

Awesome Service

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New UGR Seminar!

A powerful new half-day seminar featuring Professor Ron Cacioppe (newly appointed MD for the Senior Management Centre) and Steve Simpson is coming soon. Participants will be treated to a practical and fast paced seminar that will provide tools to transform organisational culture - tools to achieve strategic objectives and outstanding service.

The seminar is for senior people serious about making an impact in their organisation. Run at the Australian Institute of Management in Perth, details of the seminar are now being finalised. Watch out for this seminar to be run in late March or early April. We'll keep you posted!

Culture and Change Management

Readers of Awesome Service will be familiar with the concept of 'Unwritten Ground Rules' (UGRs) as a way of understanding and managing a service culture. A recent study reported by Business Intelligence (1999), reinforces the power of corporate culture and change management....

A survey by Business Intelligence in 1999 (www.business-intelligence.co.uk/default.asp) unearthed some interesting findings about 'Culture and Change Management'. Based on a survey that achieved responses from a total of 236 organisations in Europe, the US and other countries, some of the key findings were:

- ◆ Corporate cultures are not well defined - just over 10% of all organisations reported an 'extremely well defined' corporate culture, while almost half of the respondents (49%) reported that their organisational culture was not actively managed
- ◆ Companies with extremely well defined cultures are more inclined to have 'positive' cultural attributes
- ◆ Almost 99% of respondents feel that senior executives' role modelling behaviours is a key to enabling culture to be changed
- ◆ Corporate values are extremely important, but they are not widely understood - while almost 9% of respondents stated that their corporate values were totally understood, over 85% believe that gaining buy-in to shared values across the organisation is essential to their future
- ◆ Only 11.6% of responding organisations believe their current cultures support their strategic objectives. Of particular interest is the finding that those companies with extremely well defined cultures showed a stronger 'culture-strategy alignment'
- ◆ Almost 50% of respondents agreed that sub-cultures within their organisation posed a major barrier to gaining a unified culture
- ◆ While most respondents agreed that communication programmes were important in enabling culture to be changed, only 11.5% completely agreed that their internal communications are well managed

Together, these findings support what many of us have been concerned about for a number of years. On the one hand, corporate culture is not well defined, yet on the other hand, there is widespread recognition of the need for a positively oriented culture that supports strategic objectives. One of the most interesting findings from the Business Intelligence study is the very low percentage of companies that reported well managed internal communications - perhaps this is an insight into the aspect that most needs to improve to impact organisational culture.



Amateur 'Serve Us'

So far, Awesome Service has profiled five 'customer service characters' discovered in research undertaken by the Australian Customer Service Association. Now we profile another - the Amateur...

The Amateur suffers from the syndrome that says 'I only just started today' or 'I'm just filling in'. They don't know anything about the service they are providing - and they don't want to find out. If things go wrong they won't take the blame because they are new or 'haven't been told'. They often have many excuses.



First, let me reassure you - not knowing information does not qualify you automatically as an amateur. What makes a person an Amateur is their inability or unwillingness to help the customer get closer to what it is they want or need.

Amateurs are in many organisations - department stores, hardware stores, government agencies, fast food outlets to name only a few. It is interesting to consider where most organisations place amateurs - at the front line to deal with customers, which is quite remarkable if you stop to think about it!

Many people have jumped to defend the amateur when I have described this character to different groups - and they are right. Amateurs are not to blame in most cases - it is the organisation that fails to train the staff before allocating them to a role requiring them to deal directly with customers. Product and service knowledge should be a service prerequisite!

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In Recognition of Good Service

Good service - perhaps like good news stories - sometimes gets overlooked. Many of us are quick to cite instances of poor service, but less vocal when we receive good service. The statistics support this - we tend to inform about half the number of people about good service, that we would otherwise tell about poor service. Here, in our attempt to balance the equation, we pay tribute to a bakery

In an article I wrote for the now defunct Business Directions Magazine (any message there?), I wrote about poor service that I received at my local bakery. Despite this bakery winning awards for the quality of its pies, the staff member who served me was very impolite. On more than one occasion, this staff member's customer 'greeting' did not involve a smile, or a 'How can I help you?'. It simply involved a blank look. As a consequence of this service, I 'defected' to another bakery that provides good pies and good service.

In the same article, I reported on research about customer service that includes the following findings:

- ◆ Around seven out of ten 'lost' customers leave because of a poor staff attitudes
- ◆ An average unhappy customer tells 11 other people about the unhappy experience. Each of these people on average, tells five other people
- ◆ Only one in 20 unhappy customers bother to complain to the organisation. In other words, for every 20 unhappy customers, 19 walk away and do not complain to the organisation

In the article where I shared my experience with my local bakery, I also noted that I had conformed to the norm - I had not informed the bakery of their extremely poor treatment of me.

Not long ago, I received a telephone call from a lady who had just read the article who introduced herself with some reluctance. As it happened, she was an owner of a bakery, who was somewhat concerned that my experience was with *her* bakery!

This bakery owner went on to explain that she placed high priority on service within her business, and felt pride in the quality of product and service provided to customers. Despite this personal passion for good service, she was concerned that one bad experience had 'slipped through the cracks', and that I had reported on one of her staff.

I was pleased to be able to inform this lady that hers was not the offending bakery. Indeed, I went on to assure her that her business was in good hands, because of two main reasons:

- ◆ She was committed to the highest quality products and service. She was conscious of the need to keep service at the forefront of her thinking. Her passion for service excellence would assure that this was a business that stood out from its competitors
- ◆ Her appetite (excuse the pun) for customer feedback was a unique quality, that is a critical ingredient for business success. Not only was this business owner committed to

The Quiet Service Achievers

In the July and August 2000 editions of Awesome Service, we ran a series that described characteristics of 'winning' service organisations. In this article, we describe Feature #3

Feature 3: They have an appetite for internal and external feedback

While many organisations wait in fear for the next complaining (or should I say 'whinging') customer, service winners look forward to these same people.

Stew Leonard, owner of the most profitable supermarket chain in the world has been heard to say 'The complaining customer is my friend – they are telling me how I can improve'.

Service winners take on this attitude, and actively seek feedback. They have multiple strategies to acquire feedback, and treat all customer feedback seriously. Positive feedback is directed straight back to the staff, and other feedback is considered an 'opportunity for improvement'. Mareena Purslowe and Associates for example, ask every customer to provide feedback on their services (after first gaining clearance from them that this is OK). Alinta Gas have a sophisticated complaints management system that tracks both the number and nature of complaints every day of every week.

Importantly, these organisations do not rely on one feedback mechanism. They use a variety of strategies and are continually looking for ways to acquire more accurate and representative information.



In Recognition of Good Service (continues)


high quality service, she was also willing and ready to accept negative feedback from customers. In a tone that represented a degree of surprise when I mentioned this, the manager said, 'But how else will we know how to improve?'

Too often, businesses are blind to the importance of good service. Perhaps worse, these same businesses treat customer complaints as a nuisance factor, driven by an agenda where the customer is attempting to 'rip off' the business.

This same bakery owner concluded her telephone conversation by berating me. She was critical of the fact that I had received poor service without telling the managers of my experience. She felt it was incumbent on me to give the business an opportunity to improve by telling them of my experience. And she was right.

Her telephone call also reminded me about the commitment to service that drives some businesses— businesses that are currently doing a great job without fanfare. Too often, we writers are motivated to pen words that tell stories of poor service, while ignoring the quiet achievers.

As a consequence, I would like to begin a campaign to recognise good service. As customers, we should all begin to recognise with more vigour, those businesses that are committed to great service, and we should tell them. We should encourage and thank those people who are quietly doing a great job, and perhaps more importantly, we should tell our friends and colleagues about these businesses. Instead of focusing exclusively on the negatives, let's begin to bring some balance to the equation, and start some good news stories.


In the meantime, I recommend that those of us who are ever in the Miami area should frequent a bakery that is trying extremely hard to do the best for its customers. 

About Steve Simpson

Steve Simpson is an international speaker who helps organisations profit from improved service. Steve has featured at the **World Conference on Customer Service Management** in Orlando Florida in November 2000 – the world's largest customer service event, that also featured Tom Peters, Don Peppers and Keith Harrell. His presentation was so well received, he has been invited back to the 2001 Conference in San Francisco.

Steve has also been an invited member of an **International Customer Service Standards Committee**, organised through the US based Society of Consumer Affairs Professionals.

Author of the book 'Service Into Profit', Steve is a past Chapter President of the Australian Customer Service Association, and has been an evaluator in the Australian Customer Service Awards.

More details about Steve, including client comments are at www.keystone-management.com/profile.html. For your next seminar or conference call Steve on 041 990 1391 or Email steve@keystone-management.com. 

Why Collected Customer Feedback Fails to 'Bite'

These days, it is almost a 'fad' for organisations to collect customer feedback - hotels have feedback forms in every room, service departments leave a feedback form for completion after your car has been serviced, colleges acquire student feedback - to mention only a few. If organisations are collecting customer feedback, why does service continue to decline? We address this question in the article that follows.

For a long time, I had been confused about an apparent contradiction - organisations were increasingly involving themselves in collecting customer feedback, yet service was not improving. In fact, in many cases service was on the decline.

This led me to identify the barriers that prevent customer feedback from being used positively within an organisation or team. I then ordered these barriers to establish a 'Taxonomy of Service Feedback Barriers'® that prevent an organisation from making best use of customer feedback. While we cannot reproduce the taxonomy in its entirety here, I am happy to describe each of the six barriers identified in the taxonomy. In essence, I'm arguing that each of the barriers increasingly is difficult to overcome - although I'm prepared to be convinced that the order might vary in different contexts!



Barrier 1 - Amount of information collected

If there is little or no information collected from customers, there will be no action. Information has to be collected on a routine and formal basis before feedback can be put to good use.

Barrier 2 - Clarity of information and ease of interpretation

There might be plenty of customer feedback collected, however if it is reported in lengthy reports made up of complex tables and graphs, the impact will be minimal. This is a problem that is repeated again and again by many market research companies who believe that rigour and complexity go hand in hand.

Barrier 3 - Ways the organisation feeds back the information to staff

In some organisations, exposure to reports on the outcomes from customer feedback is confined to the senior management. If staff hear about this feedback, it is through sanitised means, or through informal gossip. In contrast, other organisations ensure that all staff have access to all information that relates to customers and other critical aspects of the business.

Barrier 4 - Confidence with the results from customer feedback

In some cases, the value of customer feedback is questioned, even if it is widely accessible throughout an organisation. This occurs when people challenge the validity of the content resulting in a lack of confidence in the results. In these

cases, staff and/or management might publicly laud the feedback, but privately discount it because of its lack of plausibility.

Barrier 5 - Openness of staff to respond to feedback from various sources (formal and informal)

One of the most difficult aspects of customer service is the need to be open to feedback from formal and informal sources. There is mostly no problem when the feedback is positive, but when it contains negative feedback, or a perception of negativity, individuals and teams need to acquire skills and attitudes that make them open and willing to accommodate the feedback. This is a tough assignment, and it does not come naturally!

Barrier 6 - Ability/willingness of the organisation to make changes based on customer feedback

In some cases, customer feedback might be accessible, and perceived as credible, yet there may be an unwillingness or inability to accommodate customer requests. Most often these situations arise when there are resourcing issues that are more prominent than the 'customer' issues. These situations also arise where management do not see sufficient pay off for implementing customer requests. AS

New Service Discussion Board

We are delighted to announce our new Customer Service Discussion Board linked to the Keystone web site. Go to the 'What's new' section of the site: www.keystone-management.com/, and take a look. We are aiming to establish a site for people to share insights and strategies for great service, so feel free to post problems, ideas, questions - whatever!

We have enough youth, how about a fountain of smart?