E Source

Engaging middle managers to stoke a customer-centric culture

By Eryc Eyl

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When engaging and motivating front- and back-office employees to create a customer-centric culture, organizations often overlook the critical role managers play. Don't assume your managers are informed about and on board with your customer experience (CX) initiatives. Take action, and educate and empower them to be CX advocates.

The role of managers in building customer-centricity

At utilities, a focus on CX and customer-centricity represents a major organizational change. To facilitate and manage that shift, you should follow organizational change-management best practices and research. For over 20 years, Prosci, a global leader in change management, has researched the key factors that influence successful change. Middle-manager engagement has been among the top seven change-management best practices throughout the company's past four global studies.

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Manager engagement has a strong influence on employee engagement, with managers acting as on-the-job trainers, coaches, and role models for the new behaviors that will create a more customer-centric organization. E Source defines employee engagement as the extent to which an employee willingly and proactively takes initiative to support an organizational priority. Senior leaders and CX professionals should engage managers early to gain and maintain their support so those managers can effectively play their critical role.
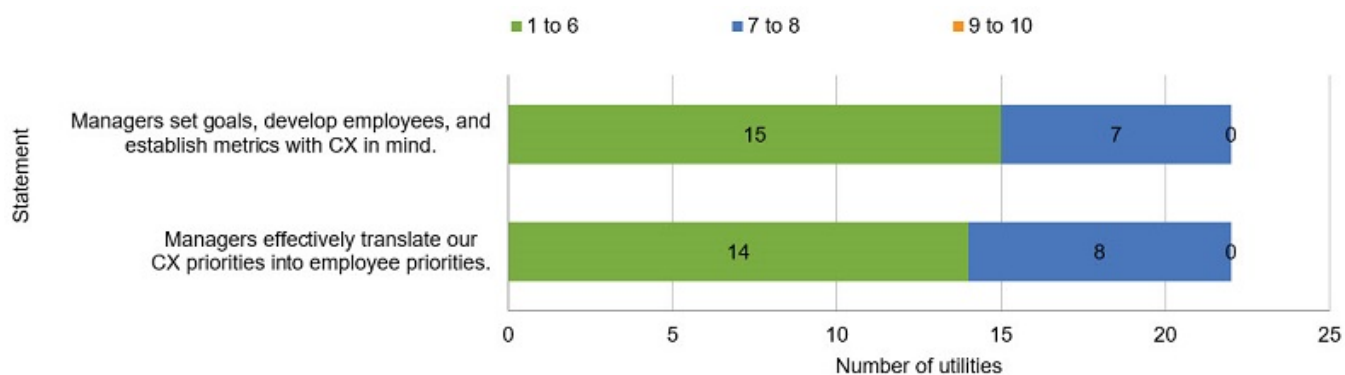
E Source identified two key activities that managers should focus on to foster a customer-centric culture:

- Translating CX priorities and strategies into employee priorities and behaviors
- Setting employee goals and managing performance based on CX priorities and their associated actions, attitudes, mind-sets, and outcomes

Unfortunately, managers in most utilities aren't performing these two tasks successfully (**figure 1**). This isn't because managers aren't capable, but rather because utilities haven't realized how important these responsibilities are and haven't prioritized them with middle managers.

Figure 1: Managers aren't effectively incorporating CX into employees' jobs

To improve employee engagement with customer experience (CX), managers need to help their teams understand what CX means to their roles and then manage performance based on CX priorities.

Legend: ■ 1 to 6 ■ 7 to 8 ■ 9 to 10

Managers set goals, develop employees, and establish metrics with CX in mind. — 15 | 7 | 0

Managers effectively translate our CX priorities into employee priorities. — 14 | 8 | 0

(X-axis: Number of utilities, 0 to 25; Y-axis: Statement)

Base: n = 22 utilities. **Question S1_6a:** Using a scale of 1 to 10, where 1 means strongly disagree and 10 means strongly agree, how strongly do you agree or disagree with the following statements about CX management at your organization?

© E Source (Customer Experience Survey 2018)

Strategies for engaging middle managers

Plans to engage middle managers don't need to be different from plans to engage other utility employees. Engaged managers, like engaged employees, willingly go the extra mile to achieve results. E Source Customer

Experience Strategy Service members can read about [The 6 Es of employee engagement](#), our research-backed framework for engaging all employees to improve the customer experience (**figure 2**).

Figure 2: Engage employees using the 6 Es

Following the 6 Es of employee engagement in sequence increases engagement and leads to better business results.

Empathize · Engage · Educate · Enable · Empower · Embrace

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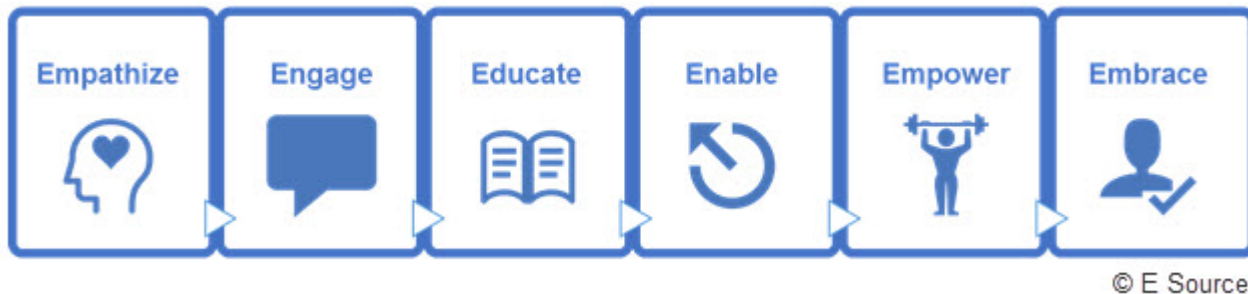
Empathize

Begin by listening to managers to understand what CX means to them and what's preventing them from promoting great CX within their departments. Many organizations conduct employee-listening sessions to gather voice-of-the-employee feedback about customer experience. Consider holding a similar session with your middle managers, and pay attention to their perspectives and challenges.

Engage

Next, create opportunities for managers from all departments to interact directly with customers. Involve them by seeking their suggestions for improving CX or the even organization as a whole. This involvement is vital because we're all more likely to support what we help create.

One utility uses an employee advisory team in its customer service department to gather employee suggestions for enhancing CX. A manager advisory team could provide valuable ideas while also sending the message to managers that their input is important.

Educate

> **Training is more effective when attendees clearly understand the need for the change and have a desire to participate in it.**

Though it's tempting—and conventional—to start any change with training, change management research has shown that training is more effective when attendees clearly understand the need for the change and have a

desire to participate in it. Train managers only after you've listened to (Empathize) and involved (Engage) them. Listening to and involving managers can be the difference between another mandatory training class that gets limited results and an energizing learning experience that begins to shift attitudes and mind-sets to a more customer-centric direction.

Training managers to stoke a customer-centric culture should focus on three primary learning objectives. At the end of the training, managers should understand:

- What customer experience is and why it's important to the utility right now
- Who the utility's customers are, as specifically as possible, and what they need from the utility
- How each manager's job connects to and affects the customer's experience

Training doesn't always have to take the form of online modules or classroom lectures. Technology giant SanDisk hosted an annual "Customer Focus Day," where all employees, regardless of role, gathered in a carnival-like environment to learn about and interact with real customers.

Enable

Once you've listened to, involved, and educated your managers, focus on making sure they have the knowledge, skills, and tools to manage and support employees to deliver the desired customer experience. Use the insights gathered from listening to managers (Empathize) to determine your priorities.

> **Promoted employees should receive training and coaching to develop managerial skills.**

In many organizations, managers and supervisors are promoted because they excelled in their jobs. Unfortunately, this experience does little to prepare them for personnel management and other responsibilities that have nothing to do with, for example, being an effective call center agent. These promoted employees should receive training and coaching to develop managerial skills. If managers don't know how to translate high-level priorities and strategies into employee priorities and behaviors, how to set customer-centric goals, or how to manage performance based on those goals, they might need coaching and support to be successful.

Empower

By now, you'll have managers who are enthusiastic about—and able to improve—the customer experience. It's time to focus on evaluating processes and policies to ensure that managers are empowered to deliver the desired customer experience. Again, the insights you gained from manager-listening sessions will help you prioritize.

One utility piloted a program called Feel Free to Fix It, in which field employees were empowered to spend up

to $500 to fix just about anything for a customer while they were out on a service call. According to one executive, the cost of this program was negligible, but employees received the message that the company supported them in delivering an excellent customer experience. For example, reviewing and revising approval limits for customer credits can empower care center managers and supervisors.

Feeling valued and making daily progress on meaningful work drives everyone. Often, well-intended organizational decisions inadvertently interfere with these underlying motivators. To empower managers, examine where systemic or structural policies or processes are getting in the way of creating the desired customer experience or decreasing a manager's sense of being valued, making progress, or doing meaningful work.

Embrace

Don't overlook the importance of ongoing reinforcement to the success of change initiatives, including CX. To keep managers motivated and engaged—and to make the new mind-sets, attitudes, and behaviors stick—align rewards and recognition to CX priorities so you reinforce desired behaviors and outcomes, and so that managers don't revert to old, utility-centric ways.

Recognition doesn't have to mean a monetary award.

Recognition doesn't have to mean a monetary award. Duke Energy recognizes outstanding employee activities in the "High Five" segment of its corporate newsletter. Review your existing rewards and recognition programs to identify opportunities to celebrate excellence in middle management and not just in the front office.

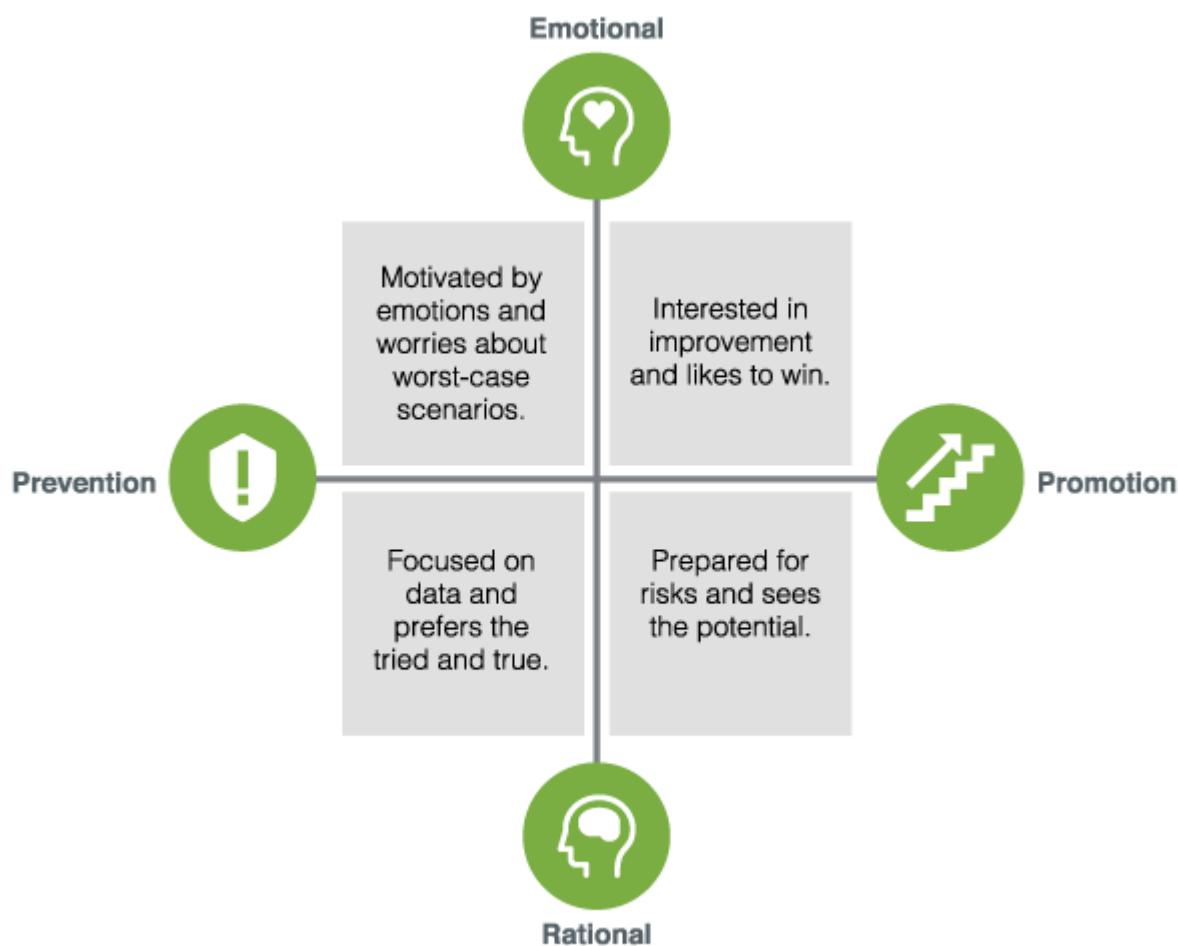## Manager personas and influence tactics

Throughout the 6 Es process, you'll be influencing middle managers to cultivate customer-centricity among their employees and to become more customer-centric themselves. Each manager will respond differently to various strategies and tactics. Just as the ideal customer experience is the one designed for a specific customer, the ideal influence strategy to gain manager support for customer-centricity is highly personalized.

To individualize your influence strategies and tactics, E Source suggests segmenting your managers into four profiles, based on a two-by-two motivation matrix we've developed, shown in **figure 3**. Along the x-axis, plot the manager's instinct for loss avoidance versus reward seeking. On the y-axis, plot the manager's response to rational versus emotional appeals.

Figure 3: To influence managers, personalize your approach.

Plot the managers you need to influence in the motivation matrix, and customize your influence tactics based on your understanding of them as individuals.

Emotional

Motivated by emotions and worries about worst-case scenarios.

Interested in improvement and likes to win.

Prevention

Promotion

Focused on data and prefers the tried and true.

Prepared for risks and sees the potential.

Rational

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We find that CX professionals who use these manager profiles to create their influence strategies tend to have greater success than those who use only spreadsheets and cost-benefit analyses to get managers excited about customer-centricity.

Motivated by fear of loss. Managers in the upper-left quadrant are risk averse and concerned about worst-case scenarios. Because they're motivated by emotions and holding on to what they have, the most effective influencing strategies should emphasize how your utility's new way of doing things will prevent upheaval and negative consequences, especially those related to them and their teams.

Motivated by analytical risk avoidance. Those in the lower-left quadrant are also cautious and prefer sticking to the tried and true. These managers are motivated by a need to be in control and are interested in how your new way of doing things will protect the organization. They want to avoid actions that will make key performance indicators go in the wrong direction. For example, if you can show them how a customer-centric

approach will protect the company's credit rating or control costs, you'll have their attention. They'll want to see your data.

Motivated by metrics improvement. Managers in the lower-right quadrant are outcome focused and want to win in the marketplace. They, too, are moved by data, but they're more focused on gaining what they don't have than they are on protecting what they currently have. They love to see metrics that trend up and to the right. You can influence them by demonstrating how your new way of doing things will result in increased market share or wallet share, elevated J.D. Power standings, or key-metric improvements.

Motivated by hope and possibility. Those in the upper-right quadrant are excited about what the utility can do for its customers and community. They're always up for a significant risk that might bring a big reward. They respond more to emotion than logic, so you'll get their attention with stories and a compelling vision of what could exist in the future.

Managers in the upper quadrants will respond more to narratives and the voices of customers and employees. Call recordings, focus group transcripts, survey comments, complaints, testimonials, and social media posts can be powerful tools for influencing them. Managers in the lower quadrants will be more influenced by traditional business cases and return-on-investment models. Those on the left are afraid of losing, so focus on protection and prevention. Those on the right are motivated by winning, so focus on how you can promote and progress. If you're trying to influence and engage several managers at once, make sure you appeal to each of the four quadrants.

> **One tactic that can engage middle managers in CX—and drive CX improvements—is enlisting managers as members of a cross-functional CX governance council.**

One tactic that can engage middle managers in CX—and drive CX improvements—is enlisting managers as members of a cross-functional CX governance council. This can be an especially powerful way to involve back-office managers, help them understand the organization's CX efforts and priorities, and help the CX team better understand how CX fits into priorities across the organization. Our report CX Councils: Your Customer Experience Secret Weapon provides advice on how to assemble a CX council, who to include on it, what tasks your council should accomplish, and how to measure its success.

Including managers in journey-mapping sessions is another effective tactic to engage middle managers in CX. Their functional expertise and perspective are invaluable assets to CX professionals, and the journey-mapping experience gives managers a chance to view business processes through the customer's eyes.

Making the most of managers to stoke a customer-centric culture

Managers play a critical role in a utility's journey toward customer-centricity. Employees look to their managers as coaches and role models who embody the attitudes, mind-sets, and behaviors the organization values. Utilities that invest in enlisting and enrolling middle managers as CX champions will turn these influential employees into valuable allies.