

Introduction ([00:05](#)):

Welcome to the Corporate Data Show a podcast dedicated to helping marketing professionals, leverage data, to generate revenue. Whether you're looking for techniques and strategies or tools and resources, you've come to the right place now for our host and CEO of Every Market Media, Rick Holmes.

Rick Holmes ([00:46](#)):

Hey everybody. Welcome back to the Corporate Data Show. This week, we're going to interview Warren Zenna, founder and CEO of the CRO Collective. Warren, how are you today?

Warren Zenna ([00:56](#)):

Great. Thanks for having me on Richard.

Rick Holmes ([00:58](#)):

Absolutely. I go by Rick to my friends and by the way, any folks that send us email about the show. If you call me Richard, usually I know you don't know me that well pro-tip.

Warren Zenna ([01:07](#)):

Well, we just met.

Rick Holmes ([01:09](#)):

I know, man. That's why we get people on the show. This is how we meet people. Can you tell us for anybody who's I wouldn't say under a rock, but who doesn't follow kind of specialty community groups that well, what do you guys do at the CRO Collective?

Warren Zenna ([01:21](#)):

Sure. So the CRO Collective was founded to support chief revenue officers to win in the role because they typically don't and also to help CEOs understand how to appoint, place, and support chief revenue officers to succeed because if chief revenue officers win, then CEOs win. So, there's a miscalibration misappropriation of the way CROs are being utilized today, I'm trying to fix that.

Rick Holmes ([01:47](#)):

I remember my in my early corporate days, the first job title I wanted and I ended up with President, but I remember wanting CRO and I was told, "Oh, that means chief restructuring officer. You don't want that title." And then I was later told and later adopted it became trendy. It's now chief revenue officer, right?

Warren Zenna ([02:06](#)):

Yep. Yeah.

Rick Holmes ([02:07](#)):

So it's like head of sales.

Warren Zenna ([02:08](#)):

Nope!

Rick Holmes ([02:09](#)):

Well, hit me up.

Warren Zenna ([02:10](#)):

That's the problem. What you just said is you just stated the problem,

Rick Holmes ([02:13](#)):

Let's freaking let's hear about it.

Warren Zenna ([02:15](#)):

I'm just curious. Where did you get that perception?

Rick Holmes ([02:17](#)):

It was given to me by a boss. It was given to me by a boss originally and as like a title flow through thought, you know, it was like, well I was a salesperson, right. And then it was trendy and kind of a tech company and then your VP sales and VP this and say like, what's the next step? Well, it's it's chief revenue officer. And what do you do there while you own revenue? I guess that's what I thought.

Warren Zenna ([02:39](#)):

Well, what does owning revenue mean to you?

Rick Holmes ([02:42](#)):

I guess managing the salespeople and divisions that produce revenue in revenue centers into business.

Warren Zenna ([02:47](#)):

That's the big problem, which is awesome. I love this. So you're actually a perfect example of why there's an issue in the marketplace here. If it's not your fault, it's because the perception is wrong.

Rick Holmes ([02:56](#)):

I don't really have one any more in this size either. My firm now is isn't 150, it's 25.

Warren Zenna ([03:02](#)):

Yeah. But still, it's still relevant. And so, so, uh, there's a lot of reasons why, what you're saying is so pertinent and an apt in terms of what I'm trying to solve is, is the exact perception that you have is the problem. And here's, here's why, right? So in today's world, the B2B space, which is where I operate exclusively, this isn't a B2C issue, this is a B2B issue.

Rick Holmes ([03:23](#)):

Which is where we are predominantly.

Warren Zenna ([03:26](#)):

Exactly. So you've got a sales organization, you've got a marketing organization, you've got an accounting or it's called customer success organization. Those three groups make up the revenue team or the revenue function of a company. They're the three customer facing parts of the organization.

Rick Holmes ([03:42](#)):

Okay. Yeah. Follow rather than new centers, kind of, customer-facing they produce, they produce money revenue centers, I guess it was just some clarifying.

Warren Zenna ([03:51](#)):

Well, it's not about producing money, so that's another misperception, right? Not everything produces money, something produces value that results in money.

Rick Holmes ([04:00](#)):

Okay. Yeah. Okay. Well, yeah, sure. I get the indirect correlation.

Warren Zenna ([04:04](#)):

It's not indirect, It's about as direct as you can get. So for example, if I, if I'm on the phone with, uh, with, uh, with, uh, with the markets, I get a marketing message from somebody in my inbox, right? That's a customer experience. That's my, that's my first experience with your company. That's going to trail through all the way back to my entire experience with you as a potential customer in the future. So, you know, a customer isn't necessarily just a customer when they make a commitment to buy a product, they're a customer. When they're even pre-prospecting.

Rick Holmes ([04:34](#)):

I fully follow that you assign them as a customer value all the way through the pipe.

Warren Zenna ([04:38](#)):

A hundred percent. That's the way that's the way we go to market. And as we should, so that the three most customer facing organizations in a, in a B2B company are the other success team, the marketing team and the sales team. Okay. The problem we have today is those three organizations and say, I'm going to make a bold statement here. I'm saying there's lots, there's probably 90% of B2B companies have an issue of what I call fractional wisdom or siloization or misalignment. Right? We're all three of those organizations are not only are they not working together well or coordinated, but they're actually at war with each other. This goes to the point that you and I even spoke about why we're going to talk today. And that is because the KPIs with which and the metrics with which these organizations are led by are all designed to silo them. So in other words, if I have a MQL, which is distinct as you know, from an SQL. Most companies MQL and SQL are silo'ed. In other words, this marketing organization has a budget. And the way that you justify that budget is by you have certain metrics you have to hit to prove that I'm going to continue to give you that budget. So understandably, the CMO is going to fight very hard for not only his or her survival, but for that budget, because that's what that budget represents their survival. So I'm going to tell my marketing team to do whatever they possibly can to get those MQL because those MQLs are going to justify my existence or my value the organization, regardless of whether or not the MQL actually support the SQLs.

Rick Holmes ([06:02](#)):

Oh yeah. See now see that part doesn't matter. You've got a broken diagnostic in that part.

Warren Zenna ([06:06](#)):

Well, exactly. And most companies have broken diagnostics, broken diagnostics are not because the diagnostics are bad. Diagnostics are bad because the culture is bad. Diagnostics are a, are a reflection or a symptom of the culture, right?

Rick Holmes ([06:18](#)):

You got to meet a great guy. I just met separately and it'll publish different, but Gil Allouche of Metadata and the book separately, have you read Ben Horowitz is "You are what you do?" That stuff's all super, super relevant. So I mean to tie it up, neat, I follow you on aligning sales and marketing. In fact, everybody really wants to blame each other. I started in, I told you, my first dollar came from a paintball business. Well, after that it was car sales before college. Right? And one thing I saw there all the time was the service department in the sales department, always cranky with each other. And then at my, in my later business, we saw that yet marketing always cranky with sales sales says, "Hey, these leads suck. I can't do anything with the Gmails." Marketing says, come on, man. This, you know, this Gmail cost \$250. We got to have some respect from each other, but at least within our organization. And I'm trying to understand the broken metric. We want to look at here with our organization. You have to look at like the holistic annual value of eventually capturing a customer in a long sales cycle. However, if you don't have, that is that's the thing that's broken.

Warren Zenna ([07:22](#)):

Yeah. Also what I, yes, it is broken. And the reason it's broken is usually comes from a couple of factors in the marketplace. Right? So one is, I don't know why it was the case. If you're a car dealership is probably other personal rules.

Rick Holmes ([07:34](#)):

Well, I think they're out of business now. So yeah. I mean, but use it as an SMB business, right?

Warren Zenna ([07:40](#)):

It's very, it's not, I'm not speaking about something that's really rare. I mean, you know, most companies, you work at any company, there's always, you know, groups that fight with each other. That's a common thing. But when you get into reasons why, and I'm really talking very specifically about one part of the company, which is the CRO. So if I'm a chief revenue officer, I'm going to go back to your original point, you made, which is like, you know, your perception and I understand your perception. So why a CRO is supposed to be head of sales.

Rick Holmes ([08:06](#)):

Are they head of the three? Is that what you're tying back to the three? And they have to have that uniform view?

Warren Zenna ([08:12](#)):

That exactly right.

Rick Holmes ([08:13](#)):

They would never put me in charge of marketing though. So you're right. They would have left me. No, you weren't. If you wanted that title, you were basically head of sales. And I mean, that's definitely a broken organization that runs today, whose name we won't drop, but yeah, I think I get you now.

Warren Zenna ([08:27](#)):

Exactly. So, so they wouldn't have given me that it doesn't mean that you weren't necessarily capable of it.

Rick Holmes ([08:31](#)):

Wouldn't be you marketing and they wouldn't give you customer service because customer service has margin in it and they got a skin out margin and customer service. So you don't get to own that client success. Excuse me. So the popular term today, now I track on you, Warren. Yeah. So guests, as you guys kind of get that the CRO is not the head of sales, it's the head of the entire customer experience thing.

Warren Zenna ([08:53](#)):

And when that's done, when a CRO is qualified, right, and understands that and goes into the job, actually understanding that my role as a CRO is going to be much more expansive and much more strategic than just running a sales team.

Rick Holmes ([09:09](#)):

So you need to hookup with a CEO. That'll give you those reins,

Warren Zenna ([09:13](#)):

Or you have to understand what the CEO's opinion, the CEO shares your opinion. Because my coaching, I would say, don't take the job because your CEO is going to essentially make you a salesperson or as head of sales, which if you want that, in other words, if your aspirations in your life are to become a head of sales, then fine, I guess, but you're not actually a chief revenue officer.

Rick Holmes ([09:40](#)):

You won't own your whole success.

Warren Zenna ([09:42](#)):

You won't you'll end up fighting of a problem. And what happens actually, this is one of the reasons why this is even a bigger problem is that when CEOs appoint a chief revenue officer to run sales, the problems that I already alluded to earlier actually are now exacerbated. They're made worse because now you've got a guy who's a C suite executive running sales. Now he's got authority and he's got all sorts of other titles of entitlements that come with that. And he's going to make the sales organization even larger and more pronounced and give more focus to it, which only makes those devices, that devices this even worse. So that's, it's a problem, right? They think on, they're bringing a head of sales and he's going to bring in all this revenues to solve all my problems. When in fact, a whole bunch of new ones are created that are in fact worse for the company than any of those existing new sales that are built.

Rick Holmes ([10:28](#)):

Cultural upside downs! In fact, separate from my own dysfunctional past, which, Hey, we all build and learn. I was just sitting in a discord this morning with another person talking about how the sales team just plain old doesn't respect the dev teams calendars, you know, they operate in the state. So the sales culture has kind of evolved away from the sales engineers and the engineers are like, we can't do two

meetings at once. I mean, you're, you're hitting a bunch of problems. So folks, if you guys want to talk to Warren after the show, Warren, how do you, uh, how do you have people get in touch with LinkedIn?

Warren Zenna ([10:59](#)):

Yeah. LinkedIn is great. Warren Zenna LinkedIn. I mean, there's only one Warren Zenna in the entire world, so you'll find me.

Rick Holmes ([11:05](#)):

I'm going to make sure you're correct in our database.

Warren Zenna ([11:06](#)):

A hundred percent. Well, you know, people still screw it up.

Rick Holmes ([11:12](#)):

Well, yeah, for sure. They're just not paying attention. It's that misalignment you're talking about.

Warren Zenna ([11:15](#)):

And then you can also reach me at warren@thecrocollective.com.

Rick Holmes ([11:19](#)):

Cool. Warren, I like that you have an opinion that butts up nice against mine, and you're willing to talk about it. Guys. Warren's unique in that way. Hit him up if you need anything. And as always, thanks for listening to the Corporate Data Show. We'll catch you next time.

Outro ([11:34](#)):

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