The CMO's First Ninety Days

Self-conceit may lead to self-destruction.

—Aesop, "The Frog and the Ox"

Don't manage, lead.

—Jack Welch, former CEO of GE

WHAT SHOULD A CMO do during the first ninety days of a new or revitalized job? What should be the first-year agenda? The importance of getting off to a good start and avoiding a bad one is crucial for anyone undertaking a change agent role, even if the change has an extended time horizon. The danger is to get wrapped up in the day-to-day operations and fire-fighting meetings.

The early efforts should have two prongs. The first should be an assessment of the organization's capability to span silos, to generate cross-silo communication, cooperation, synergistic programs, and resource allocation in the face of silo barriers. The second should be an action plan—what activities and actions and, most of all, with what priorities?

Assessing the Organization's Capability to Span Silos

Figure C-1 is an assessment guide that provides a road map for a comprehensive audit of the silo world. Each of the fourteen dimensions can be evaluated on a ten-point scale with respect to the organization's capability and performance with a rating of 10 meaning *exemplary*. The first eight of these dimensions represent enablers of silo-scanning marketing. The next six represent the presence or absence of cross-silo successes.

A total score can suggest a global judgment about the organization, whether silo spanning is a competitive advantage or liability. The assessment on the individual dimensions should indicate where the areas of weakness and opportunity lie. Where is the organization being held back? If there is broad weakness it will usually be useful to prioritize the eight enablers. If only a few of these are not in place, it will be difficult to avoid having the silo structure inhibit potential performance. The first dimension, the CMO team, is of special interest because its performance will be the driver of CMO programs and will be critical to achieving CMO goals.

Each dimension has several associated questions that serve to provide texture and perspectives to the analysis. Other questions might be added. Addressing the questions should provide depth of understanding of the organization's capability. They should also provide some diagnostic information as to exactly why the organization is weak on that dimension and what direction remedial efforts should take.

The assessment exercise, especially the work on the last six dimensions, should lead to a rationale for change. What exactly are the problems or lost opportunities that require the organization to make changes and the CMO office to get more resources and authority? These problems and lost opportunities should be as vivid and motivating as possible, illustrated with specific anecdotes. They should show that a potential competitive edge is being lost or that a competitive disadvantage is being created.

A key to getting a complete, honest picture is to sample people from a variety of silo contexts making sure that people of different level and

FIGURE C-1

Capability of spanning silos—audit

ORGANIZATIONAL ENABLERS OF SILO-SPANNING MARKETING

The CMO team
- Does the CMO team have defined roles? The right product and country scope?
- Is it sought after, accepted, tolerated, or avoided by the silo groups?
- Is the CMO team effective? Does it add value?
- Is the team moving in the right direction with the right speed toward resolving silo issues?
- Does the CMO have the right balance of authority and budget control by marketing activity?
- Does the CMO team create or have access to customer and marketing knowledge?
- Does the CMO team interact with the silo marketing groups effectively?
- Does the CMO team support centers of excellence focusing on topics or functional areas that span silos?

CEO support
- Is the CMO given adequate authority and resources?
- Does the CEO support the CMO and the need to reduce silo barriers?
- Does the CMO have a seat at the executive strategy table?

Cross-silo communication
- Are events and meetings effective at creating contacts and relationships that are used?
- Do people reach out to others outside their silo?
- Are silo personnel networked? Is networking encouraged?
- Is there a managed system of information networks that is healthy and effective?

The intranet-based information system
- Is there an intranet-based knowledge hub that is user friendly?
- Does the knowledge hub contain relevant and easily accessed information?
- Is it used extensively and appropriately?

The use of teams
- Are cross-silo teams assigned to handle the major cross-silo issues?
- Are the active cross-silo teams effective?
- Are there programs to measure and improve team performance?
- Are there enough active teams or is there a need for more?

The marketing planning system
- Is there a marketing planning system that is used by all the silos?
- Does it have common templates and frameworks?
- Does it drive strategy or is it considered a formality to get through?

Measurement and research
- Is there a common tracking data stream across silos?
- Is brand equity adequately measured?
- Is there a test and learn system? Is it ad hoc or ongoing? Does it include country silos?
- Is there a market research capability residing within the CMO team?

Marketing capabilities
- Are the functional marketing capabilities a strength or weakness overall?
- Are there redundancies and the lack of critical size in the functional marketing staffs?
- Is the talent level adequate? Are hiring and training programs in place to remedy any talent gaps?

(continued)

FIGURE C-1 (*continued*)

Capability of spanning silos—audit

SILO-SPANNING MARKETING SUCCESSES/FAILURES

Resource allocation
- Are marketing resources allocated over product, country, and functional silos optimally?
- Are there models and processes in place to objectively allocate marketing resources over silos?
- Are the major strategic brands prioritized? Are they supported adequately?

Managing silo-spanning brands
- Do brands that span silos have positions and messages that are inconsistent and undercut the brand equity in important markets?
- Is there a mechanism to adapt the brand to different contexts without creating inconsistency?
- Should some brands be moving toward having a standardized brand and marketing program?
- Are there healthy internal brand programs?
- Are there aggressive programs to leverage a strong brand into new products or countries?

Organization-wide brand portfolio strategy
- Are there too many brands with resources spread too thin?
- Is there an objective organization-wide approach to approve new brands to prevent brand proliferation?
- Are the organization-wide strategic brands identified and given adequate resources?

Silo-spanning marketing programs
- Are there effective marketing programs that span silos? Should there be more?
- Are there processes to create or propose them?
- Is the implementation of cross-silo programs smooth and successful? Does stress build over time?
- Are there too many communication partners? Is there a coordination problem?

Leveraging silo success
- Are there silo marketing successes that have been effectively exported to other countries or markets?
- How effective is the system to test and learn potential marketing successes?
- How effective is the ability of the firm to roll out successes?

Silo-spanning offerings
- Is there an understanding of customers and markets that spans silos?
- Do cross-silo offerings get proposed?
- Are go-to-market strategies of cross-silo offerings effective? Are there long-term success stories?

function positions are included—the elephant can look different from different perspectives. In addition, it is helpful to talk to people outside the organization, to customers and communication partners. Too often problems exist that were not apparent to insiders. Lou Gerstner, when he took over IBM, inaugurated Operation Bear Hug, in which each of the top fifty executives and their direct reports were to visit a minimum

of five large customers during a three month period and write a report on each.[1] The message was that customers were frustrated by IBM's silo orientation, which generated redundant sales calls and relationships and inhibited desired systems solutions. The customer voice made the problem convincing and dramatic.

Benchmark role models are useful to gain perspective. Within the organization, identify silos that seem to reach out and others that are isolated. Study both for insights into what works and what doesn't and what should be the attainable short-run and long-run standard. The existence of silo-spanning success stories inside the organization makes it tough to argue that it can't work here. The more specific and detailed they are, the better.

Benchmarks should also be sought outside the organization, even outside the industry. There can be a tendency to generate a low bar because what was done before seems adequate. A dramatic role model outside the organization can provide both an aspirational target showing what is possible and also a road map for how to get there.

Action Plan—Prioritizing Short- and Long-Term Goals

The challenge is to determine what should be the immediate priorities in terms of time, resources, and personal credibility. What should be accomplished in the near term, six to twelve months? Then what are the long-term objectives? What can and should be accomplished in the three- to five-year framework?

The CMO should base both sets of priorities in part on two dimensions. First, what is the impact of the activity if it is accomplished? Will it remove a barrier or an inhibiting force? Second, what is the difficultly of accomplishing the objective? Is it feasible? There is a trade-off. A modest doable goal may stimulate a worthwhile short-term activity.

Figure C-2 provides a suggested list of fifty-one priority programs organized into fourteen dimensions that correspond to the fourteen dimensions of Figure C-1. The CMO could evaluate each of the potential programs in terms of its impact and its feasibility using a pair of ten-

FIGURE C-2

Priority objectives and activities

	Impact	Feasibility	Long-term or short-term priority
ORGANIZATIONAL ENABLERS			
The CMO team			
• Clarify the roles of the CMO team by activity			
• Gain acceptance of the CMO team			
• Move up to a strategic partner or strategic captain role for certain activities			
• Determine what should be the province of the silo teams in the short-term and long-term by marketing activity			
• Review the product or country scope of the CMO office			
• Explore organizational forms:			
o Create liaison, integrator roles			
o Create matrix structure			
o Disperse the marketing team			
• Create centers of excellence focuses on topics or functional areas that span silos			
• Develop a program to create or get CMO team access to customer knowledge			
CEO support			
• Get the CEO to think that marketing is strategic and key to the priorities of the business strategy			
• Get the CEO involved			
• Obtain the necessary authority and resources to fulfill the job expectation			
• Gain a seat at the executive strategy table			
Cross-silo communication			
• Plan events or meetings that will create cross-silo relation-ships and communication's are used			
• Create networks of people around topics of interest together with an organizing team and a supporting intranet site			
• Create a culture of cross-silo communication			
The intranet-based information system			
• Create or upgrade the intranet knowledge hub, making it more effective			
• Improve participation in the intranet knowledge hub			
The use of teams			
• Create teams to tackle the biggest problem areas			
• Upgrade the operations of existing teams			
The marketing planning system			
• Improve the marketing planning system			
• Get the silos to use the same marketing planning system			
• Develop a process for each silo to create a brand identity or vision that will drive marketing			

FIGURE C-2 (*continued*)

Priority objectives and activities

	Impact	Feasibility	Long-term or short-term priority
Measurement and research			
• Develop research methods that will yield cross-silo insights and performance indicators			
• Develop measures of silo performance and brand equity			
• Institute a tracking database			
• Develop a test-and-learn capability that represents an ongoing refinement of offerings			
Functional marketing capabilities			
• Upgrade the talent of the central marketing group			
• Upgrade the silo marketing talent			
• Centralize some functional teams			
SILO-SPANNING MARKETING			
Resource allocation			
• Develop analytical methods and frameworks to evaluate silo businesses			
• Identify the strategic brands and businesses			
• Allocate the marketing resources across silos			
Managing silo-spanning brands			
• Get the brand identity and position right; make sure it is enunciated clearly			
• Measure the consistency of message and make adjustments			
• Develop a program to adapt brands to silo contexts			
• Create a brand building program			
• Develop an internal branding program			
• Consider the product or country expansion of the major master brands			
Organization-wide brand portfolio			
• Initiate a brand priority assessment process			
Managing silo-spanning marketing programs			
• Identify early wins—programs that will have little resistance, can be done in a reasonable time frame, and that are visible			
• Tighten the visual presentation of the master brand			
• Identify priority marketing programs			
• Create some home-run marketing programs that break out of the clutter			
• Develop expertise in programs areas that have the potential to span silos such as sponsorships and Web site–based programs			
• Determine and implement policy regarding which marketing activities should be viewed by the silos as discretionary and what should be adaptable			
• Create a program to improve the management of cross-silo marketing programs			
• Reduce the number of communication partners			

FIGURE C-2 (*continued*)

Priority objectives and activities

	Impact	Feasibility	Long-term or short-term priority
Leveraging silo success			
• Develop a process and culture that allows silo-based exceptional marketing programs to emerge			
• Identify a process to recognize those programs and test and roll them out expeditiously			
Silo-spanning offerings			
• Develop a process based on an understanding of markets and customers for cross-silo offerings to emerge			
• Develop a competence in managing silo-spanning offerings			

point scales. These evaluations should help determine if the program should represent either a short-term priority or a long-term priority. The output should be a clear set of both short-term and long-term programs to implement, with priorities established for each.

In setting priorities, the CMO should basically divide the activities and associated roles into several groups. First are those that the central marketing group is now doing. Is the performance weak, adequate, or outstanding? What resources or changes need to be made to improve the performance, to make it outstanding? Second, what activities can be taken on without stressing the organization? Will these be worthwhile given the resources available? Third, of those potential activities that involve stressing the organization, which will make the most significant impact on strategy? What resources and programs will be needed to make progress?

A key issue is the time frame. Ambitious timetables are sometimes needed and possible when there is a crisis and the CEO is leading the charge, as was the case for IBM in the early 1990s and McDonald's in the early 2000s. However, in the absence of crises, being an aggressive change agent may be risky, may result in a short tenure for a CMO, and, worse, may set back the ability of the firm to address silo issues. Visa, for example, developed a common updated visual presentation, a revised global brand architecture, and the use of a single media firm—big achieve-

ments in its environment. But it took five years and represented a small part of the potential progress that still remains. Chevron centralized much of the silo marketing staff, first in Asia in a two-year effort and then for the whole firm, involving another three or four years. CMOs who inappropriately take on a change agent role with a short time horizon given the goals risk a damaging flameout.

Objectives and priorities are not enough, of course. Ultimately, the CMO needs programs to achieve objectives. Program success often goes beyond operational competence to influencing organizational culture, structure, processes, and people. It is a tough job that involves political astuteness, persuasion, and inspiration, but a job that can sometimes mean the difference between success and survival.

Keep Your Eye on the Ball—Focus on Silo Problems

As noted at the outset of the book, the all-too-common instinct of forcing centralization and standardization on the organization can be dysfunctional, even resulting in a flameout of the CMO team. Reducing silo authority, making the organization more centralized, and moving toward more standardized offerings and marketing programs is often needed and appropriate. There is, without question, a marked trend in that direction. However, these changes should not be goals in themselves but rather routes toward reducing the silo-driven problems (namely those represented in the fourteen dimensions of the capability audit). Such changes can be summarized in the six objectives of the CMO team introduced in the introductory chapter:

- Improve allocation of marketing resources.

- Foster more coherent and linked brand strategies.

- Develop silo spanning offerings and programs.

- Improve marketing management competence.

- Leverage silo successes.

- Foster communication and cooperation.

There are moments in the history of an organization when it is feasible and necessary to create or adjust a CMO office so that it plays a strategic partner or strategy captain role. That can be the best or even the only way to make changes that could be crucial to the health or even survival of a business strategy. However, it should also be clear that assuming the nonthreatening roles of facilitator, consultant, or service provider can lead to significant changes without stressing the organization, especially if the CEO can be made an involved supporter of the effort. The result can be an organization that retains much of the decentralized structure that has served it well but with silo units that work as team members. And progress should be visible toward the ultimate goal of creating stronger offerings and brands and effective, synergistic, effective marketing strategies and programs.

For Discussion

1. Assess the silo organization using the audit dimensions shown in figure C-1. Identify areas of strength and weaknesses.

2. What is the action plan for the first months and year? What are the priorities? What are the long-term, three- to five-year priorities and objectives?