

Jamaica Employers' Federation

CUSTOMER SERVICE THAT ROCKS: STRATEGIES FOR MANAGERS WHO WANT TO MAKE IT HAPPEN

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Sunset Jamaica Grande Resort & Spa
Ocho Rios, St. Ann, Jamaica





- Do you like what you see?
- Is it a future that gladdens your heart?
- Is it a future that makes you feel good to say to all and sundry that you are proud to work for the organization?
- Is it a future that employees would want to be a part of?
- If the answer to all the above is "YES", then how do you get there?



- Does your organizational climate encourage your employees to want to get out of bed in the morning, come to work on time, and do the work right first time?
- Does your organization nurture your people and help them become world-class service providers?
- Do you create significant emotional events at your place on a regular basis?



- Have you taken a look at your service lately?
- Has a health check of your service delivery been done lately?
 - Has it been given a clean bill of health?

or

- Is it sick and therefore needs corrective surgery?
- What would a vulnerability study reveal about your organization?



- How do you wow your customers?
 - Are you meeting their needs, wants, and desires?
 - What have you done for your customers lately?
- How do you wow your employees the face of your organization?
 - Are you meeting their needs, wants and desires?
 - What have you done for your employees lately?



- Do you embrace the fact that happy employees make happy customers?
- How do you ensure that your employees continue to wow your customers?





THERE IS ABSOLUTELY NO WAY A SERVICE CULTURE CAN BE EMBEDDED IN AN ORGANIZATION IF THE PEOPLE WHO DELIVER THE SERVICE DO NOT FEEL VALUED BY THAT ORGANIZATION.



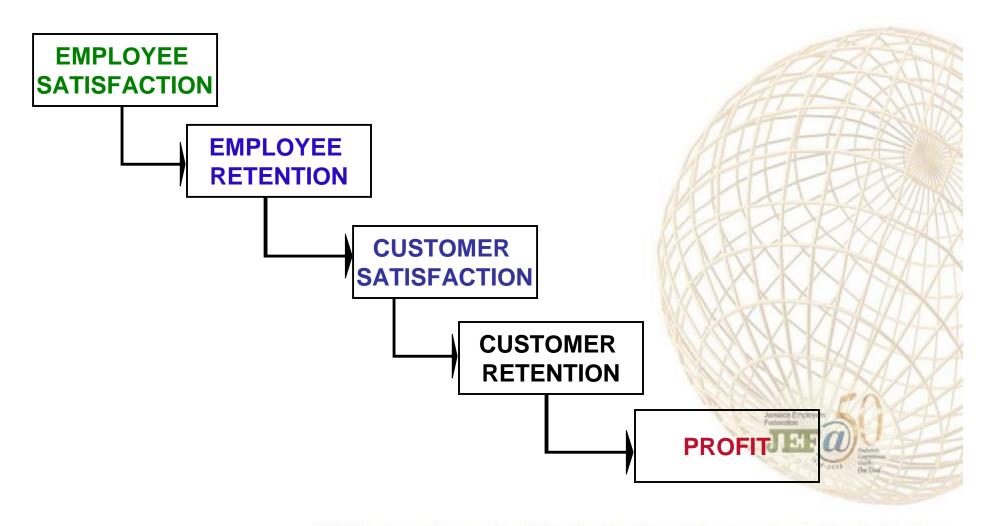
WHY EXACTLY ARE YOUR PEOPLE SO IMPORTANT TODAY?

This is what Ken Blanchard has to say:

They (the customers) want top service and they want it fast. That means you need to create a motivating environment for your people and an organizational structure that is flexible enough to permit them to be the best that they can be.



THE ADVANTAGES DERIVED FROM A STRATEGY OF CREATING EMPLOYEE VALUE





PROFIT IS THE APPLAUSE YOU GET FOR TAKING CARE OF YOUR CUSTOMERS AND CREATING A MOTIVATING ENVIRONMENT FOR YOUR PEOPLE.





THE SERVICE PROVIDER AS AMBASSADOR FOR ALL AN ORGANIZATION REPRESENTS

By Neville Lake and Kristen Hickey

"THERE IS A DEFINING MOMENT IN CUSTOMER SERVICE. IT IS THE MOMENT WHEN THE CUSTOMER TALKS TO SOMEONE IN YOUR ORGANIZATION. AT THIS MOMENT, EVERYTHING YOU REPRESENT IS EMBODIED IN ONE THIS HUMBLE INDIVIDUAL PERSON. THE AMBASSADOR FOR EVERYONE YOU FMPL OY EVERYTHING YOU OWN. WHAT THEY SAY AND DO CUSTOMER MORE ABOUT ORGANIZATION THAN ANY AMOUNT OF ADVERTISING. ON THE BASIS OF THIS INTERACTION, THE CUSTOMER MAY STAY, COME BACK WITH A FRIEND, OR GO AWAY FOR EVER."



ALL STAKE HOLDERS MUST BE SATISFIED!! Not just customers and owners.

WHAT HAPPENS WHEN EMPLOYEES FEEL A PART OF AN ORGANIZATION?

Harvard Business School Study Landmark Study by Professors Kotter and Kesnett

"Firms with cultures that emphasized all constituencies (customers, stockholders, and employees) and leadership from all managers outperformed firms that do not have those cultural traits by a huge margin. Over an 11-year period, the former increased revenues by 166 percent versus 68.2 percent for the latter; expanded their workforces by 282 percent versus 36 percent; grew their stock price by 901 percent versus 74 percent; and improved their net incomes by 756 percent versus 1 percent."



LET'S IDENTIFY THE FEATURES OF A CUSTOMER SERVICE THAT ROCKS!

- Delivers on reliability, responsiveness, assurance, tangibles and empathy.
- Delivers personally pleasing memorable interactions.
- Delivery of the service is seen as a performing art.
- Proactive approaches to customer contact.
- Urgent recovery when mistakes are made.



LET'S IDENTIFY THE FEATURES OF A CUSTOMER SERVICE THAT ROCKS!

- **There is emphasis on professionalism.**
- Great teamwork is the norm.
- **Let Customer obsession is the norm.**
- There is attention to detail.
- Uses problem-solving techniques.
- Courtesy words and phrases are part of the everyday vocabulary.



LET'S IDENTIFY THE FEATURES OF A CUSTOMER SERVICE THAT ROCKS!

- Demonstrates obvious friendliness.
- High technical competence goes hand in hand with high human interaction.
- Anticipation of customer needs.
- **♣** Demonstration of appreciation of the customer's business.
- Speedy service.



LET'S IDENTIFY THE FEATURES OF A CUSTOMER SERVICE THAT ROCKS!

- Correct service is delivered.
- Complete service is delivered.
- Helpfulness when there is a problem.
- Service providers demonstrate confidence.
- Service providers demonstrate consistency in service delivery.
- Enthusiastic delivery of service.



LET'S IDENTIFY THE FEATURES OF A CUSTOMER SERVICE THAT ROCKS!

- Service providers have a sense of humour.
- **Well prepared.**
- **♣** Great communication is evident throughout the organization.





WHY THE NEED FOR

A CUSTOMER

SERVICE CULTURE?



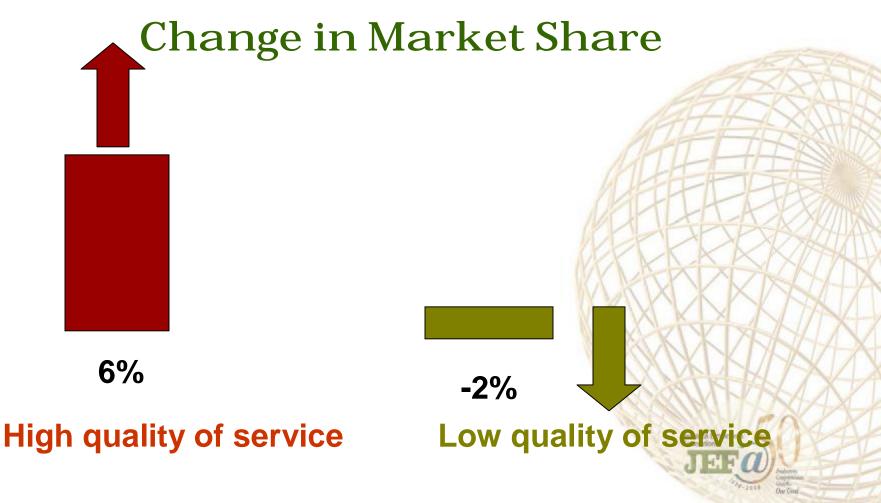


BECAUSE A SERVICE CULTURE GUARANTEES SURVIVAL IN A HIGHLY COM[ETITIVE WORLD.

Let's look at a landmark study conducted by Harvard Business School.



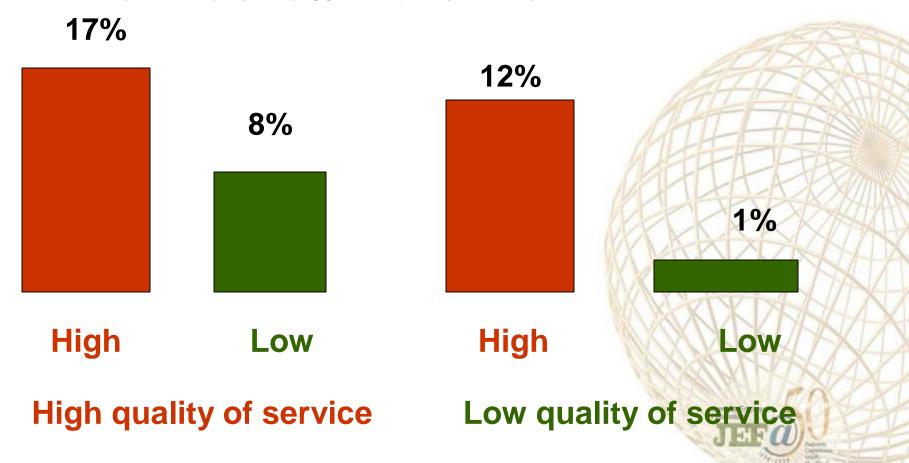
BENEFITS OF QUALITY SERVICE





CUSTOMER RETENTION/LOYALTY

Benefits of Quality Service SALES GROWTH and PROFITABILITY





QUALITY SERVICE PREVENTS CUSTOMER TURNOVER



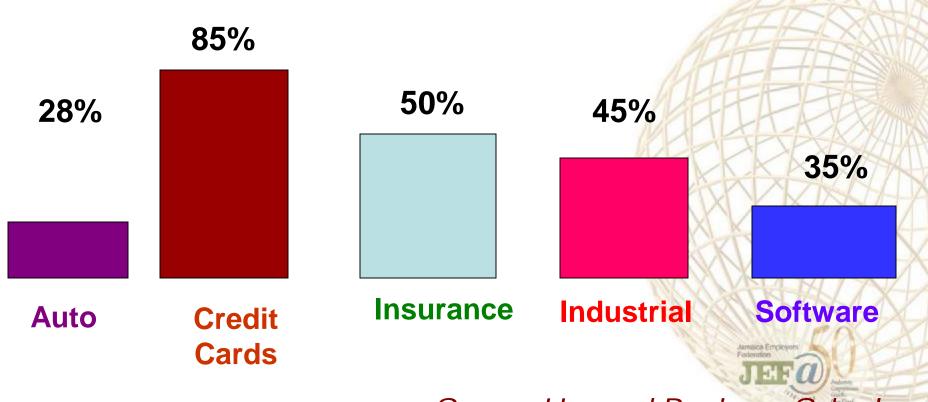
B. Dissatisfied customers migrate to the competition at a rate of





CUSTOMER LOYALTY

The effect of a modest 5% increase in customer retention leads to extraordinary increases in profitability.





CUSTOMER SATISFACTION STUDIES

Level of Satisfaction with Present Vendors

Percentage of Customers	Satisfaction Rating
10-15%	Extremely satisfied
40-60%	Satisfied
20-30%	At risk
10-15%	Actively seeking a new vendor

Source: Performance Research Associates



SUPERIOR SERVICE AS A FUNCTION OF HIGH TECHNICAL COMPETENCE AND HIGH HUMAN INTERACTION

		Features of the Service	Type of Service
1.	Low	♣ Slow.	
	Technical	♣ Incorrect delivery.	Z
	Competence	Name on customer's cheque spelt incorrectly.	HARRI
	-	♣ No set time for opening.	
	and	♣ Disorganized.	CATA
		Inadequate information.	200A
	Low Human Interaction	♣ Incorrect information.	"Freezer"
		4 An attitude indifference towards customers.	AT ATTA
		Absence of courtesy, responsiveness and empathy shown towards customers.	ATA
		Employees complain about company problems in front of customers.	impleyers!
		Hostile atmosphere, customers feel uncomfortable.	Palarent Compensation Galdin Over Conf.



SUPERIOR SERVICE AS A FUNCTION OF HIGH TECHNICAL COMPETENCE AND HIGH HUMAN INTERACTION

		Features of the Service	Type of Service
2.	Low	♣ Slow.	- FE
	Technical Competence	♣ Incorrect delivery.	Z
		Name on customer's cheque spelt incorrectly.	HARXX
		♣ No set time for opening.	
		♣ Disorganized.	CASSO
	and	4 Inadequate information.	
		♣ Incorrect information.	"Friendly
	High Human	4 A positive attitude towards customers shown.	Zoo"
	Interaction	Courtesy, responsiveness and empathy shown towards customers.	XIIX
		4 Atmosphere is warm, friendly and professional.	
		♣ Customers feel welcome.	inclosyon:
		Communicates correct information most times.	Statement Confession C



SUPERIOR SERVICE AS A FUNCTION OF HIGH TECHNICAL COMPETENCE AND HIGH HUMAN INTERACTION

		Features of the Service	Type of Service
3.	High Technical Competence	♣ Quick delivery.♣ Usually accurate.♣ Punctual with opening hours.	
	and	Systematic and organized.Informed.	
	Low Human Interaction	 An attitude indifference towards customers. Absence of courtesy, responsiveness and empathy shown towards customers. 	"Factory"
		Employees complain about company problems in front of customers.	
		Hostile atmosphere, customers feel uncomfortable.	HFO National Continues of the Continues

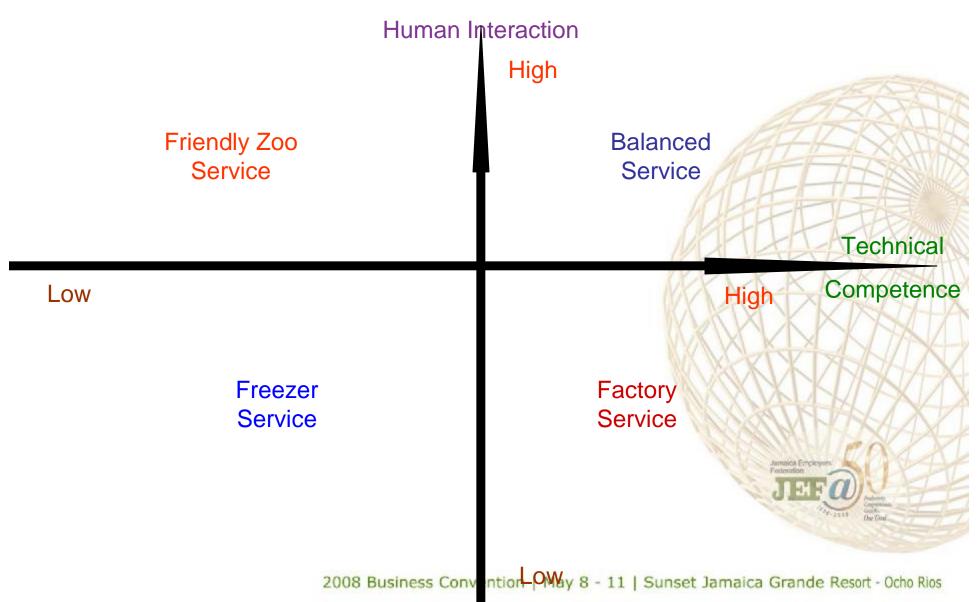


SUPERIOR SERVICE AS A FUNCTION OF HIGH TECHNICAL COMPETENCE AND HIGH HUMAN INTERACTION

		Features of the Service	Type of Service
4.	High Technical Competence	 Quick delivery. Usually accurate. Punctual with opening hours. Systematic and organized. 	
	High Human Interaction	 Informed. A positive attitude towards customers shown. Courtesy, responsiveness and empathy shown towards customers. Atmosphere is warm, friendly and professional. Customers feel welcome. 	"Balanced Service."
		4 Communicates correct information most times.	sicreon.



TECHNICAL COMPETENCE AND HUMAN INTERACTION



RELATIONSHIP BETWEEN VEHICLE OWNER SATISFACTION AND SALES (USA)

Low Satisfaction

Daewo

Dodge

Ford

Hyundai

Isuzu

Jeep

Kia

Land Rover

Mitsubishi

Plymouth

Pontiac

Suzuki

- 4%

VW

Mid Satisfaction

Chevrolet

Chrysler

GMC

Jaguar

Mazda

Mercedes

Mercury

Nissan

Oldsmobile

Saab

Saturn

Volvo

High Satisfaction

Acura

Audi

BMW

Buick

Cadillac

Honda

Infiniti

Lexus

Lincoln

Porsche

Subaru

Toyota

+ 24%

+ 44%

CHANGE IN SALES – 1998-2003

HE CUSTOMER AS APPRECIATING ASSET

Example One:

"When I see a frown on a customer's face, I see \$50,000 about to walk out the door."

- Stew Leonard

- ♣ His good customers buy about \$100 worth of groceries a week. Over ten years, that adds up to roughly \$50,000.00.
- Repeat trade is the key to business success.

THE CUSTOMER AS APPRECIATING ASSET

Example Two:

Average lifetime car purchases in the U.S. totals about \$150,000, not including repair work.

- The repeat customer is a company's principal vehicle for word-of-mouth advertising.
- If a lifelong, happy customer persuades one colleague to becoming a lifelong customer to the car dealership, suddenly that regular customer's value to the dealership doubles from \$150,000 to \$300,000.



IS CUSTOMER RETENTION REALLY THAT IMPORTANT?

There are many reasons why retaining customers is so profitable:

- 1. The ability to retain business.
- 2. The ability to cross-sell products to existing customers.
- 3. The ability to amortize initial costs over a longer period.
- 4. Satisfied customers are also more likely to provide referrals.



IS CUSTOMER RETENTION REALLY THAT IMPORTANT?

As a general rule, the longer an organization retains a customer the lower the costs of serving and the greater the opportunities for earning income from that customer.





THE LIFETIME VALUE OF A CUSTOMER

(A)

THE
"PRESENT
VALUE"

+

(B)

THE
"FUTURE
VALUE"

1

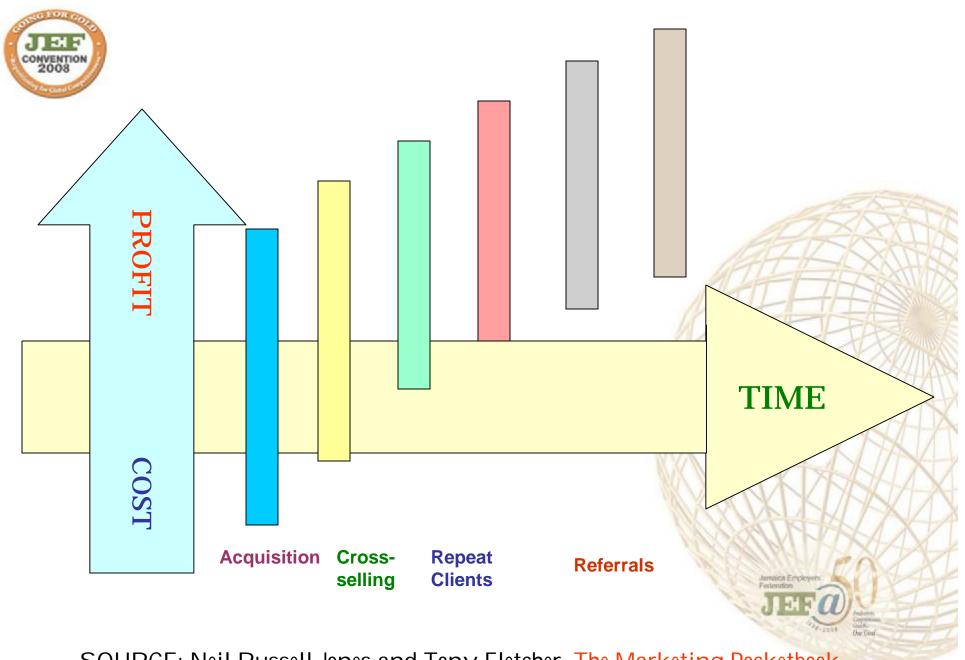
THE
"REFERRAL
VALUE"

(C)

The first-time sale you make to him or her.

The revenue potential from that customer over a specified period of time.

The new business customer brings through positive word-of-mouth advertising.



SOURCE: Neil Russell-Jones and Tony Fletcher, The Marketing Pocketbook (1998).

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ACQUISITION	To acquire a new customer, a typical	
	car dealership like Fidelity Motors	
	undertakes expensive marketing	
	campaign.	



CROSS- SELLING	Once the customer is with Fidelity Motors, there are frequent opportunities to sell additional products to the same customer. These opportunities can be enhanced through carefully channeling products towards customers that are more likely to need or want that product. The more products that Fidelity Motors can sell to a single customer, the more profitable that customer will be.



REPEAT CLIENTS	Repeat customers are those customers reusing the same services. Often the customer initiates the transaction, so acquisition costs for Fidelity Motors are very low. Moreover, since the customer has already established a history with Fidelity Motors, the company can process the transaction more quickly than it
	could the first time around.



REFERRALS	The longer customers stay with
	Fidelity Motors and the more business
	they transact with satisfaction, the
	more likely they are to actively refer
	friends and relatives to Fidelity
	Motors, generating new business, with
	much lower acquisition costs.



1. Customer loyalty is *not* just about satisfying customers

A satisfied customer may choose not to come back to an organization. A loyal customer will.





2. Customer loyalty is not about forcing your customer to reuse your service.

Many organizations (like airlines) offer customer loyalty or reward programs. These programs do not drive loyalty. They might drive a short-term change in behaviour, but they will not withstand the pressure of a competitor offering a better product or service.



At the end of the day, many loyalty programs are simply handcuffs to try to keep customers coming back. The reality is that customers who are delighted with your service will come back anyway.





3. Customer loyalty is **not** just about behaviour.

Loyalty is more than making customers come back to your service. It is about developing a bond with customers that changes the way we think about you.





Think about a truly loyal person ... someone who is passionate about a service organization and would drive out of his/her way to patronize that organization. These individuals are driven by a deep passion, and it is this depth of emotional bond that you are aiming for when you strive for customer loyalty.

3. Customer loyalty is not driven by convenience.

Sometimes managers fall into the trap of thinking that they have a core group of loyal customers when, in reality, the same customers continue to come back simply because the business is close to the customer's home or work.

Take service stations or supermarkets, for instance. Do customers really frequent these businesses because of the service they receive?



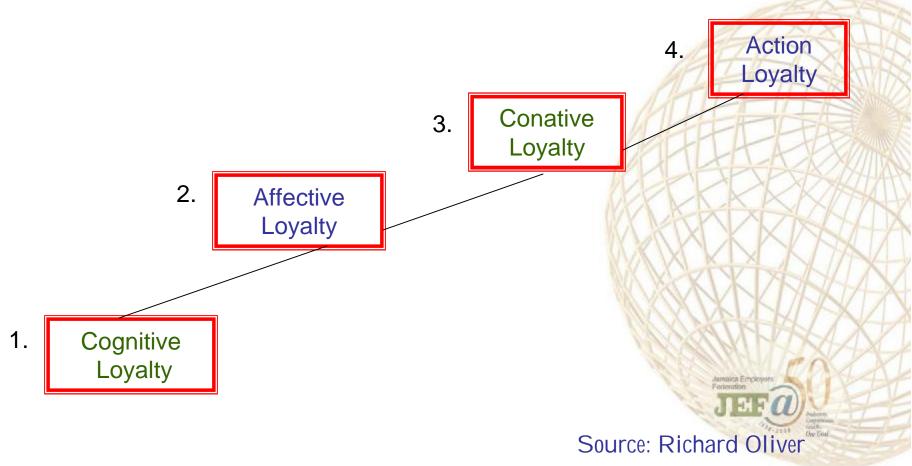
You will only know by seeing what happens when a more conveniently-placed service station or supermarket appears, or a discount petrol retailer or discount supermarket starts trading in the area.

Chances are, the customer will switch, so this type of behaviour is not about loyalty.

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WHAT THEN IS CUSTOMER LOYALTY?

THE FOUR KEY PHASES TO CUSTOMER LOYALTY



Satisfaction: A behavioral perspective of the consumer
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COGNITIVE LOYALTY

Cognitive based on information provided. It assumes that the information itself is sufficiently compelling to make customers choose a brand or service. For example, customers might choose to buy pizzas from the outlet that advertises the cheapest pizza deals. This single piece of info might be the trigger that keeps the customer going back to the same pizza vendor time and time again. IS IT STRONG LOYALTY? Not really, because that same customer could be attracted to another vendor if they chose to invest in advertising on price promotions. Cognitive loyalty is therefore only the first phase of true loyalty.



AFFECTIVE LOYALTY

Affective loyalty is a stronger phase of loyalty, and involves an emotional preference for a brand or service. This type of loyalty is built up gradually as the customer develops a cumulative satisfaction with a particular business. This is the beginning of true loyalty. You know you have it when customers make statements like, "I really like that restaurant", or "I think they have excellent service".

While stronger, affective loyalty alone does not guarantee that the customer will keep coming back. A more powerful brand must be created.



CONATIVE LOYALTY

Conative loyalty is where the customer not only likes the brand or service, but has a strong commitment to use it again in the future. When a customer says he or she will definitely return to a service, then the relationship is much stronger than simply choosing that service once, or even preferring it to others.

Conative loyalty is not quite the answer, however, as sometimes what customers intend to do doesn't actually translate into behaviour.



ACTION LOYALTY

Action loyalty is true loyalty. Here, the customer knows about the brand, likes the brand and has a commitment to reuse the brand. The customer proves this commitment through behaviour over time.

Long-term customers are not necessarily loyal customers. One could erroneously conclude, for instance, that a customer who has been with the same financial institution for 20 years is a loyal customer because he or she has shown action loyalty.



ACTION LOYALTY (cont'd.)

This may not be true. In fact, many customers stick with the same financial institution until they need to make a critical financial decision such as buying a house or seeking a loan. During this time, the customer has certainly built up an attitude towards the business through each of the customer's service interactions. It is quite possible that the customer dislikes the institution, and will switch at this critical moment.



WAYS TO ASSESS LOYALTY

Types of loyalty	What it means	How to measure it
Cognitive Loyalty	through knowledge of the functional	



WAYS TO ASSESS LOYALTY

Types of loyalty	What it means	How to measure it
Affective Loyalty	What customers think of the service and how much they like it.	 Satisfaction measures. Degree of likeability scales. Preference rankings against other competitors. Perceived quality and consistency.



WAYS TO ASSESS LOYALTY

Types of loyalty	What it means	How to measure it
Conative Loyalty	Degree of reported commitment to the service and/or intention to reuse.	MATTER STATE
Action Loyalty	Observed commit- ment to the brand.	 Number of times visited Vs, number of times visited competitors in a set time period. Percentage of spending certain time period.



IDENTIFYING LOYALTY

	Types of Customers	% of Total Customers	Also Known As
1.	Apostles	50% - a small proportion of customers who are extremely happy and so provide good word-of-mouth publicity.	Raving Fans Evangelists Advocates Diehards
2.	Happy Campers	46% - a bigger group who are both happy and loyal (but not as extreme as the "apostles".	Jarnaica Erickyoni Podemilos



IDENTIFYING LOYALTY

	Types of Customers	% of Total Customers	Also Known As
3.	Happy Switchers	24% - a group who are reasonably happy with the service they received, but unlikely to come back.	
4.	Dissatisfied Retainees	13% - a group who are not particularly happy, but will still come back.	
5.	Defectors	12% - a group whom you have disappointed, who are unlikely to return and will probably spread negative stories.	Jamaica Erryloyoru Fotomion Jaraica Erryloyoru Caponinas Goto Cive Cust



HOW TO DEVELOP LOYALTY STRATEGIES

Customer Types	% of Customers	
Apostles	5%	What makes "apostles happy?How is their experience different from that of the other types?
Happy Campers	46%	What competitors are my "happy campers" using?How does their level of service compare with ours?
Happy Switchers	24%	 Why are "happy switchers" not coming back – even though they are satisfied? Are they simply visiting us because they couldn't access our competitor?



HOW TO DEVELOP LOYALTY STRATEGIES

Customer Types	% of Customers	
Dissatisfied Retainees	13%	 Why do our "dissatisfied retainees" persist without service, even if they are not happy? VIs it simply a matter of convenience for
		them. Does this mean we will lose their custom if a new competitor starts up in our neck of the woods?



HOW TO DEVELOP LOYALTY STRATEGIES

Customer Types	% of Customers	ALL
Defectors	12%	✓What has upset our "defectors"?
		✓Was this a "one-off" incident or do we
		need to fix processes to ensure it
		doesn't happen again?
		∨ Can we recover any of our
		"defectors"?



CUSTOMER SERVICE THAT ROCKS!! THEREFORE PRODUCES GREAT DIVIDENDS FOR ORGANIZATIONS



- 1. Service excellence turns customers into "apostles" (Jones and Sasser), "raving fans" (Ken Blanchard) or "diehards".
- 2. Loyalist customers account for 65% of the typical organization's revenues (AMA study).
- 3. Studies prove that service actually is more effective at enhancing volume and profit than marketing, promotion, or advertising.



- 4. Quality of service has become more significant to a company's success than quality of product.
- 5. Product quality alone cannot enhance customer value. Service quality must be part of the equation.
- It is the service that brings the customer back to repurchase.
- 7. Because service excellence is an effective selling tool, it is also a long-term competitive advantage.



- 8. According to one writer, customer service exerts a multiplier effect:- it multiplies results achieved by advertising, marketing and sales.
- 9. Service excellence leads to word-of-month recommendation, which often is more effective than product advertising in influencing purchase decisions.



Assistance Research Program) concludes that the ROI from service excellence training for makers of consumer durables such as washing machines is 100 percent. For banks it is 170 percent. In the extremely competitive field of retailing – as high as 200 percent.



SOME MORE RESEARCH FINDINGS

When customers are asked why they decided to buy from a particular service provider or company, they invariably give the following reasons:

- ∨ The reputation of the company;
- ∨ The level of service and support that the company offers;
- ∨ The reliability of the company and the service provided;
- ∨ The responsiveness of the organization to complaints and requests;
- ▼ The quality of the individual service provider with whom they have been dealing.

PRICE RANKS AS NO. 7 OR 8 IF IT COMES UP AT ALL IN THE SURVEYS.



SOME MORE RESEARCH FINDINGS

- ∨ 84 percent of all sales in America originate from the recommendations of satisfied customers.
- ∨ A referral to a new customer is worth ten times more than a cold call.
- ✓ It is 16 times easier to sell a satisfied customer something new than it is to sell something to a brand new prospect.





IN THE FINAL ANALYSIS, DEDICATING YOURSELF SERVING YOUR CUSTOMERS IN SUCH A WAY THAT YOU KEEP THEM FOR LIFE IS ONE OF THE SMARTEST AND MOST PROFITABLE THINGS THAT YOU CAN EVER DO.



BUILDING A VALUED BRAND U.S. AND U.K. STUDY

How do organizations build/erode trust?

The top five attributes for building trust across an organ

The top five attributes for building trust across an organization:

- 1. Customer Satisfaction
- 2. Leadership
- 3. Prudent fiscal management
- 4. Quality
- 5. Customer respect

These ranked higher than market capitalization, market share, etc.

Source: Ponemon Institute and Unisys, 2006





A LOOK AT A BEST PRACTICE HEALTH FACILITY: HOLY CROSS HOSPITAL, CHICAGO



HOLY CROSS HOSPITAL, CHICAGO

- Lost \$9M in 1991.
- Ranked in bottom 5 percent of health-care facilities in the U.S. (Press-Ganey Patient Satisfaction Index of 440 hospitals).
- Hospital's staff went somewhere else for their health care needs.
- Several employees said they were too embarrassed even to acknowledge that they worked at the hospital.
- Arrival of new CEO, Mark Clement, in 1992 changed things.



- Clement clarified the hospital's five core standards:
 - *Service
 - **Excellence**
 - **Respect**
 - * Value
 - * Enthusiasm
- Today, Holy Cross is a benchmark for service. Over 200 other hospitals have gone to Chicago to study the best practices that Holy Cross Hospital has initiated.
- Clement built a sense of trust among staff and patients.



- Patients can call the CEO directly if they feel dissatisfied with any part of the service at Holy Cross Hospital.
- The 1,500 staff members are called "partners", each of whom participates in the service delivery that distinguishes Holy Cross Hospital as a best-practice institution.
- Thanks to input from both partners and patients, the hospital has improved its service offerings even down to the smallest detail. Metal X-Ray tables are not heated with electric blankets before patients lie down on them.



- The hospital has altered its hours of operation as well as its policies regulating the number of visitors permitted in a room all at the request of the customers it serves.
- The staff in the imaging department must acknowledge a patient within one minute of arrival and cannot keep that customer waiting longer than ten minutes.
- Nurses on daily rounds must explain any test scheduled for a patient and provide written description when appropriate.



- The hospital even provides valet parking.
- The hospital has ranked the sixth best in the United States.
- Customer satisfaction exceeds 98 percent.





NOW WHERE DO WE GO FROM HERE?

How do you embed a service culture at your place?

You will have to go to bed with it, embrace it, dream about it, live it every day, eat it with your eyes, be passionate about it, be obsessed about it.



HOW TO CREATE A CULTURE AT YOUR PLACE THAT COMPELS GREAT SERVICE

- 1. Top down commitment.
- 2. Identify the service culture components for a Quality Advantage Program.
- 3. Embrace world-class HR strategies.
- 4. Embrace the Strategies for Promoting and Maintaining a Customer Service Culture.

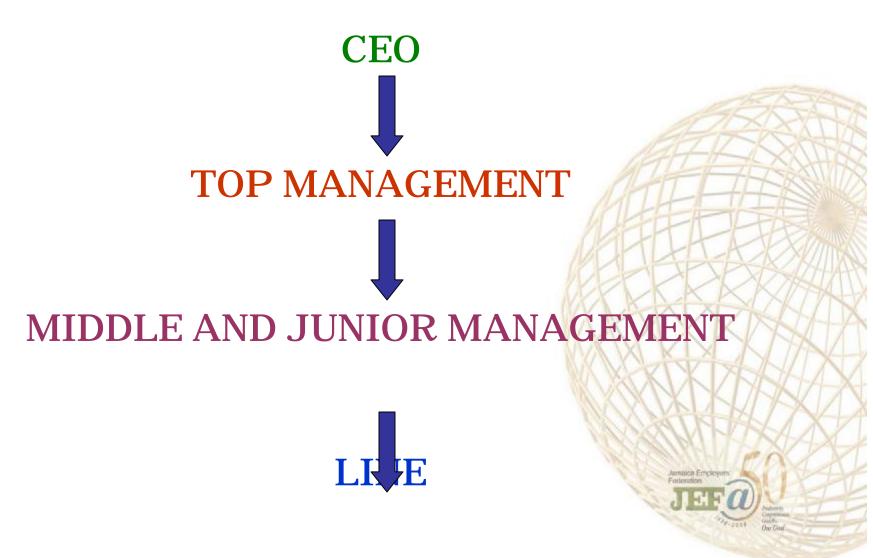


HOW TO CREATE A CULTURE AT YOUR PLACE THAT COMPELS GREAT SERVICE

- 5. Embrace the strategies that will ensure the proper supervision and management of the service encounter.
- 6. Develop a monitoring and evaluation program.
- 7. Develop a Reward and Recognition Program.



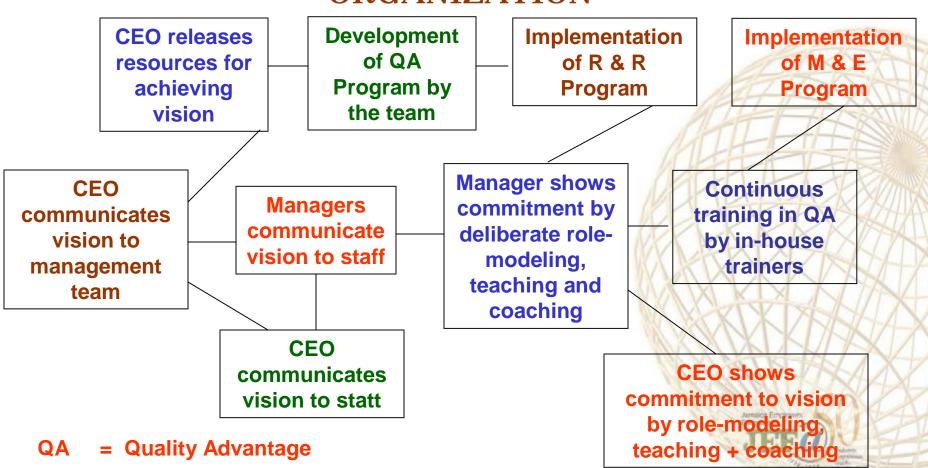
TOP DOWN COMMITMENT





THE ROLE OF THE CEO AND THE SENIOR MANAGEMENT TEAM IN PROMOTING AND MAINTAINING THE SERVICE CULTURE IN AN

ORGANIZATION



R&R = Reward and Recognition

M&E = Monitoring and Evaluation



WHAT IS A QUALITY ADVANTAGE PROGRAM?

A management system designed to ensure the consistent delivery of quality customer care to the internal and external customers of the organization.



IDENTIFYING THE SERVICE CULTURE COMPONENTS FOR A QUALITY ADVANTAGE PROGRAM

VISION
Where we want to be

MISSION Why we exist

VALUESWhat's important to us

STRATEGY

"What we are going to do to get there"

The Quality Advantage

Vision MissionGuiding Values..... Value Proposition ... Corporate Customer Philosophy ... The Promise ... Guiding Principles ... The Customer Service Checklist ... Principles of Service Excellence ... Team Charter ... The Customer Charter ... Customer Satisfaction Standards.



BENEFITS OF THE QUALITY ADVANTAGE

- Consistency of behaviour and service.
- Higher degree of customer satisfaction.
- Increased customer retention.
- Increased customer spend.
- Increased customer base.
- Improved efficiencies.





- 1. Set clear standards for employees.
- 2. Hire the right people.
- 3. Train them well.
- 4. Motivate them.
- 5. Acknowledge and reward them.
- 6. Build a positive organizational climate.



- 7. Build a great team.
- 8. Empower them.
- 9. Delegate responsibility to them.
- 10. Listen and communicate.
- 11. Promote from within.
- 12. Counsel out non-performers.



JEHF CONVENTION 2008

	Components of HR Strategy	
1.	Set clear standards.	People don't do what you expect. They do what you inspect.
		♣ They want to know what is expected of them.
		They want to know how they are doing.
		They want to know their strengths and weaknesses.
		♣ They want to know how they can do a better job.
		♣ They want to know they can contribute more.



	Components of HR Strategy	AHEREA
2.	Hire the right people.	 Hire the smile and train the skill. Use the "Law of Three", i.e., interview at least three candidates for the job three times by three different interviewers.



	Components of HR Strategy	
3.	Train them well.	♣ Orientation.
		◆ Technical skills training.
		Philosophical training.
		♣ Customer Service training.
		↓ Coaching.
		General systems knowledge skills training.
		♣ Intra-department cross-training.
		♣ Inter-department cross-training.
		♣ Industry knowledge skills training.



	Components of HR Strategy	
4.	Motivate them.	 Motivation is excitement about work. Motivation first assumes that basic employee needs – such as pay, benefits, and job security – are met. Five important motivators: Respect for me as a person. Job security. Opportunity for growth. Appreciation for a job well done. Feeling that my job is important to the organization.

	Components of HR Strategy	
5.	Acknowledge and reward them.	 What gets rewarded gets done. Three players in the triple-win: Customers. Employees. Organization. The key is balance.

	Components of HR Strategy	
6.	Build a positive organizational	Do you meet with your employees regularly?
	climate.	♣ Do you prepare a written review at least once a year?
		Are employees whose performance is above average recognized and praised?
		Do you feel confident in your ability to hold productive disciplinary or coaching sessions?
		♣ Do you confront people whose performance is unacceptable?

	Components of HR Strategy	
7.	Build a great team.	 Ways to nurture your team: Follow through: Do what you say you're going to do. Goals and deadlines: Use time wisely in order to meet your expected goal. Sharing information: Communicate with others to achieve a common goal. We Vs. I: Use the team approach in all you do. Rewards and Incentives: For those who go above and beyond the call of duty.



	Components of HR Strategy		
8.	Empower them.	#	Empowerment is all about letting go so that others can get going. Diane Tracy's 10 steps to empowerment: 1. Tell people what their responsibilities are. 2. Give them authority equal to their responsibilities. 3. Set standards of excellence. 4. Provide people with training that will enable them to meet these standards.



Components of HR Strategy	
	5. Give them knowledge and information.
	6. Provide feedback on performance.
	7. Recognize them for their achievements.
	8. Trust them.
	9. Give them permission to fail.
	10. Treat them with dignity and respect.



	Components of HR Strategy	
9.	Delegate responsibility to them.	 Delegation of authority is the process whereby managers assign duties to subordinates and give them the authority to carry out these tasks. Much can be accomplished if you don't care who gets the credit.
		No matter what the job is, no matter how simple, always ask the question:
		"Who is the best person on my team for this assignment?"



	Components of HR Strategy		
10.	Listen and communicate.	#	"As an executive reaches middle management and beyond, the primary criteria for advancement are communication and motivation skills, rather than job performance."
			Bottom Line/Personal
		1.	Encourage employee feedback.
		2.	Accept constructive criticism openly.
		3.	Follow the principles of two-way communication.
		4.	Actively listen.
		5.	Pay sincere attention to employee suggestions.
		6.	Manage your meetings effectively.



	Components of HR Strategy	ALL SAN
11.	Promote from within.	 Train your staff to take on higher responsibilities. Achieve this through: Mentoring. Cross-training. Coaching. Supervisory development program. Management development program. Management trainee program. Tertiary education.

	Components of HR Strategy	
12.	Counsel out non-performers	♣ Firing is inevitable when you have made a hiring mistake.
		♣ De-hire with grace, sensitivity and fairness.
		♣ Learn from each de-hiring experience. Analyze your mistakes so you do not repeat them.



- Explore the vision of transforming the company into a commitment-based company.
- Communicate the vision to employees and customers.
- Discuss goals and expectations with employees.
- ♣ Become an expert in your organization.
- Demonstrate Commitment.
- Partner with customers.
- Conduct briefing sessions with employees.
- Observe employees and document good and bad service.
- Conduct review sessions to give feedback.



	Strategies	Action Items
	Explore the vision.	Does your CEO have a vision?
		Has he/she articulated that vision to you and asked for your commitment to help him/her achieve the vision?
		If your organization doesn't have a vision, get your CEO to do something about it.
		# "Where there is no vision, the people perish." (Bible)



	Strategies	Action Items
2.	Communicate the vision to employees and customers.	 Know the meaning of the vision. Explain the meaning of the vision to employees. Explain how they can contribute to achieving the vision. Inspire them to higher levels of achievement by showing them how their work contributes in a worthwhile way.

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	Strategies	Action Items
3.	Discuss goals and expectations with employees.	Five kinds of data must be transferred to staff:
		1. Specific instructions about what to do and how to do it.
		2. Rationale for the particular job and how it relates to other jobs.
		3. Policies and procedures.
		4. Performance feedback.
		5. Corporate goals and objectives.



	Strategies	Action Items
4.	Become an expert in your organization.	1. Improve your team building, empathy, empowerment, problem-solving, coaching, counseling skills.
		2. Become a great listener.
		3. Improve on your motivation skills, your
		interpersonal communication skills.
		4. Become a "Kaizen" professional.
		5. Improve your product knowledge.



	Strategies	Action Items
5.	Demonstrate commitment.	1. Role-model the behaviour you expect from your employees.
		2. Practice MBWA.
		3. Train and develop your employees.
		4. Meet with staff on a regular basis.
		5. Become a coach, a cheerleader and a nurturer of champions.
		6. Remind employees that the customer is Number One every time.



	Strategies	Action Items
6.	Partner with customers.	1. Get your own feedback/Wander around with your customers.
		2. Solicit ideas from customers on how you could improve the service.
		3. Convene focus group sessions once per quarter.
		4. Partner for profit: help your customer to cut costs and improve results.
		5. Embrace the Principle of Reciprocity in business.



	Strategies	Action Items
7.	Conduct employee briefing sessions.	1. Conduct daily briefing sessions of 5–10 minutes prior to opening your doors to customers.
		2. Let them know that you'll be observing them during the course of the day: provide feedback to individuals during the observation.



STRATEGIES FOR CREATING AND EMBEDDING A SERVICE CULTURE IN AN ORGANIZATION

	Strategies	Action Items
8.	Observe employees' delivery of service. 2.	 Observe employees during the service delivery and record good and bad service. Give immediate praise to employees "caught" delivering great service.
		3. Give immediate non-threatening corrective coaching to employees observed delivering substandard service.



STRATEGIES FOR CREATING AND EMBEDDING A SERVICE CULTURE IN AN ORGANIZATION

	Strategies	Action Items
9.	Conduct review sessions.	1. Conduct 5–10 minute review session to give feedback.
		 2. Begin by giving positive feedback: Praise good service observed by you. Praise individuals in front of their peers.
		 Next, give negative feedback: Inform the group if specific instances of the substandard service. Never name names. Get commitment from everyone to deliver exceptional service tomorrow.



MANAGING THE SERVICE ENCOUNTER

A MODEL OF CUSTOMER-EMPLOYEE INTERACTION

MANAGEMENT INFLUENCE

CUSTOMER BEHAVIOUR

CUSTOMER EXPECTATIONS

PERCEPTION OF SERVICE

EMPLOYEE EXPECTATIONS

EMPLOYEE CHARACTERISTICS

Jamaica Employers Federation

EMPLOYEE BEHAVIOUR

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TO MANAGE THE SERVICE FUNCTION SUCCESFULLY YOU NEED TO BE AWARE OF THE FOLLOWING

How customers behave

What customers expectations are

Customers' perception of service

What are our employees expectations

What are our employees characteristics

How employees behave



MANAGING CUSTOMER BEHAVIOUR

Customer Behaviour	Role of the Manager/Supervisor
Customers usually react badly to small things for reasons that have very little to do	that when customers seem to be attacking them, they shouldn't take
with the organization or its employees.	2. Ensure that employees identify non-verbal, verbal and visual clues that indicate what the customer's mood or state of mind is.
	3. Ensure that employees handle customer complaints successfully
	4. Role-model the behaviour you expect from your employees.



MANAGING CUSTOMER EXPECTATIONS

Customer Expectations	Role of the Manager/Supervisor
 Personal recognition Courtesy Timely service Professionalism Enthusiastic service Empathy Patience 	 Ensure that employees abide by the grooming standards of the organization. Create a bias for service. Role-model the behaviour you expect from your direct reports. Ensure that the processes in place support timely service in frontline areas.



MANAGING CUSTOMER EXPECTATIONS

Customer Expectations		Role of the Manager/Supervisor
• A business place which focuses on	5.	Solicit ideas from employees on how to improve service delivery.
the tangibles	6.	Conduct product knowledge training.
 Things done right first time 	7.	Conduct training of employees in customer needs and wants.
 Urgent service recovery when mistakes are 	8.	Benchmark best practices in customer service and disseminate information to employees.
madeAppreciation	9.	Provide benchmarking experiences for employees.



MANAGING CUSTOMER PERCEPTIONS

Customer Perceptions	Role of the Manager/Supervisor
 Customer perception is the way the customer interprets reality. It is the major factor in service evaluation. The customer's perception is the only one that counts. 	 Practice Perception Management – the process of ensuring that the customer's perception of the service delivered by an organization is positive. Document the important aspects of service and ask your customer if it is what he/she expects.
	3. Ask perception questions such as "What makes a good service?"
	4. Follow-up complaints and poor perceptions thoroughly and politely.



MANAGING CUSTOMER PERCEPTIONS

The three types of perceptions:

P = R (Expectations met)

P > R (Expectations not met)

P < R (Expectations exceeded)

Role of the Manager/Supervisor

- of 5. Publicize the work of your organization in terms that are meaningful and valuable to it.
 - 6. Create a bias towards service.
 - 7. Listen to the customer.
 - 8. Make customer value the guiding star.
 - 9. Let the customer define quality.
 - 10. Measure and manage.
 - 11. Define the business as a service business.
 - 12. Commit to 'Kaizen'.



personal development.

MANAGING EMPLOYEES' EXPECTATIONS

Employees' Expectations	Role of the Manager/Supervisor
To be treated with respect.To be appreciated for a	1. Publicly appreciate, recognize and praise employees' good work and ideas.
job well done.To be criticized in	2. If you must criticize or discipline, do it in private.
private.To receive help and	3. Create and maintain a pleasant work environment.
support from their manager.	4. Let team members know they are secure in their jobs.
To receive training.The opportunity for	5. Nurture creativity by avoiding idea killers.



MANAGING EMPLOYEES' EXPECTATIONS

Employees' Expectations	Role of the Manager/Supervisor
To be in on things.To know how they are	6. Be a coach, cheerleader and a nurturer of champions.
doing.To have an input in	7. Invite dissent.8. Motivate your staff.
the decision-making process.	9. Empower your staff.10. Acknowledge and reward
 Opportunity for upward mobility. 	employees. 11. Listen and communicate with
To be treated fairly.To be listened to.	employees.
• Empowerment.	12. Keep promises.13. Develop your people.



MANAGING EMPLOYEES' CHARACTERISTICS

Employee Characteristics	Role of the Manager/Supervisor
 Friendly Empathetic Dependable Outgoing Proactive Enthusiastic Considerate Eager to please Caring Reliable 	 Continually remind employees to display the characteristics in appropriate situations during their interactions with customers. Monitor and observe employees daily. Give immediate feedback and praise to those employees displaying the characteristics. Give immediate corrective coaching to those employees not displaying
 Responsible 	the characteristics.



MANAGING EMPLOYEES' CHARACTERISTICS

Employee Characteristics	Role of the Manager/Supervisor
 Service-oriented Team player Neat and well-groomed Self-confident Punctual Courteous Communicative Polite 	5. Role-model the behaviour expected from your employees,



MANAGING EMPLOYEE BEHAVIOUR

	Employee Behaviour		Role of the Manager/Supervisor
•	Behaviour Patterns associated with a positive disposition Placing priority on	1.	Continually remind employees to display behaviour patterns associated with a positive disposition.
	attending to the customer.	2.	Let them tell you what these positive behaviours are.
•	Acknowledging the customer's presence when dealing with another customer. Greeting the customer in a pleasant, welcoming manner.		Jernaica Erryloyers Fortenation Advances According to the control of the contro



MANAGING EMPLOYEE BEHAVIOUR

Emp	lovee	Behaviour	

- Paying full attention to the customer.
 - Behaviour Patterns associated with a negative disposition.
- Failure to act quickly in dealing with the customer.
- Failure to acknowledge the presence of the customer.
- Failure to return a phone call to a customer.

Role of the Manager/Supervisor

- 3. Observe and monitor the behaviour of employees in their interaction with customers.
- 4. Praise employees whose behaviour patterns are associated with a positive disposition.



MANAGING EMPLOYEE BEHAVIOUR

Employee Behaviour	Role of the Manager/Supervisor	
 Failure to greet a customer in a pleasant, welcoming manner. Being argumentative. Asking for the same information repeatedly. Demonstrating boredom, impatience, annoyance. Doing several other things while dealing with the customer. 	5. Provide corrective coaching to those employees whose behaviour patterns are associated with a negative disposition.	



THE DISTINGUISHING FEATURES OF GREAT SERVICE ORGANIZATIONS

- Commitment to great customer service is at the heart of their vision.
- 2. Stellar customer service is a mindset that defines the organization's culture.
- 3. The CEO and management visibly live the vision every day.
- 4. Customer relationship management is an obsessive focus.
- 5. They never stand still constant innovation is the order of the day.
- 6. They know what the competition is doing.



THE DISTINGUISHING FEATURES OF GREAT SERVICE ORGANIZATIONS

- 7. They are always aware of their potential to do better.
- 8. They benchmark best practices, not only in their sector, but in sectors unrelated to the business they are in.
- Customer-defined quality criteria or standards.
- 10. There is on-going, measurable feedback from customers.
- 11. They define their business as a service business.



THE SEVEN BASIC UNDERLYING BELIEFS OF EXCELLENT COMPANIES

(Source: In Search of Excellence by Tom Peters and Robert Waterman)

- A belief in being the best
- **♣** A belief in the importance of getting the details right
- A belief that the people who work for the organization are at the heart of its success
- A belief in superior quality and service
- A belief in encouraging innovation and tolerating failure where this was a genuine effort to move the organization on
- **♣** A belief in the importance of internal communication
- A belief in the need for the organization to grow economically



