Training and Support Offerings for Software Companies

Rob Castaneda
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CEOCFO: *Mr. Castaneda, what is the vision behind ServiceRocket?*
Mr. Castaneda: ServiceRocket is a company focused on helping software companies make sure their customers fully use and love their software. It's not enough for a fast growing software company to develop a game-changing application, find qualified customers, and market to them adequately so they purchase the product. Users must also be properly trained and supported so they actively embrace the application and use it to its maximum potential. And, enterprise IT organizations must make sure the product works seamlessly within the existing infrastructure and is successfully deployed. Our role is to help software companies ensure their customer's success by putting together great training and support offerings that help them accelerate revenue growth, reduce their costs and increase consumption of their software.

CEOCFO: *Do you find that most software companies and developers realize that they need help, or is it a challenge for people to understand they should do what they do best and let you do what you do best?*
Mr. Castaneda: I think it's a mix. There are companies that understand the significant impact that a well-structured training and support program can have on the customer experience and on their bottom line. But there are also some companies that need a little bit of education. To help them, we put together a book called, "The Enterprise Training Maturity Model", so they can better understand where they are in terms of training. They may think their software is the easiest thing in the world to use and their customers don't need any training or support. By applying our model they can see whether that's the case and also understand what more advanced companies are doing and how they are thinking about software training and support.

CEOCFO: *Does just the fact that you are looking at it with eyes that have not created it, put you a step ahead of developing training?*
Mr. Castaneda: I think that is a really great point. You will commonly hear from companies that "our software is so easy to use, it's like an iPhone – it's intuitive." But if you are a major company rolling out ten thousand iPhones to your sales reps across the country, you would likely provide some kind of training so everyone is using the phone to its fullest potential. Not every customer is in love with a product as much as the engineers who built it are. I know for a fact that when I use Microsoft Word, I use three menu options – open, save and print -- and I might change the fonts, but there are 4000 features in Word, that I am sure the engineers at Microsoft are very excited about, that I've never used.

CEOCFO: *How do you work with a company? What is the process and how to do you get to know and understand what they are offering and what is the best way to position it from a training end?*
Mr. Castaneda: One of the main reasons we moved our headquarters to Silicon Valley in 2010 was to be closer to the heart of where software companies are born. This is an important part of our process of working with our customers to build their training programs. By being close, we can, in many cases, work in their offices, spend time with our customers' subject matter experts and spend time using the product, which allows us to learn their technology, products and customers more quickly. Then, we start developing training materials in an iterative, back-and-forth process so our customer is part of the process and can see the training unfold. This partnership method works well, and our customers have confidence that we are learning their products and will represent them well as we deliver training to their customers.

We moved our headquarters to Silicon Valley in 2010. That was to be closer to the heart of where software companies are born. Not all of them are here, but there are quite a few. We network a lot and get a great deal of referral business from software companies saying they want their training to be as good as Cloudera, NGINX or MuleSoft's training, for example,

who have relied on ServiceRocket to develop and implement some or all of their training programs. We also get referrals from current customers, which is a great way to get business.

In a world of subscriptions for software, customers can turn off their software if they feel it's not meeting their needs. Software companies want their customers learning about all the functionality and capabilities so they keep coming back for more. The way the development model and the economy around software has changed, in the last five years especially, has played into our approach well and given us a little more momentum.

CEOCFO: *When you are working on a training program, do you need to know about the customer base or is it just intuitive from what the product is? What do you assess so that you develop the best in class?*
Mr. Castaneda: We are often questioned about how we are going to train the users of our customers when we can't possibly know their software better than they do. Empathy is number one. You have to empathize with the user, so you know what it is they need to know about the software. Great software training is not about covering every single menu item. It is about being focused on the outcome and understanding what the end user needs to be successful in their job. A great example is plumbing. I do not need to know how to use every single pipe in my house to be very happy with my plumbing. The old approach was to document everything and deliver training around every single feature, even if all you want to do is wash your hands and make a cup of tea. We take a very user centric approach to building courseware and training programs. We build our training programs starting with the end customer in mind, who very rarely is an expert on the software and certainly doesn't need to know how to use every single feature right from the start.

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CEOCFO: *Do you talk with the end customers?*
Mr. Castaneda: Yes. When we run a training function for our customers, we develop and deliver the training directly to the end user on our customers' behalf. Through feedback channels, including direct trainer interaction, surveys, and in some cases, support requests, we learn what works and what does not work for end customers. This helps us continuously improve the training so end users get what they need.

CEOCFO: *What might you look at in the process that others might not recognize as important to understand when you are creating training?*
Mr. Castaneda: I think it is looking at more than just *what* the customer needs to learn, but also looking at *how* they can best learn it.

CEOCFO: *What is an example of how people need to learn?*
Mr. Castaneda: When we look at what the customer needs to learn, we must assemble a training course or program for that customer that takes into account not only what they need to learn, but also the way they need to learn it. For example, building a five-day training course for someone that might be able to gain proficiency in just three hours of training will be a negative experience for them. Five days of training will take them away from their job, be hard to schedule and get going, and could potentially result in the customer giving up. Also, the accessibility of the training is often overlooked, especially by people wanting to be very thorough. With training, your goal is to enable the person to get their job done and facilitate how they learn more, versus trying to give them everything that they might need in their entire life. Another important thing is designing courseware that uses some of the gaming techniques. We have spent time looking at gaming companies and how they build games that hold peoples' interest. There are some techniques that we use in of building courseware.

CEOCFO: *How do you evaluate that line between what people need to know to use the software efficiently and what they should know in the way of background to make it easier?*
Mr. Castaneda: We have a lot of experience in that area, and we rely on a very tight feedback loop with key customers, which allows us to validate, tweak and tune our coursework. Another way to do that is to provide buffer material. Buffer material is not just a set curriculum, but includes some optional pre work and some extra models we keep up our sleeve, so if you have a very advanced audience that wants to go in a slightly different direction, you can give them a little bit more. It's important to integrate that kind of material in the curriculum in such a way that if people do not use them, they do not feel like they have been left out.

CEOCFO: *When a company engages you to produce a training program for them, do they typically accept it? Do they come back and want to tweak it?*
Mr. Castaneda: One of our goals is to teach the company's sales team how to use the very product they are selling. Quite often, the customer sales team has never been "taught" their own product. We always get feedback from them. Courseware is much like a living organism. It's like a garland – never finished -- you have to keep adding things to it and tweaking it to make it look good. Products are the same way – they often change every few months. To address that, we align certain stakeholders and make sure we are collecting new ideas. Usually what happens is there is something way different that comes out of it. It may be a separate course offering or it may be variations of the course for a different end of the target audience.

CEOCFO: *How do you help a company see training as a way to grow their business and as a profit center?*
Mr. Castaneda: In today's age of the software company subscription model, customers that consume more software, pay for that software. These days, it's actually getting easier to show that you don't want your customers to churn and move off your platform. If you are not teaching them how to use the platform and the software, you can be assured they are going to be learning someone else's software instead. It's a fact that customers who are trained have much higher deployment and usage rates than customers who are not trained. In the past, perpetual software licenses were sold over a few golf games or a few dinners. Training was often an afterthought, and usually thrown in at the end of the deal. Today, well educated customers go back to the enterprise for future business, which means these software companies are realizing the importance of training, validated by additional purchases. It is the well-educated customer who helps the enterprise software company cross the chasm and get higher adoption rates within the company. Adoption is driven by the power user, and training helps get you to that stage. At that point, companies are in a great place because those trained users are effectively doing the selling for them.

CEOCFO: *What is your geographic reach?*
Mr. Castaneda: We are global. Our headquarters are in Palo Alto, and we have offices in Sydney, Kuala Lumpur, Malaysia, Santiago, Chile, and London.

CEOCFO: *Do you do much one on one or in person with your clients or is it more time zones and local people?*
Mr. Castaneda: Our customer base is very global as well, so many of the training offerings we put together are done with scale in mind, so they are typically remote. Larger companies will request the trainings be done in person, on the side and in their facilities, and we help our software companies accommodate that. When we are building courseware, we will do a number of site visits. Typically the people we have working in a software company are not all in one location, so we make time, whether in person or virtually, to make sure the right stake holders are involved so the job is done right. Delivery of those training programs can be online or in person. The bottom line is it needs to be interactive – it is not just a one direction experience.

CEOCFO: What have you learned over time as you have grown the business that makes it a better offering today and a better company to work with overall?
Mr. Castaneda: What I have learned is it is ok to be yourself and I believe that carries through to training; training that is authentic and reflects the values of the company can be an important ambassador for the brand of a company. If you demand a certain level of customer service and have strong values in your company, but your training is very strict and rigid, and the instructors present it that way, it is not representing your brand. When we started, training was more about delivering, just getting courses created and out the door. Now, sometimes these training courses take place before the customer has even bought the software, or they may have bought a handful of licenses or subscriptions, but have not rolled them out yet. In that case, the instructors are actually ambassadors for the brand, and a key part of the sales cycle. Having that cultural alignment is extremely important.

ServiceRocket has its own brand and a truly unique and authentic personality that we bring to every interaction we have. When we're talking to customers and trying to train them, we're not trying to be someone else. We say, here is the real story, and here is what is going to make you successful. That's what is going to help them, because at the end of the day, the customer does not want to be entertained -- they have a job to do and they want to be successful doing it. It's similar to the feeling you get with a contractor working on your home. If they are just very professional and quiet, and are doing things just to get the job done – that's kind of ok. But the contractor who stops, explains things, asks clarifying questions, and tweaks things to make sure they are getting the job done right, gives you an exponentially better feeling. That's the kind of feeling you want from training. You don't want to feel like you're in a university lecture hall, getting a cookie cutter course - you want to feel like the trainer is delivering the exact material, in a way you can understand, so that you will be successful.

CEOCFO: *About a month ago, you released TrainingRocket 4 – what does 4 have that 3 did not?*

Mr. Castaneda: Our learning management system is focused on the software industry and we are building and integrating more and more software industry specific features. We released training credits inside of the TrainingRocket 4 platform, which effectively allow software companies to sell training as a subscription – so, instead of selling seat by seat or course by course, you can sell a customer subscription and define what you want that year, which fits with software adoption improvements. With the old model of software, maybe I bought my license and would like to train fifty people a day, in fifty seats in one course. In a SaaS world, you really do not want to limit training, because training is adoption, which means the business model of training has to evolve. We are allowing software companies to innovate in their business models. TrainingRocket 4 included a number of features that help do that and training credits is one of the core features underpinning that.

CEOCFO: *Why is conscious capitalism important for you?*

Mr. Castaneda: It comes back to what I was talking about earlier – it's ok to be yourself in your business and not have to put on a face. That belief or value carries through to how we treat suppliers, employees, partners and customers. I think businesses in general tend to focus their attention only on customers -- or wherever the money is coming from -- but neglect where they are spending money. I want to build this business so it lasts fifty years or more. To do that, it has be built in a way that it will outlast me. That means we need strong values and a strong purpose, not just be making money for shareholders. We are very blessed to be doing what we are doing. My grandparents migrated from Malta after the Second World War and my father migrated to Australia from El Salvador. They took risks that have given me a chance to do some great things. There are billions of people in the world that do not have that kind of opportunity. I certainly believe we just need to make the most of the opportunities we are given, not necessarily from a religious angle, but a practical angle. Businesses have the power to change the way things are done in the world -- not just to make money, but to have an impact on communities. I think we have a role and responsibility for that.

CEOCFO: *Why choose ServiceRocket?*

Mr. Castaneda: Every year we do team building in Malaysia and we do team building every quarter in different offices. We do the Malaysia team building in December and this year seventy of us went into the jungle and spent the weekend doing all kinds of crazy activities. We even brought customers along with us this time. During the weekend, we were doing an internal team building event with customers, including one that we run training and support for. I asked how he found working with us and he said, "To be honest, it took me over a year to work out that you were even a separate company." That is the biggest compliment a service based organization can get. ServiceRocket is a true partner, delivering training and support to customers that help their own customers love their software.

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine

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