

# Starting a Customer Success Career Playbook

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A common discussion point in the career coaching sessions I've been doing is how can someone start a career in Customer Success, if they have no prior experience.

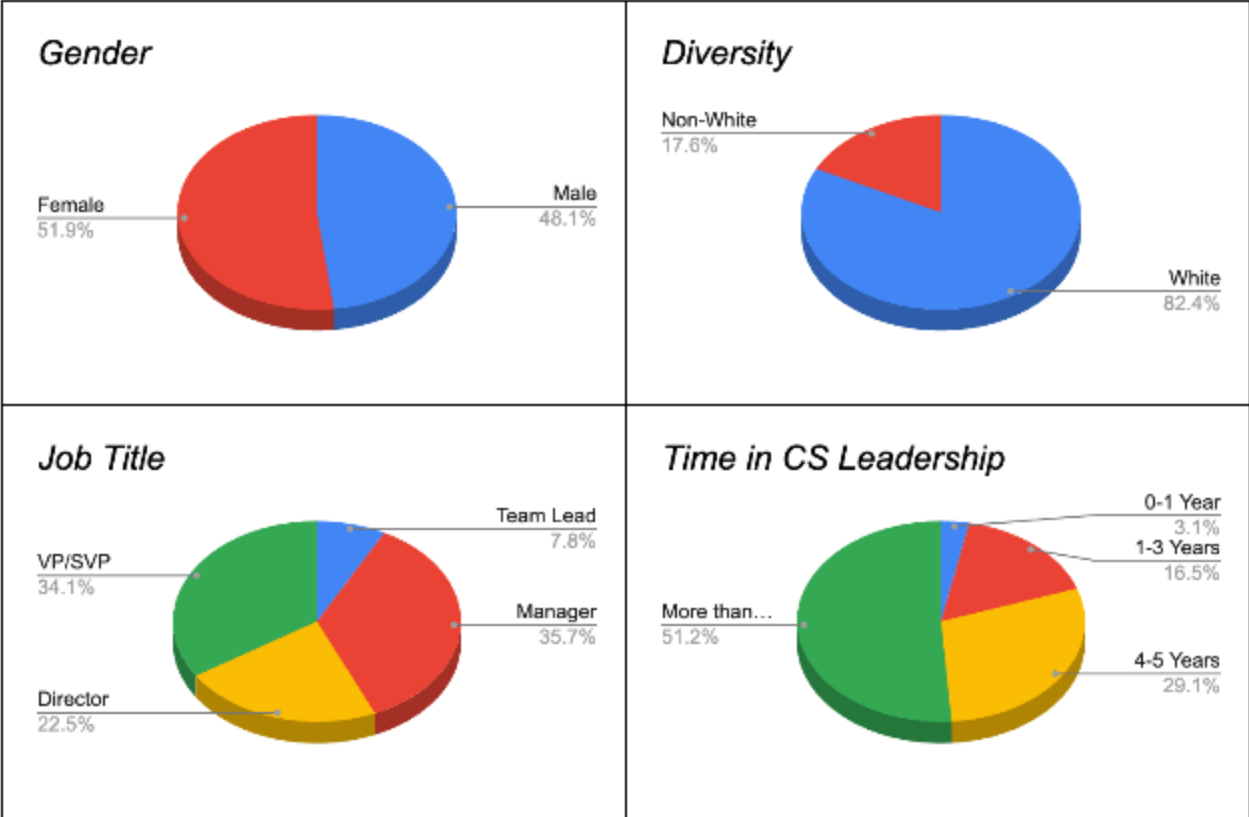
I have my own thoughts, but I decided to tap the expertise of my network to get a much more holistic view. Many thanks to the 129 Customer Success leaders who completed a survey to gather a much broader perspective on how to most effectively position yourself for a CS role!

The overarching goal of this playbook is to give you the tools to understand what CS leaders are looking for in a candidate, and the ability to craft a narrative on how your non-CS experience can effectively translate to a CS role.

## **Who completed the survey?**

129 Customer Success leaders completed the survey. There is likely a level of selection bias in the results, as many are individuals that I've worked with in the past (or were a second-network connection). Geography was not a question asked, but there is definitely a concentration of Northeast leaders (where I live and where much of my network is).

There was good gender balance, but not great ethnic diversity (which may be a reflection of both my network, and broad CS leadership demographics).

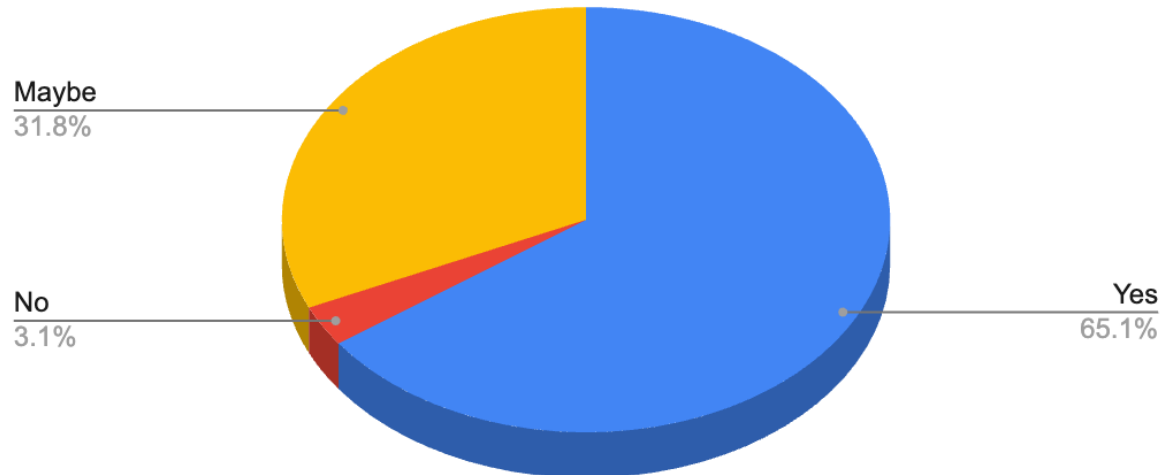


The respondents also skew further into their career, both in terms of job title as well as years in leadership.

**Can I get hired for a Customer Success role if I don't have prior experience?**

The headline answer is - absolutely! Only 4 of the 129 respondents answered No. 96.9% of CS leaders in the survey responded either "Yes" (65.1%) or Maybe (31.8%).

## *Would you hire someone with no prior CS experience?*



Some of the best CS reps I ever worked with had no prior roles specifically in Customer Success. In my experience, we consistently had great success with behavioral interviewing - focusing on the characteristics that we believed correlated with a great CS rep in the interview process, knowing that we could always ramp individuals up on the tech/product side.

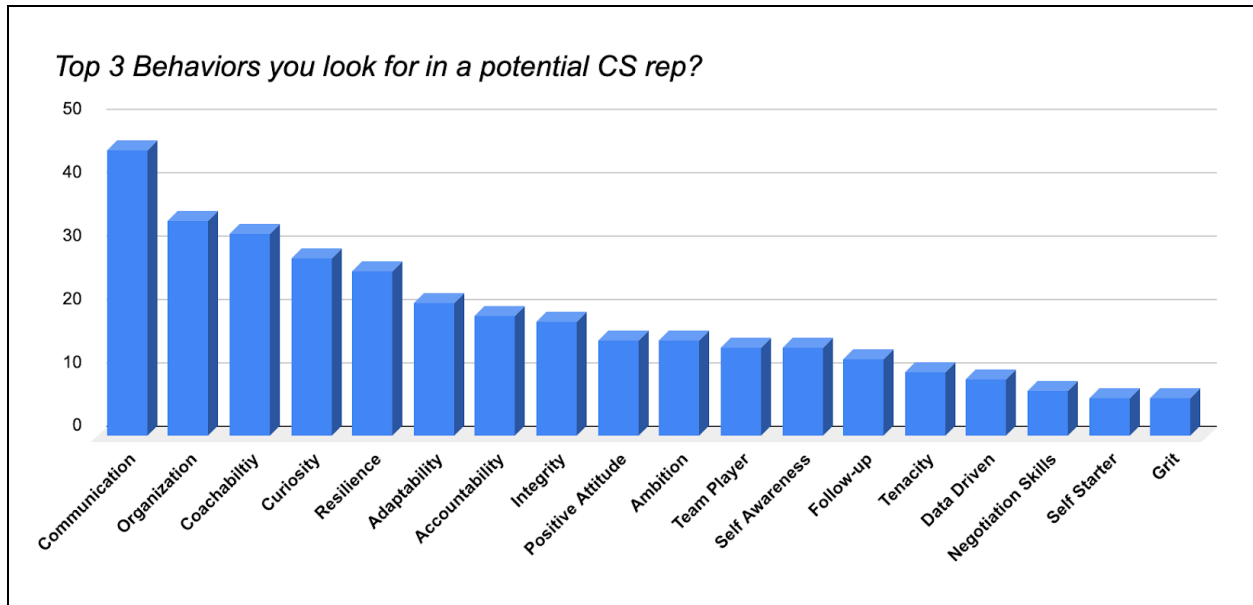
The respondents in this survey overwhelmingly agreed. If you're looking for your first role in CS, know that many hiring managers will hire the right candidate who doesn't have prior CS experience!

### **What are CS leaders looking for in a candidate with no prior experience?**

The survey asked each respondent to list the top 3 characteristics they look for in a CS rep (regardless of whether they have prior CS experience). This was an open-form question, where respondents did not choose from a set of answers but rather wrote in their own.

Note that in compiling the results, synonyms were grouped together and there is some level of subjectivity in that process. Does "Tough as nails" equate to "Grit"? The results will reflect those grouping decisions, but I believe the aggregate results should be useful in positioning yourself for a CS role.

The chart below shows the number of times each behavior was listed by a respondent:



In reading through the characteristics and behaviors that CS hiring managers look for, you should orient your resume, interview answers, and examples around the above responses.

### Communication

Far and away, the top answer provided by survey respondents was communication. To be an effective Customer Success rep, you must be an excellent communicator - both externally to your customers, as well as internally.

Communication can be both verbal and written. When applying for a CS role, your first impression will be your application, cover letter, and resume. This is your first opportunity to show effective and concise communication. I'd recommend directly addressing why you believe you are a great candidate despite the lack of prior experience. The great thing about communication being the top answer is that you don't have to just state that you are a good communicator - your words can prove your position.

### Organization

Organization was the second most common answer, provided by 34 of the survey respondents. As you prepare for a CS interview I would recommend preparing a few stories about where organization was a critical component of success in your life (whether in a work environment or elsewhere). It is not enough to simply say that you are organized; have specific examples that **show** you are organized.

## Multiple Trait Answers

**A cheat code for interviews** - prepare stories that address as many of the characteristics that CS leaders are looking for!

This allows you to have 2-3 great responses to a wide variety of questions. You don't have to prepare a response to every single question that might be asked, or have a different story for every trait you want to show. You can practice delivering a few select stories that can answer many different questions, and display many different positive behaviors.

I vividly remember an interview with someone who was applying for a CS role over a decade ago. I don't remember what question I asked, but she responded with a story about how she was working at a grocery store and the cooler restocking was the worst part of the job.

She and the other employees suffered through the process for a period of time. But the candidate continued the story about how she asked questions about why the process was the way it was, and then changed the set-up and timing of the cooler restocking process to make it faster and less stressful.

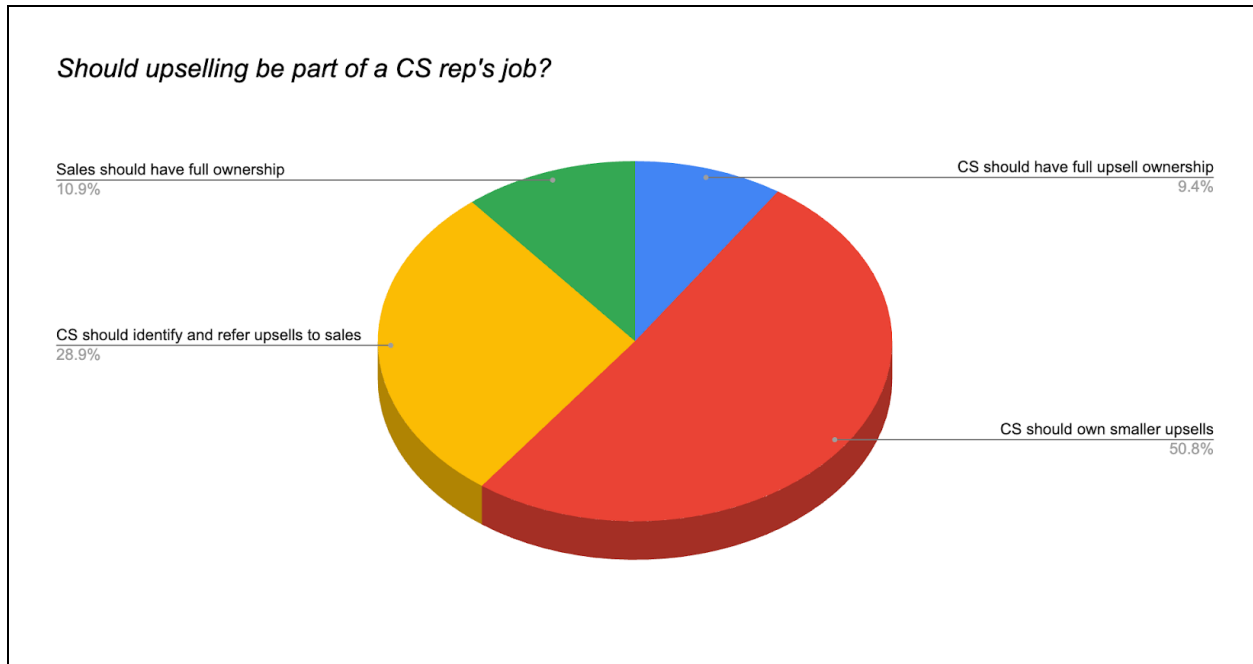
In one story she was able to show effective communication, organization, curiosity, resilience, team player, self starter, and probably a bunch more. She got the job!

### **Will sales be part of my job as a CS rep?**

Survey respondents overwhelmingly believe that upselling existing customers should be a shared responsibility between the Sales team and the Customer Success team.

Only 12 CS leaders in the survey responded that CS should fully own all upsells, and only 14 responded that Sales should fully own all upsells.

The majority (65) believe that CS should own smaller upsells that are below a certain threshold, and 37 more believe that CS should be responsible for uncovering sales opportunities and referring them to Sales.



As you prepare for a CS interview, you should consider how your prior work and life experience can help you in a sales capacity. So many things in life can be considered selling.

I started my career in engineering before moving to a CS role that also had sales expectations. I didn't realize it at the time, but my engineering experience was great preparation for sales. I was "selling" my answers to customers all the time - using data to explain why I made the decisions I did, or believed a network should be designed a certain way.

Even if the CS role you're applying for has no sales component, demonstrating that you can effectively sell is a valuable additional skill set that will very likely improve your odds of getting the job. Any situation in your life where you've had to negotiate or influence someone else's thinking can be the basis for a great interview story about transferable skills to apply to sales.

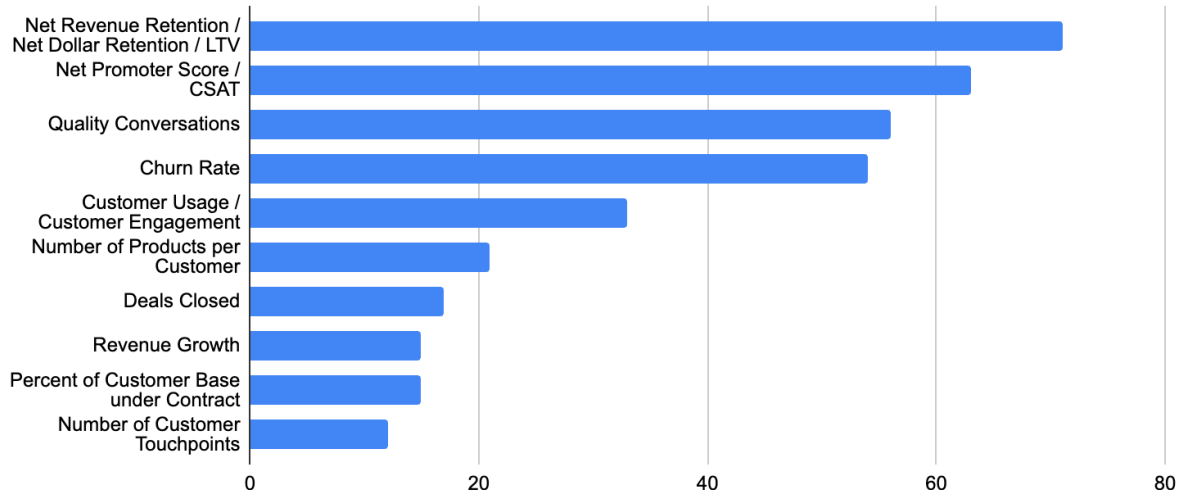
***What Key Performance Indicators (KPIs) do you believe are most important to manage to in a Customer Success organization?***

The intent of this question was to let CS candidates understand what data and activity CS leaders believe are most critical to the success of the business.

Notice that few of the metrics are around CS rep activity (# of calls, # of customer touchpoints, etc), but rather geared towards customer outcomes. The CS leaders in the survey are overwhelmingly focused on key business results for their customer base, and you should orient yourself and your interview answers accordingly.

Similar to the "behaviors that CS leaders look for" question, there was a level of subjectivity in grouping the open form answers together.

## What KPIs do you believe are most important to manage to in a CS organization?



You can differentiate yourself in a CS interview by understanding what the top business goals are. The top response in the survey was Net Revenue Retention (NRR) / Net Dollar Retention (NDR) / Lifetime Value (LTV). All three of these metrics incorporate revenue growth and churn into a single value:

**Net Revenue Retention (NRR) and Net Dollar Retention (NDR)** are often used interchangeably. Both are measuring the overall revenue of a customer base. Each metric can be applied to an entire organization, or a subset of accounts (such as the customer base owned by a CS rep).

NRR and NDR take a baseline recurring revenue amount, and measure how it changes over time. You take the starting recurring revenue, add any upsells and revenue growth (expansion), and subtract downgrades and churn (compression).

NDR is most often expressed as a percentage. NDR of 100% would mean that the recurring revenue has remained the same; revenue expansion has been canceled out by compression.

A NDR over 100% means a customer base is growing in revenue. For example, if a rep manages a book of business that starts at \$100k/month, and over the course of a year has \$15k in expansion revenue and \$10k of downgrades/churn, the NDR would be calculated as

$$(\$100\text{k starting rev} + \$15\text{k expansion} - \$10\text{k compression}) / (\$100\text{k starting rev}) = 105\%.$$

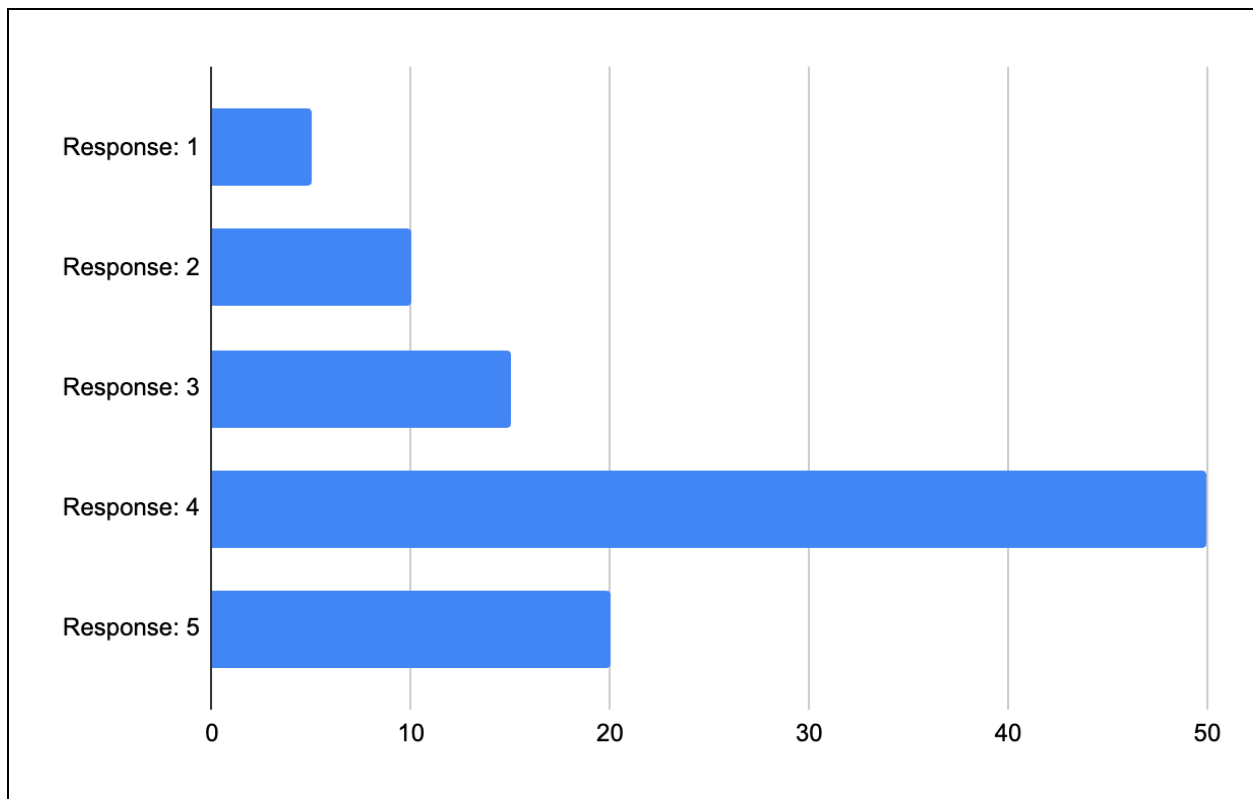
Conversely, a NDR below 100% means a customer base is shrinking in recurring revenue over time.

**Net Promoter Score (NPS) and Customer Satisfaction Score (CSAT)** are two different ways to express the overall happiness of a customer base.

Let's start with CSAT. Customer Satisfaction Score is calculated by surveying customers on a single question, often stated as simply as "On a scale of 1-5, how satisfied are you with your experience?". The scale could be 1-3, 0-10, or any other number range; we'll use 1-5 as an example here.

CSAT is calculated as the number of positive responses divided by the number of total responses. In our example, responses of '4' and '5' are considered positive.

So if a CSAT survey was responded to by 100 customers as follows:



The CSAT score would be 70 (fifty '4's + twenty '5's, divided by a hundred responses).

Net promoter score (NPS) is also calculated by using a survey to a customer base with a single question. The question is more consistent with NPS compared to CSAT. The question is almost always asked as "On a scale of 0-10, how likely are you to recommend our business to a friend or colleague?".

NPS is calculated by sorting all responses into 3 categories:



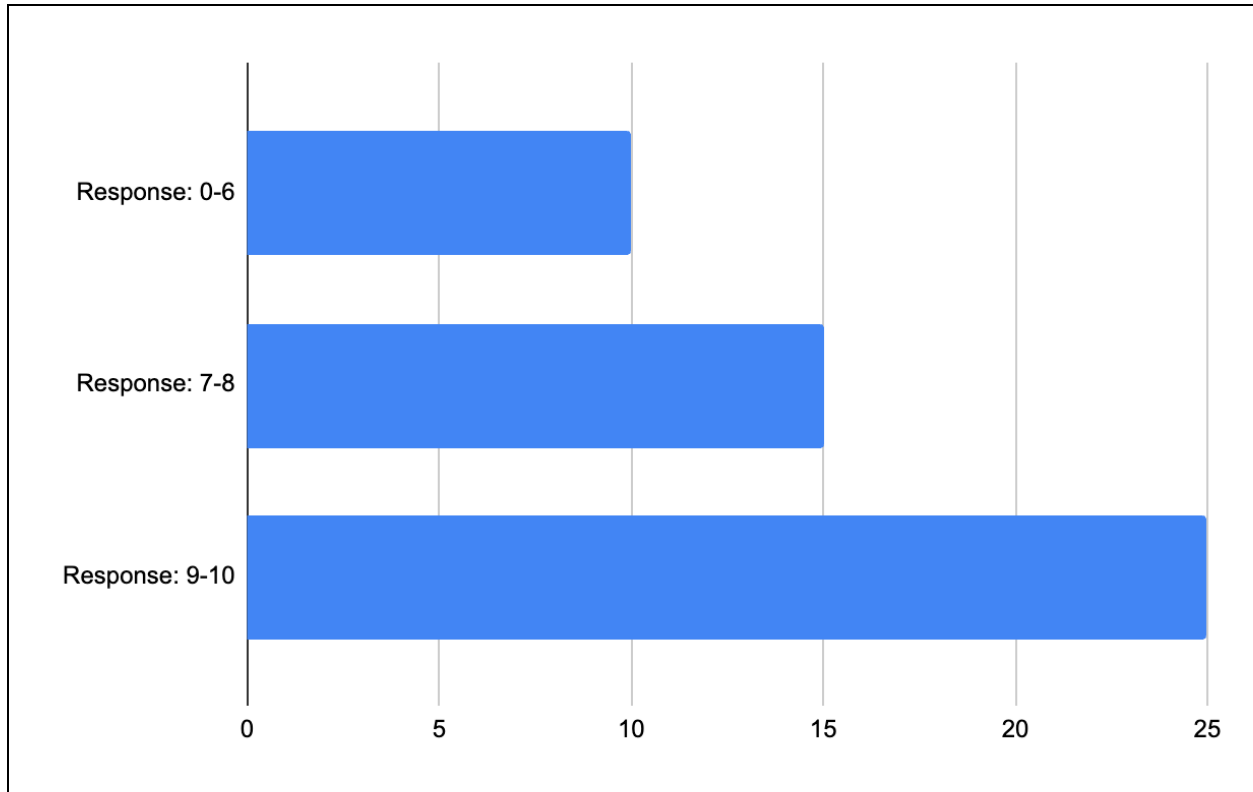
Promoters are customers who respond with a 9 or a 10.

Passives are customers who respond with a 7 or 8.

Detractors are customers whor respond with a 0-6.

The NPS score is calculated by subtracting the percentage of Detractors from the percentage of Promoters. A NPS score can range from -100 (all Detractors) to 100 (all Promoters).

Let's consider the following responses to a NPS survey:



There were 50 total respondents. 50% were Promoters (responses of either 9 or 10), and 20% were Detractors (responses of 6 or less). The NPS score for this survey is  $50\% - 20\% = 30$  NPS.

What is considered a 'good' NPS score can be different across different industries, but in general a positive NPS score (above 0) is considered good, above 20 is great and above 50 is excellent.

Both metrics have their places in a business. I prefer to use NPS in most cases because it incorporates more customer information. Specifically, customers with very low responses will impact a NPS score differently than they impact a CSAT score. CSAT can be a very useful tool for more transactional surveys (was a tech support issue resolved to the customer's satisfaction, for example).

My advice is to read up on all of the most common KPIs that survey respondents identified, and understand each one. A great interview question for YOU to ask could be what is the company's customer NPS score or CSAT score. It demonstrates a knowledge of key metrics, and also lets you learn how happy their customer base is!

***Are there certifications or other outside work I can do to make myself a better candidate for a CS role?***

This question was not asked in the CS leadership survey. It's a great question that was asked by several individuals in payforwardcoaching.com sessions. I didn't have a great answer, so I asked some people in my network the same question.

The most common response was [aspireship.com](http://aspireship.com). It has Sales and Customer Success training programs, and also assists with job placement. As I come across more resources, I will update this document.