Sustaining Hypergrowth: Strategy Alignment for Billions and Beyond

In today's tech sector, rapid growth is everything. Splunk, the leading platform for searching, monitoring, and analyzing machine-generated data, has grown at an impressive rate to $1B in revenue. As it grows to the $4B, $5B, $10B mark and beyond, mindset overhauls and a clear focus on the company's overall strategy are essential.

Looking ahead to its future, Splunk wanted to ensure that its top leaders were aligned as the company strategy shifted to a cloud-first world. To achieve this goal, Splunk partnered with BTS to create the company's first ever senior leadership strategy alignment summit, bringing together the top 100 leaders at the company for a two-day retreat in San Francisco, California.

Designing an Offsite Unlike Any Other

Before the retreat, BTS and Splunk collaborated throughout an intensive eight-week process to develop a high impact custom business simulation experience. To make this simulation a reality, BTSers and Splunk leadership spent four weeks gathering information through a series of intensive interviews that uncovered Splunk's alignment needs. After completing the interviews, the two organizations came together to validate the design of the experience, and then BTS spent two intense weeks developing the content. After another meeting between Splunk and BTS, the simulation was tested and completed during the final two weeks before the event.

At the summit, the top 100 leaders were broken into teams of 4-6 to compete against each other in the competitive business simulation where they took the helm of a realistic Spunk-like company. The simulation unified top leadership at the company around Splunk's 2018 priorities and initiatives. It demonstrated the business approaches necessary to maintain the company's 50 percent year-over-year growth trajectory, as well as what would be needed to take Splunk from $1 billion in revenue today to $10 billion in the future.

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Strategy made personal

Targeting Behaviors, Driving Change

Ultimately, key goals of the program were to create a unified, aligned view of Splunk's FY18 Priorities and Initiatives. This would be evident through the increased introduction of new products, the speed of innovation and output, and customer success stories – highlighting the business value and impact of products to customers across all verticals and geographies. Global alignment to priorities and initiatives would allow Splunk to achieve its goals for overall business outcomes, which included specific business benchmark targets, brand awareness and recognition.

The knowledge and skills gained from the simulation were intended to incite behavior changes among the leaders so that they could be more consistent leaders back on the job and achieve Splunk's long term goals. The BTS and Splunk team determined that through improving Splunk's leaders' business acumen, they would gain a better understanding of the market, the key financial metrics and critical levers to pull to impact and measure success, as well as the mechanics of the P&L. This knowledge would help participants alter their behaviors and take their new skills back to the job.

During the business simulation, participants identified actions and behavior changes they wanted to implement to achieve their goals, as well as applying an action and outcome method for goal setting. The goal setting tools they applied landed participants in an accountability system that allowed their peers to check back on their progress towards their behavior changes and outcomes.

Overall, the simulation had excellent results. Participants described how:

> *I loved this simulation. Great team building with learning built right in. Fun, relevant, engaging. Thank you!*

> *The best leadership program I have ever attended. I learned so much about Splunk's business by being exposed to all aspects of decisions the company makes every day.*

> *Hands on learnings helped reinforce company objectives. Would be great to roll out to engineering leaders.*

> *Very informative in helping future leaders understand company vision, alignment, goals and how decisions tie in and impact other important factors. Great job.*

Additionally, Net Promoter Score (NPS) data showed that 9.2 out of 10 participants would recommend the program to a friend and 9.4 out of 10 liked the way that the program was organized and executed. Not only was the program widely successful from the perspective of the participants, but the results of the program were also excellent. Based off of a survey that participants completed before and after the leadership conference, participants increased their understanding of Splunk's FY18 P&L by 27%, from 7.4 to 9.4.

The positive feedback on the business simulation in addition to the great results demonstrate the effectiveness of business simulations in meeting Splunk's needs for strategy alignment towards their future goals.