

# *Rapid* Skill-Builder® Improving Customer Service

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**Customer service and the concept that “the customer is king” have long been accepted by most successful enterprises. However this has not necessarily resulted in true customer-oriented organisations.**

To become customer focused, enterprises of all types need to start with the needs of their customers and work backwards. By doing this they can determine how to meet those needs in a way that will simultaneously exceed the customer’s expectations and be commercially viable.

This Skill Builder looks at how to build a customer focused culture in your enterprise. Among other things, this involves empowering front-line staff with flexibility and knowledge, and utilising supervisors as supportive coaches.

## ▼ Strategise

A commitment to excellent customer service needs to be declared organisation-wide, however tangible improvement will almost always start at the team level. A formal team meeting to determine the “Service Vision” is a good place to start.

A Service Vision is a summary of the particular service outcomes the team wants to achieve. It doesn’t describe what service the team is providing now, but what it wants to offer in the future.

As with any good vision, the aim is to make the vision “stretching” for the team and worthwhile for the customer, but also realistic and achievable.

The next stage is to work out what steps or specific activities will be involved in achieving the vision.



For example, imagine that a team of bank tellers decides that it will serve its face-to-face customers more efficiently and effectively than any other bank. The underpinning factors to achieve this will probably include:

- ensuring tellers are well-trained and have ongoing access to up-to-date information
- reducing queue waiting times
- providing clear transaction information
- the relative warmth and friendliness of the teller when dealing with customers.

For all of these activities, the team needs to deliberately visualise what outstanding performance would look like (from the customer’s perspective).

Reviewing current performance in each of the specific activities, and comparing it to desired performance, is the next key. The simple goal is to create a “gap analysis” so you can identify exactly where improvements are required.

Using the above example, some tellers might lack product knowledge. The wait for service could be two or three times longer than the ideal and customers may regularly complain about staff attitudes. As each gap is identified, the team gets its first really clear picture of the potential it has to improve customer service, as well as where attention should be focused.

It will be relatively easy to establish a service vision for the team and then measure the gap between the vision and current performance. However, a much harder step is to identify and assess the barriers to implementation of service improvements.

Most organisations settle into providing a consistent level of service, whatever business they are in. This is either the result of specific policy (e.g., delivery will be made within one week) or months and years of common practice. When a team wants to improve the service it gives to its customers, some part of the improvement lies outside the control of the team itself.

For example, let's say a university mathematics department wants to offer students more or better remedial coaching services. This will have a direct impact on the overall curricula and other departments within the university, so what appeared on the surface to be a simple service improvement will require more planning and wider communication than was initially anticipated.

To be successful, your team will have to carefully assess the specific barriers it will face in improving customer service. These barriers might be “too much extra work”, “more paperwork created”, “against current rules”, “too costly”, etc. A plan should then be drawn up to address every issue.

If any barrier is seen to be insurmountable, the team should review its service vision and look for ways of bypassing any identified obstacles. This may include, for example, talking to management about potential changes to company policies that would empower the team to achieve its service vision.





## ▼ Survey

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Customers are the ultimate recipients of the goods or services provided by any organisational team. If customers were consistent in their expectations and comfortable describing their needs openly, the team's task would be extremely simple: customer needs would be known and the service would be delivered accordingly. Unfortunately, customer needs not only keep changing but also are often kept well hidden from the organisations trying to satisfy them. If any team or whole enterprise hopes to meet and exceed customers' expectations, it must start by setting up customer feedback mechanisms to capture customers' opinions in whatever form that they are expressed. Of course, these mechanisms can take many forms.

The team and organisation can establish a simple customer survey to be carried out on a regular basis. Surveys require careful design to be useful but are one of the best methods for obtaining feedback. Logging in customer complaints is an equally useful feedback method. Staff must be trained to resolve complaints, and then categorise and analyse them on a collective basis, to help spot trends or particularly common issues that come up relatively frequently.

Programmed customer visits are a less-structured but potentially very rich source of feedback. Visits need to focus on how the customers use a product or service and on any problems or difficulties they've had. However, each team needs to develop its own ways of listening to customers, and this will vary according to the time available, budget, type of customer, etc.

Customers are often put into classification groups. Unfortunately, many organisations use convenient or pre-existing classifications that are too broad to be really useful, such as "government", "end consumers" or "retail". As a result, considerable overlap may occur. Not only that, but a much more applicable sub-classification of customers at the micro level can be hidden.

For example, a car dealer might split its customers into broad segments according to general disposable income, and then into subsequent categories such as "young", "middle-aged" or "old". There is no set formula: choose the segmentation process that is right for your team. The goal is to understand that different groups of customers will have different wants and needs, then categorise them accordingly rather than viewing them as one mass.



## ▼ Standardise

Creating customer service standards sounds dry and uninteresting, but it is a critical activity that will help the whole enterprise to understand the levels of performance required.

**Creating a consistent approach at all levels is crucial if your organisation wants to achieve its desired standard of service.** Customer service standards need to be widely available and clearly understandable by everyone that has to use them (including any future staff or teams). Links to organisational goals need to be particularly evident.

A set of customer service standards that encourage more customer friendliness or better responsiveness will be most effective when they demonstrate how they will help the organisation to achieve its objectives. If the organisation's goal is to increase market share, better customer responsiveness might deliver those new customers, which in turn will generate a greater demand for products and services and therefore increase your market share.



Here is an example of how you can do this:

### **Customer Service Standard 1**

*We **will be** responsive to the needs of our customers **by** responding to all telephone enquiries within a maximum of two hours, and all e-mail enquiries within 24 hours.*

*By providing this level of response and ensuring our customers are satisfied with our service, **we will be** positioning ourselves to become the preferred supplier of car insurance in the country, which is a **key goal** of our organisation.*

The development of customer service standards should be viewed as an important step. It needs to involve all relevant stakeholders, from customer-facing staff through to management. The information obtained from customer surveys and other feedback mechanisms should also be taken into consideration. Suppliers are another useful source of information and will often have helpful ideas.

It is also important to make sure that customer service standards provide the framework within which policies, procedures, work instructions, forms and templates are developed. Alignment of any activities or information relating in any way to customer service will help ensure that the standards are achieved. The message regarding the importance of true customer service will also be continually reinforced throughout the organisation. It is important to not just talk about customer service but to implement the steps and support required to see it become a reality.

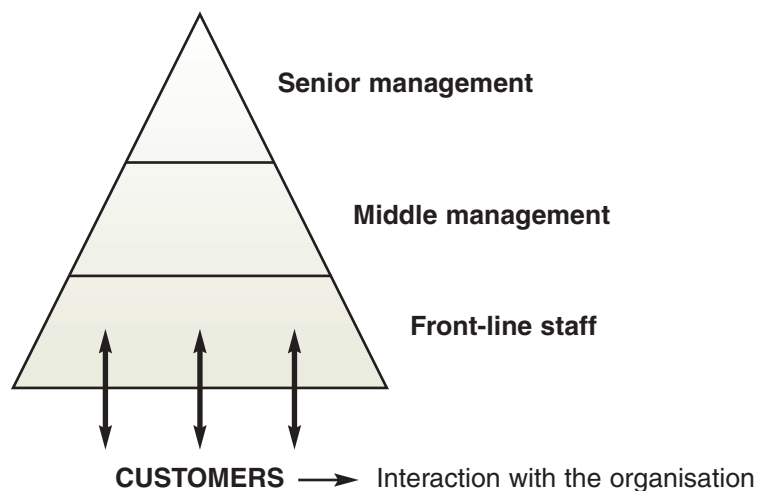
When new service standards are implemented (or changes made), any existing policies, procedures and forms, etc. will need to be reviewed to make sure that they continue to contribute to the achievement of the standards.

This may all sound obvious, but it is surprising how many organisations fail to implement these important links with their standards and therefore fail to garner the complete commitment of their employees.

## ▼ Skill

### The Ultimate Customer Service Solution

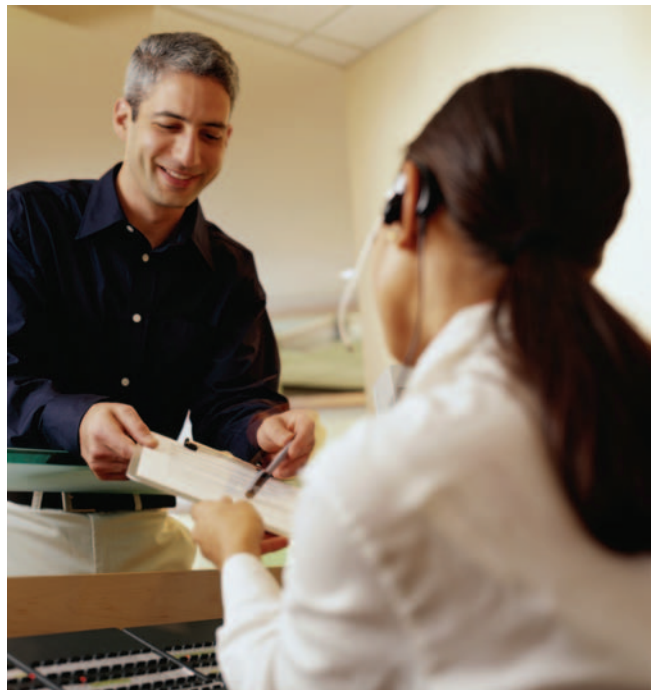
Many organisations are unswervingly loyal to their customers and commit themselves to meeting their every expectation. However, these commitments are often made by senior staff or people who have little in the way of day-to-day contact with customers. If you think of the organisation in terms of a pyramid, as shown below, the majority of the customer contact is made by the less senior front-line staff, shown at the base of the pyramid. Ordering a product or service, asking about an account, discussing a sale or making a complaint are all usually done with people at the base and not the apex of the pyramid.



What this model implies is that if senior people really want to give customers what they need, they must delegate some of their authority to make the necessary changes to the front-line staff. For example, a policy to immediately replace a faulty product with a new one will only work if front-line people have the authority to give the customer that replacement product without having to get someone else's permission.

This is a vital step if everyone on the team is to give customers what they need. This is what is meant by “empowering” people – giving everyone the power to act and to treat customers as they would want to be treated themselves.

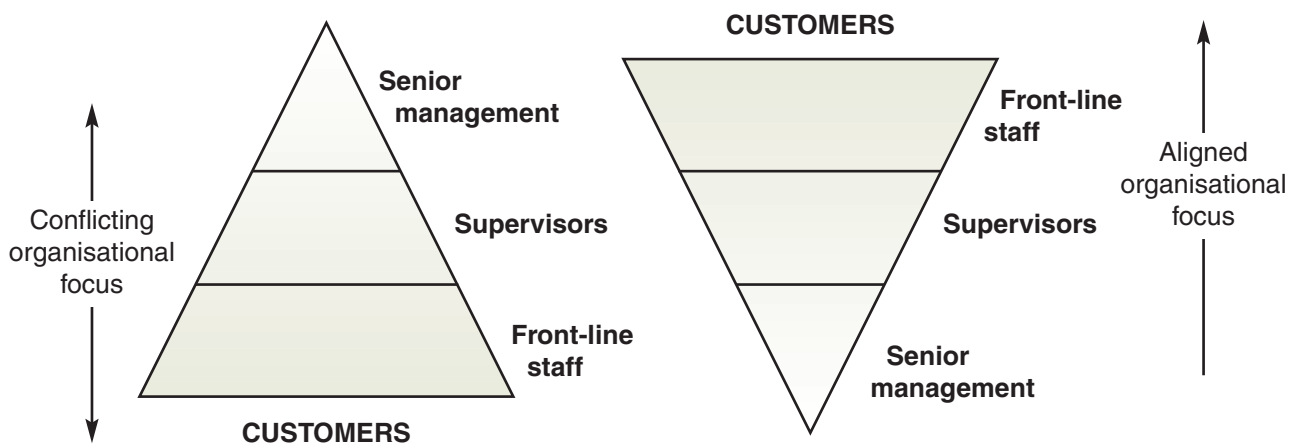
Of course guidelines will be required to help staff know when and how they can make decisions, and when to ask for help.



The organisation that is truly committed to customer service needs to understand that many of its rules about what people do and how they behave will often inhibit the goal of putting customers and their expectations first. To overcome this problem, many organisations switch their thinking from “stick with the rules” to “put customers first, and rules second”.

Focusing on the customer means accepting some customisation of the product or service being offered. Customisation is the reverse of standardisation or sticking to the standards, rules, or policies that should always apply. Customer-focused organisations need to relax the rules to allow front-line employees to satisfy their customers when an interaction occurs.

In the organisational pyramid, customers appear at the base, where most of the employees also reside. Customers are a long way from the “important” people in the organisation (at the top); this can result in employees being torn between serving their bosses (above) and their customers (below).



As the diagrams illustrate, an organisation that is serious about customer satisfaction needs to operate in an inverted or upside-down pyramid (on the right). This not only puts the customer at the top of the structure but also ensures that everyone’s focus is aligned with customer needs.

The new pyramid also solves the front-line employee’s dilemma about who to please. Not only can the employee now serve customer needs without distraction, but the role of supervisors and senior management shifts to one of supporting their staff.

This could be through providing practical training, sound policies and procedures, a healthy work environment and ongoing coaching, or any other practices that will support and encourage the staff to achieve their goal of putting the customer first. This of course has the ultimate aim of achieving the organisation’s overall goals such as increased profitability, larger market share, or any other commercial considerations.



Organisation-wide process improvement efforts most frequently falter at the implementation and follow-through stages.

Given this, any widespread implementation of improved customer service strategies will require skilful project management and leadership if the effort is to succeed. One of the best places to start making sure that implementation is managed is to assign service-improvement responsibilities carefully.

Assigning responsibility shouldn't be done in a random way, merely allocating individuals to tasks. Once projects have been selected, they should be broken into sub-projects. These smaller projects will involve a range of activities, from analysis and data-gathering to problem-solving and task redesign.

As the team works out the details of what needs to be done, it will become evident that certain people will have the skills and competencies to perform some tasks more effectively than others. In addition, some team members will volunteer to take on tasks in which they feel competent and/or have prior experience. In these circumstances, responsibilities can be appropriately assigned.

**Some of the competencies a team should have at its disposal are:**

- Problem identification/troubleshooting
- Customer communications
- Data/fact-gathering
- Problem-solving
- Supplier communications
- Process mapping
- Customer research/feedback
- Task redesign.

**It is often beneficial to assign service coaches or mentors to help service improvement teams. Their roles might be to:**

- Provide customer feedback
- Suggest service ideas or innovations
- Interpret customer research data
- Set service standards on behalf of the customer
- Coach teams on process improvement techniques
- Assess customer benefits from process improvements.



Ideally, an organisation would have at least one customer service mentor for every three or four service improvement teams. However, the number of mentors is less important than their ability to give freely of their time and have the experience necessary to make important contributions to increasing customer satisfaction.



# ▼ Systemise

## Identifying What Is Important

Your team may be responsible for part of a process, a complete process or even several processes. Typically, a team will have two or three “part” processes to handle.

For example, an employee relations team can be responsible for part of the recruitment process, part of the training process and part of the career-development process. Only part of the process will be controlled because some tasks will be handled outside the boundaries of the team (even by suppliers to the team or internal customers).

In this example, an advertising agency places all job advertisements, and line supervisors do the hiring after the final interview. The employee-relations team handles recruitment, doing everything from shortlisting candidates to advertising to completing first interviews and recommending second interviews.

Each team needs to establish the main tasks or processes for which it is responsible in serving its “down-stream” customers. This might simply be the delivery of a semi-finished product or service from A to B. Alternatively, in a customer-service department, it might be the handling and processing of sales orders to ensure that the right product or service gets to the customer at the right time and at the right price.

Determining what processes or portions are handled by the team is usually the most difficult step. If the group finds this too hard, one approach is simply to ask the team’s internal or external customers what outputs they receive or expect.

For example, let’s say a trucking company’s team of mechanics asks its customers what outcomes they expect: good quality repairs, progress reports when the repair is going to take a long time, fast repair turnaround times, itemised bills and statements showing the details of what has been done, etc. The team then needs to work with its customers to determine what processes are most important to them. Even when there are a lot of customer needs, usually only one or two are seen to be critical.

**The goal is to improve those processes that are important to the customer – not the processes the team *thinks* are in need of attention.**

There is no substitute for asking the customer what is most important to him or her. Irrespective of how much awareness your organisation may already have, it is easy to assume the customer is concerned with certain requirements, only to find after much improvement effort that you have been aiming for the wrong target.



## Process Mapping

Imagine that the most important processes (as far as the customers are concerned) have now been identified and prioritised for action. In order to improve overall customer service standards and performance, the first task is to “map” these processes and carefully review overall efficiency and effectiveness against desired outcomes. The best method of doing this is to use “process mapping”.

Process mapping is a simple activity in which every task that every member of the team does to complete a process is documented. This mapping exercise can reveal many complexities, overlapping tasks, bottlenecks and unnecessary steps that otherwise might have remained invisible. It is a vital step towards process redesign.

Redesigning a process should not be a daunting prospect. Better or more streamlined processes are often seen to be less frustrating for the team, and the chance to influence or design the improvement can prove to be highly motivating.



As a first step, the team needs to redesign a simple process that is well understood and within the power of the team to improve. More information on how to do this can be obtained from the booklet in this Skill Builder Series titled *Process Improvement*.

Once the team has practiced process redesign using a simple set of tasks, the team should work closely with its down-stream customer/s to select the process most in need of improvement. This relationship with the customer should not be a one-time-only discussion but an ongoing collaboration.

Effective process improvement is only brought about by ensuring that any change will be valuable to the customer (i.e., increased speed, quality or efficiency). This is often called “reducing the customer’s cost” of poor service or quality. In other words, every customer bears a cost of some kind when doing business with a supplier. Good process redesign reduces this cost in real financial terms.

All of this effort to improve processes should be seen as an ongoing commitment to make sure that internal systems remain flexible and capable of handling changing customer needs and expectations. The more this work is integrated into day-to-day responsibilities, the more the enterprise is likely to achieve service excellence in the quickest possible timeframe.

## ▼ Satisfy

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Many organisations view the effort to improve customer service as a one-off exercise or a specific project with a set beginning and end. Unfortunately, this approach often leads to a flurry of activity in the early stages of the project, with a loss of focus and follow-through at the end.

During the course of any concerted efforts to improve or streamline organisational processes in order to increase customer satisfaction, circumstances will change. The changes will result from a number of very normal situations: suppliers will change, customers will change their minds, employees will transfer to different teams, technology will offer new options, etc. Therefore it is important that teams constantly review the processes under their control and continually look for new and different ways to improve.

The team also needs to recognise that solving one customer problem might lead quickly to the need to solve another. For example, a retail team may determine from customer feedback that the greatest concern of their customers is the time they have to spend waiting in line at the till to pay for their purchases. Attention is paid to reducing that time to an acceptable wait of just a few minutes. While customers are initially happy their time in the queue has been reduced, they are now saying that there is not enough interaction with the staff (who are focused on serving customers as quickly as possible). Balancing competing demands can be one of the most challenging aspects of customer service.

A customer service vision for an organisation is likely to have a finite life. As a result, at usually no more than two or three year periods, you will need to revert to revisit your service standards. This doesn't necessarily mean the standards will need to be changed. However, continuing to set stretching targets for improving customer service within the team and wider organisation is the key to remaining competitive in the fast-paced business world of today.

Improving customer service is definitely an ongoing process. At times it can be challenging, however it is well worth the effort. Many organisations will find that the quality of their customer service will be the single most important point of difference between themselves and their competitors.

The Skill Building template on the next page is designed to help you work through how to improve customer service in your team and organisation.



# Improving Customer Service Skill Building Template

