an ESP is often overlooked in favor of grand objectives to build a comprehensive program fast. We found several organizations whose short-term goals included engaging as many as 100 accounts in the ESP within the first year. One organization targeted 100 accounts in the first quarter alone. These are, in simple terms, complete failures.

Virginia Chambers from AT&T said, “One of the keys to our success when we launched the program was to start with a small number of accounts. This allowed us to secure early public success and build the momentum needed to add additional accounts at a pace that our Account Teams and Executives could effectively absorb.”

We found that those on the **path to success** invested time in a pilot phase to allow adequate testing and validation of the structure and assignments. The pilot approach provides sufficient time to digest account-based findings, action items and issues uncovered in the ESP and incorporate changes in the next wave of accounts.

The ESP **path to success** is a *journey*. Of the ten organizations we considered to have achieved success in their ESP, seven have had their program in place for five years or more. Each of those organizations recognized that a slower pace enabled them to build momentum with successful pilots, rally the organization behind short-term wins and set the stage for long-term success.

Sustaining the Program

Successful transition from launch to sustain

When transitioning from launch to sustain, the first two elements of launching an ESP continue and evolve:

- 1) Internal Alignment
- 2) Program Structure

And a third element is added:

- 3) Monitoring & Rewarding

DeeDee Rixe from Microsoft states, “We launched the program several times in different configurations before finally discovering the right level of support and engagement from key stakeholders. Leveraging the executives as assets, providing the structure, focus and reporting is what made the difference.”

Internal Alignment

It continues with the CEO

Often we find the ESP can accelerate an enterprise transformation in terms of culture and cross-functional cooperation that only the CEO (or Business Unit President if program is at that level) can lead. Organizations on the **path of frustration** found that competing priorities and other organizational challenges such as reorganizations, acquisitions and attempts at customer engagement events to drive short-term revenue led to major struggles of the ESP, sliding backward toward being another “fly-by-night” marketing or sales campaign.

Companies on the **path to success** find that continuing to leverage the CEO to gain **Internal Alignment** is one of the keys to their success in sustaining the ESP. Like any initiative in an organization that has lasted through recurring change, those that have full support and commitment from the CEO are the most successful.

Companies know they have achieved buy-in of the ESP when it becomes so engrained in their culture that it becomes a part of the daily routine within the company. In fact, **62%** of the successful companies on the **path to success** said that the ESP was highly engrained in their culture. Jim Quade from IBM states, “One of the keys to success with our Partnership Executive Program over the past 20 years has been the ability to align the program to our culture to make it pervasive within the organization to effectively sustain and continuously improve.” The continued CEO’s support will guide the ongoing success of the program.

62% of successful companies on the **path to success** said that ESP was highly engrained in their culture.

Program Structure

Evolves over time

When it comes to program structure, every organization is different, therefore every program is different. The program managers that guide their organizations on the **path to success** had to constantly ebb and flow the program with the dynamics of the organization and external landscape. However, the program structure is primarily dependent on the business acumen and sophistication of the sales organization and individual account teams.

Our research revealed that with mature programs (i.e., ten years or more), the account managers are the focal point for the program. The account managers decide if and when they need an executive sponsor and what they want that executive sponsor to do. If you refer back to Exhibit 3 on page 4, it makes perfect sense. As the business acumen of the sales force improves, their accountability also increases and the level of program structure required decreases, yielding greater leverage of your executive team.



As organizations transition from launching to sustaining, the ESP Manager is always faced with the same question, “how many accounts can an executive sponsor handle?”

As organizations transition from launching to sustaining, the ESP Manager is always faced with the same question, “how many accounts can an executive sponsor handle?”

Our research found that the answer to the question also looks at the business acumen of the sales organization. If the specific account teams are not having business-level conversations with the C-suite, they will need the executive sponsor to do the “heavy lifting” and have those conversations for them. The executive sponsor needs to invest a fair amount of time in the account. Their bandwidth to take on additional accounts is limited. However, as the business acumen of the account team increases, the executive sponsor will be able to take on more accounts because the account team begins to do the “heavy lifting.”

Our research found that on average executive sponsors have two accounts each. However, in the more mature programs that have been around for eight plus years, the executive sponsor handles three to four accounts. The more mature ESPs have strong business acumen among their account teams. For example, AT&T’s program has been in existence for over eight years and they have found that four accounts per Executive Sponsor, on average, is the formula for ESP success.

There are many factors that will influence the ESP structure as your program evolves. The companies that found the **path to success** are those who set realistic expectations and remain flexible.

Monitoring & Rewarding

Validating success

If you are serious about driving consistent results from implementing an ESP, you will need a **Monitoring** scorecard to measure success.

When monitoring a program for long-term success, knowing when to transition from launch measures to sustain measures is important. Our experience has shown it is critical to focus on *launching indicators* and *sustaining indicators*.

When launching your program, the indicators should focus expectations on the first 6-18 months of the program to monitor the overall program health (i.e., number of executives matched, executive sponsor effectiveness, number of engagements, etc.).

During the launch it is important to monitor the success, but it is equally important to “celebrate the success.” **Rewarding** (and recognition of) the top executive sponsor, the most collaborative team, etc., will go a long way to drive the success of your program.

As you transition from launch to sustain, your indicators move to more business metrics that are 18-24 month horizons. This is where the organization tracks retention, loyalty, relationships, innovation, revenue and/or references. Monitoring is all about putting the right structure in place to make the program successful long-term.

Executive Sponsor Program	
Program Health <ul style="list-style-type: none"> • Executives In Program 10.0 • Accounts In Program 10.0 • Engagements YTD 5.0 	Executive Sponsor Evaluation <ul style="list-style-type: none"> • Effectiveness 5.0 • Follow-up 3.0 • Touch-points 5.5
Customer Engagement Experience 6.5	
Exhibit 5: Sample Launch Scorecard tracking the customer engagement experience. This scorecard is based on a 1-10 scale (10 being the highest).	

Typically, executives are surprised to learn that one of the top four ESP benefits is *Innovation*. We found there is a great opportunity for account based innovation with strategic accounts. These accounts help an organization develop new products and/or services that not only benefit the specific customer, but also enable an organization to adapt new products and services to the masses.

Jeff Tinker, Senior Vice President of Treasury Product & Marketing from Wells Fargo said, “We have a consistent approach to capture customer insight. This enables us to fine-tune the tangible feedback, which has led to true account based innovation.”

One organization holds bi-annual “dreaming sessions” with their top ten accounts. These “dreaming sessions” give this organization an unbelievable competitive advantage by understanding their top accounts’ strategy and pain points to develop products and services that solve those issues.

Scott Hardey from Planview states, “Some of our best innovation has come from teaming with our Executive Sponsor Program accounts.”

Ironically, we found that several companies executing ESP don’t measure the one component we anticipated as the most significant metric: *revenue*. Those that do measure revenue over the long-term find that revenues in ESP accounts significantly exceeded normal growth rates. Most organizations we spoke with inherently know that ESP accounts grow faster than comparative accounts, but failed to adequately track and measure that success.

By monitoring the program with the proper metrics, internal reporting, rewards/recognition and a cadence, the leading organizations were able to effectively stay on the **path to success**. By adopting the principles shared in this paper, a B2B organization will position themselves for success with their most strategic customers that are a part of the ESP.

“We have a consistent approach to capture customer insight. This enables us to fine-tune the tangible feedback, which has led to true account based innovation.”

Jeff Tinker, Wells Fargo

Conclusion

Launching and sustaining a successful ESP is a challenging proposition for any organization. The organizations that achieved the **path to success** had the following characteristics:

- **Internal Alignment** with the CEO, program manager, executives, sales teams and marketing.
- **Program Structure** to have a standard, repeatable process that was sustainable, and balanced with sales force business savvy.
- **Implementation Pace** that leveraged pilots to gain quick success and knowledge to make adjustments before scaling the program.
- **Monitoring & Rewarding** to re-enforce the goals, objectives and achievement of the program in both the short and long term.

Organizations on the **path to success** treat the ESP like an enterprise transformational initiative, employing practices often found in other leading change initiatives that include program sponsorship, communications and change management.

Those companies that employ these best practices are achieving substantial gains in retention, account-based loyalty, customer advocacy and innovation. They also have a clearer understanding of market-based dynamics from the executive leadership team participating in the program.

Organizations on the **path to success** have found the rewards of a successful ESP far outweigh the challenges in launching and sustaining the program.

Geehan Group Research / References

Geehan Group research focuses on customer engagement programs with B2B market leaders. This Executive Sponsor Program (ESP) research was conducted with 21 B2B enterprise companies ranging in size from \$75 million to over \$20 billion and included a combination of one-on-one interviews and surveys. The following companies participated:

AT&T	NetApp
Autodesk	Oracle
CA Technologies	PAETEC
Callidus Software	Planview
Cardinal Health	Qwest
Diebold	Siemens
EMC	United Healthcare
Honeywell	VMware
IBM	Wells Fargo
Intesource	Xerox
Microsoft	

Contact Information:

Geehan Group

info@geehangroup.com

937.226.1622