The Common Thread:
Connecting Functions To Create a Service Culture

Ellen Pollen

During the boom time of the 1980s, the competitive edge was sought through expansion, capturing larger market share. But expansion appears to have diluted the market. Now, in the nineties, service—focusing on the needs of customers or clients—has become the recognized, fundamental road to success. But an organizationally fragmented approach to service will no more achieve corporate goals than heedless expansion did.

Customer service needs to be woven as a common thread throughout the entire organization, creating a service culture. Unless each employee perceives his or her own connection to expert service, the customer will not properly be served. A recent experience of mine perfectly illustrates this point.

I purchased a set of fine china at a well-known department store. The salesclerk was extremely knowledgeable, friendly, pleasant, and attentive. She quoted an excellent delivery date, and I received the merchandise on the date specified. It was packed very well, but one small dish was cracked.

I phoned the store and was told the dish would be replaced without a problem. I could either send back or carry it into the store. Since I wanted to use the dishes for a family dinner the next week, I hand delivered the plate to the store. When I arrived at the department, I could not find the person who had sold the merchandise to me; however, another clerk approached me quickly and offered help. She confirmed that, of course, the store would replace the plate. How wonderful, I thought. This store truly believes service is a priority!

Then, very quickly, my *perception* changed. I was told that, since I had a sales check for the entire set but not for the specific plate, I would have to see a service manager. The service manager was located at the opposite end of the store.

I walked down the long selling floor, pushing my way through customers, and waited in line at the desk. I was given a document that allowed me to return one dish. I then had to go back to the return desk in the china department for a cash refund and repurchase a single dish. I walked back to the salesclerk, who gladly took the order for the single plate. Why, I asked myself, as I left the store determined never to return, had I been forced to go through all this for a broken plate that was delivered broken?

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The store had designed a beautiful department, selected a wide variety of merchandise, and displayed the items in a way to encourage purchase. The salesclerk had done her job well. But the return policies were based on the need for financial control, not customer service. No one had ever looked at the whole picture as the customer might see it. There was no common thread to bring a shopping experience together. Evidently the merchandising group had not talked to the credit group.

How can the individual segments of an organization come together to create a service culture? A service culture begins with a policy decision to create it, and then management lives that identity each day from the very top down. It grows by creation of a service-oriented policy, implemented through training. It takes root and thrives through continuous programs.

MANAGEMENT SETS THE COURSE

A nationwide survey recently reported that nearly six out of ten (59 percent) companies are making changes to enhance service in an effort to improve effectiveness. There are a number of companies out front, already having become models of excellent service, such as Walt Disney World, Nordstrom's, L.L. Bean and America Express. What they have done is to *identify their customer* and build a structure responsive to their customers, wants and needs.

Disney World, for example, has created a corporate culture related to service, based on the belief that service relates to sales and sales relate to profits. Disney's policy is simple. Each employee knows that the customer is the most important issue. Employees understand the standards and policies set down by the company. All employees are part of the decision-making process, and each person is helped in making, maintaining, and improving his or her particular presentation. Above all, each employee and the company in total believe that *perception is reality* for the customer: The customer's perception of the service he or she gets *is* that service.

L.L. Bean, the Maine mail-order company that has been the example for many younger catalog companies, decided a long time ago to be open 365 days a year for orders. The company is always stocked, it is excellent with filling orders and is always represented by a friendly and knowledgeable voice on the other end of the phone. The senior management team knows its employees well and likes to hear their input for improvement. Team members often fill in at the desks of order takers on break. By example, employees understand service standards and live in a corporate culture that they share with upper management.

CREATING THE POLICY

How, then, do you incorporate or change a corporate service policy? A corporate mission statement is the basis for the success. A

mission statement should not change over time or in various business climates; it is a statement of the vision that drives the organization. Based on the mission statement, policies need to be flexible.

Earlier I mentioned that "perception is reality." This one issue is the most important to consider when creating or revising a policy. It is the *customer's* perception of service that ultimately is its measure. And so the thread of service from the organization to the customer only works if it also carries back the message of its own effectiveness.

In determining specific policies, management must have continuous information and insights into customers' needs and desires and will be successful only if input is received from as many levels as possible in the employee ranks. An example of this is a travel company that targeted senior citizens as their primary client. The senior managers of the company believed they had thought of a great new idea—to have a senior citizen act as a tour guide on a trip geared to senior citizens. The company was so excited that they had been so creative! After the trip ended the company asked its participants what they liked or disliked about the trip. Much to the company's chagrin almost every participant commented that they were disappointed that a younger person (someone who was not just like they were) was not their guide! Why didn't the company take the survey *before* they designed the tour? You really can't make a customer happy if you have no idea of his or her needs or preferences.

If you can get your company to accept a mind-set on service, which is the common thread, then you will be able to tackle the technical aspects of policy and procedure training seminars.

The decision on how deeply service should become part of the culture in your company can be based on many issues, and cost is a major one. It costs a lot to create culture with the common thread of service running throughout the company—but the ultimate benefit in competitive positioning can more than justify the cost.

Service cannot be projected unless those offering the service believe in what they are doing, are educated on how to do it, and are rewarded for their success. The vital elements of a service culture include selecting the right candidates for employment, establishing an appropriate reward structure, and developing training programs to ensure that every level of the organization believes in and acts within the culture.

Selection of job candidates must go beyond the basics of skills, knowledge, and abilities to probe for a "fit" with the specific organizational culture. When selecting among otherwise qualified candidates, ask questions based on the principles of the company's mission statement and look for experience, or at least understanding, of the tone that distinguishes your particular organization.

Compensation is a complex issue and gets more so when companies try to link it to service. Good service is an employee's job. The

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question, however, arises over base compensation. If a company puts a high focus on service, shouldn't compensation for that service equally have a high focus? Rewards should be saved for performance far beyond the expectation of the position. Of course, this view is very expensive, but in the long run, it may curtail high turnover. Low turnover equals dollars in that the longer an employee is in a position, the more expert he or she becomes. Customers will interact with the same employee over and over again, which will create customer loyalty.

TRAINING EMPLOYEES

Training employees regarding the service issues is important and this must happen in all areas of the organization. Many of us believe we know all aspects of good service, and I am sure they can be recited. But how many managers apply the company's service standards specifically to their own areas in exactly the way in which the company interacts with external customers or clients?

Training is educating. Education is much more effective if it is administered by senior members of your company. It is also more effective if it is administered by managers who work within an area in which particular employees are being trained. Primarily, every senior member of an organization must be committed to educating their employees on the beliefs and views of the senior management team, and how those views tie in to the service initiative and the mission statement of the company. The most effective way for any employee to be able to perform to the standards set by an organization is to have managers be perpetual role models.

I think back on my first day with a company in which I worked for many years. My orientation—which included an interesting video, followed by endless forms and papers to be filled and signed—was facilitated by a training representative. We new employees were interrupted by a very dynamic woman who explained that she was director of the training and development department; she welcomed us into the organization and talked a bit about the company. She was so exciting that I can remember distinctly thinking that I wanted to be just like her—effective, dynamic, and enthusiastic about the company!

The point here is that every fresh, new employee is a prime target for being impressed by role models of a company's brightest and best. In reality, most companies leave training and orientation to the training professionals, who can only have an effect on an audience for the day in which they are training.

Training groups should be the protector of any and all education issues of a company. These are professionals who are able to create, modify, or purchase training tools that enrich these education issues. Where service is concerned, it is even more important that all

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initiatives be protected or monitored by the training group so they can insure that the common thread of the service mission statement is pulled through each program or training class presented.

An example of this is the salesclerk in a department store. If that salesclerk is effective in representing and selling the company's merchandise, he or she must have been trained well, both in the company's service policy (which is a classroom issue) and in product information (which is a manager issue). In order for the salesclerk to receive effective classroom training, the trainers must constantly look at the policies of the company and make them "living"—that is, to change or modify those policies if they don't work in the current business climate. As far as product information goes, the salesclerk's manager must have input from the buyers on all aspects of the product: function, price, sizes, colors, care instructions, and reorder possibilities. But it goes much further than this, because deeper into the organization other groups such as those in credit, human resources, store design, visual merchandising, finance, security, and housekeeping all contribute to sales and, ultimately, profit. They, too, have to be trained to serve their specific customers and be linked to the salespeople in direct customer contact.

MAKING THE LINKS

Educating your employees can be accomplished through different methods while reaching the same goal. Educating senior managers needs to be handled in a different way than educating entry-level employees. The idea is to keep all parties interested in the topic and to have those parties participate in continuing education.

Do your company's credit, human resources, creative, financial, and operations areas interact with their internal clients in the same way they interact externally? A typical initial sales training course can easily be adapted to any area of a company for both internal and external customers, and it needs to be facilitated by the manager of the area. The training division must create new programs to keep alive the service issue. They must train intelligently and well every level of management in an organization to then train their subordinates continuing downward. Employees react to training from their direct supervisors much more effectively, because they provide living, breathing examples.

After the initial focus of a company's service profile is professed throughout the company, it is then time to start the process of streamlining all systems and procedures to meet the service initiative—again the common thread. Remember too, those who complete specific tasks daily are the best to comment on the tasks' effectiveness. It is hard for many managers to ask their subordinates to help solve departmental problems. But it is the most effective way to solve

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problems along with enabling employees to feel that they are a valuable part of the team.

Service within a company is not simple. As mentioned before, if it is viewed as a living instrument, it needs to change with the times. Therefore, companies need to have training departments that are more focused on education rather than Pavlovian methods. If employees can continue to be educated about all issues regarding business climates and how those climates affect service, the total success of an organization will be strong.

MEASURING SUCCESS

Measuring a service initiative's success is difficult. As we have learned recently from an economic climate that is slow, if customers do not want to spend, they will not. Sales are one component for measuring the success of service, but they do not necessarily increase when service is excellent.

Success can also be measured in turnover, performance reviews, and, if a company truly wants to rate its culture, climate surveys. These things— along with sales—are the total for measuring success.

CONCLUSION

Service in the nineties will be a much more significant part of business because it will be much more seriously thought out and will be harder to measure. Service is a mind-set, a living instrument that projects a company's mission statement as a common thread within and outside of the organization. In the nineties, success of a company will obviously be identified not only by sales and profitability but by culture—with employees who believe in a mission statement, who are treated like important clients, and who treat clients importantly. Employees will be educated not only by a high school or college degree, but also by their companies regarding all aspects of the company's business. Stability in the ranks as well as in the senior management group of a company will be the success of the company. ◆

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