



UNIT-4

Maintaining Service Excellence Organisation

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Discuss how to implement a Service Excellence Strategy

Unit 4

Maintaining Service Excellence Organisation

Every organization needs a strategy to determine the steps which must be taken to achieve organizational goals. However, the strategy is of no use, no matter how well it has been designed unless it is implemented effectively. When the strategy is introduced to the employees, they are told what is expected of them and encouraged to work hard to achieve the objectives stated in that strategy. Some methods, which can be used to design a good customer service strategy and ensure its effectiveness, are discussed below.

Continuous Improvement

Research indicates that the success of a strategy depends on the way it is first introduced or implemented. In order for the strategy to work effectively, the culture of the organization needs to be integrated with the objectives presented in the strategy.

Engender Ownership

To effectively implement the strategy, it has to be made after taking feedback from the employees. If the employees believe in the objectives and values stated in the strategy, they would feel more comfortable implementing it. Therefore, strategy has to be made after holding sessions with employees to seek their opinion and suggestions, this way employees will feel they are a vital part of the organization and the strategy would contain ideas owned by the staff.

Test the Waters

Just like any new product is tested to check its results before releasing it in the market, the service strategy framed by an organization also needs to be tested prior to its implementation. This would help the senior management find out the faults or obstacles in the way of implementing the strategy.

A test programme can be started in which volunteer customers can be inducted. The strategy could be implemented and its results can be analysed to find faults and fix them. Customers can also be interviewed to give feedback and suggestions. This would also help save money because if a strategy is implemented in real time and doesn't work, the company would go in loss. However, if it is tested first, its results in the actual market can be studied.

The test programme can also help train the employees in advance for working with new conditions. It can help the senior management decide what key decisions could be taken in case of failure of the strategy. The results of the test programme should also be shared with the employees. If it is successful, employees will be more welcoming to the idea of implementing a new strategy as well.

To provide an example, we study the implementation of a new strategy at "National Mutual Life": National Mutual Life developed a new strategy that would help them differentiate themselves from their

competition but they started a test programme to see its pros and cons before implementing it. They started a programme of “Customer Care” where two teams were formed from amongst their employees. One team was formed from customer care department and the other from pension claims. These two teams attended a two day workshop for training in customer care.

The two teams focused on completing the tasks given to them and also analysed their working techniques and tried to improve them. Results showed the programme to be a huge success. The program highlighted that small activities and better techniques helped improve quality of work. The results also revealed that the programme showed higher level of staff motivation, team work and co-operation among the team members.

The employees who participate in such test programmes should practice empathy and understand that a new strategy cannot be perfect. They should give suggestions to improve the strategy but not reject it as a whole. The feedback from employees is extremely necessary to find out what obstacles were faced in implementing the strategy so that when the strategy is actually implemented, those obstacles can be removed.

Let us see another example where a test programme proved to be very useful. A national chain of estate agents wanted to implement a customer service strategy. They decided to test the strategy first and chose one branch out of ten located in one region (choosing one from each region) for testing and chose another branch to be the control. Employees argued that the standard of services will not be the same in different regions. However, results indicated higher levels of employee motivation and customer satisfaction. Hence, the strategy was a success.

Establish a Steering Group

A good practice when implementing a new strategy in the organization is to form a ‘steering group’. A steering group consists of employees of the organization picked from different regions and departments to work as a team and help in the implementation of the new strategy. These employees are drawn from different job grades and have a good amount of experience working with the organization. These members need to be influential within the organization so that other employees will listen to them. One skill that is a must have for all the members of a steering group is to have excellent communication skills. These team members usually hold a meeting and get to know each other before starting work. This way they come to find out about the strengths and weaknesses of their team-mates and try to complement them.

Hotel group Queen Moat Houses established a steering group when they needed to implement a new strategy. They wanted to focus on better customer care and empowered their employees to take greater part in organizational activities. A 3 person steering group was formed who were responsible for managing other staff, helping them and also training them.

When Audi felt the need to develop its identity in the UK, it established a steering group of 20 centres who were the advocate of change. They acted as a steering group and tried to put greater focus on customer care and satisfaction.

Marketing a Service Strategy

Marketing a service strategy means revealing or presenting the service strategy to internal customers first. When an organization develops a customer service strategy, it first needs to test it and discuss the strategy in detail with their staff. This way the staff will be able to give its feedback and feel comfortable in their working environment. This will also help the employees trust their senior executives. So, in other words employees of the organization are its internal customers to whom the service strategy needs to be revealed before actually implementing it. When discussing the strategy with the employees, they need to be told what objectives the organization is trying to achieve and what it expects from its staff.

A common thing done by many organizations is to start a customer service programme by giving it a specific name. This way the programme can be branded and recognized throughout the company. However, the right name should be chosen which would help merge the programme with the culture of the organization otherwise people might start perceiving it as a separate identity from all the other programmes that the organization is running.

Some of these names include:

Focus on the customer.	Putting service first.
Success through service.	First service.
Customers first.	Partnership programme.
You make the difference.	Partners in customer service.
Right first time.	Team service.
Profit through service.	In touch.
Putting the customer.	First Excel.
Caring for customers.	Winning for customers.
To be the best.	Service to succeed.
Leadership through quality.	Making the difference.
Quality pays.	First class service.
Service excellence.	Customer-driven service.
Who cares, wins.	

Introducing the Programme to Employees

Introducing the programme to employees is a very important step and needs to be clearly thought out. Research indicates what it is a good practice to first introduce the programme to the managers and then the rest of the employees. This is because when the managers are briefed about their roles and responsibility, they can help other employees what is expected from them and can also help them adjust to a new work environment. After educating the managers, workshops or seminars can be held for all the employees where they can be briefed about the new service philosophy and their job requirements.

There are various methods that can be used to introduce the new programme and service philosophy to the employees of an organization. An appropriate method should be chosen according to the situation.

Some methods for communication and promotion of new service strategy include:

- Newsletters and Brochures.
- Posters.
- Email.
- Voicemail.
- Popup computer screen messages on the organisation's intranet.
- Formal group presentations.

For promotion of the new service philosophy in a team, the following can be used:

- Open Talk/Discussion.
- Feedback.
- Training programmes.
- Coaching sessions.

The managers need to approach employees individually and address their concerns with the newly introduced strategy/programme. They can help motivate the employees and the behaviour they have towards their employees will greatly impact the organization. The managers will need to communicate effectively with the employees to help them trust the management.

Some basics to be considered for effective communication are:

- Use simple, direct language that the receivers of your communication can understand and relate to.
- Seek feedback to ensure you have been understood.
- Use empathy to help understand the possible effects of your communication on others.
- Consider timing. Identify specific times when your message will be most effective.
- Be positive. Your attitude, communicated by your words, will influence how people hear and accept the message.

- Think it through first, especially if the message is complicated.
- Listen. It helps to create empathy and avoid misunderstandings.

New Staff Induction Programmes

Organizations are always looking to hire skilled and talented people who are good with what they do and who can benefit the organization. However, when they are hired, the managers simply expect the new recruit to know what is expected of him and how work is done in that organization.

When new people are hired to work for the organization, they have to be trained to work with the organization's work environment. They have the skills required for the job but they need training to adjust with the organization's environment. For this purpose, new recruits are taken through an induction programme or an orientation programme which helps them to familiarise with the work environment and tells them what the culture and traditions of the organization are. It also introduces them to their colleagues and team-mates. Employees are told about their role in the organization and what is expected from them.

The beliefs and operating procedures of different organizations are completely different from each other. Employees are told about these in the orientation programme. They're also told what their behaviour should be when dealing with customers. Such orientation programmes are important to help employees get started with a new job and adjust in a new environment.

In order to train employees, sessions can be planned which can be conducted by experts. Important steps before starting the training sessions include:

Before conducting a training session for employees, you will need to **determine what the training needs are**, which means what do the employees need training in? This can be determined by studying the results of some employee appraisal programme or evaluating the performance of the employees. If the performance of employees does not meet the required performance, training sessions can be conducted.

Next, you need to **prepare a training session plan**. In this plan, you determine how the employees should be trained, what activities could be used and what will the employees be trained about.

It could include planning about:

- The training outcomes.
- Where the training will take place.
- Key areas to be covered.
- The training methods.
- Resources you will use.
- Assessment criteria (What will staff be required to know or do after training?).

A well-planned training session will:

- Help you stay focused on the training objectives.

- Outline the sequence and priorities of the skills and knowledge you need to cover.
- Provide a record of the training session.
- Be able to be used again or modified if necessary.

An example training programme for managing customer complaints, conducted for new administrative assistants in a manufacturing company is given below:

Sample Training Session Plan

SAMPLE TRAINING SESSION PLAN	
Organisation:	ABC Manufacturing
Department:	Human Resources
Date:	14 th August
Trainer:	Simon Rogers
Participant/s:	6 new recruits — administration
Location of training:	Training room 1st floor
Training objectives: By the end of the training session participants will be able to manage customer complaints effectively in their work area.	
Introduction: We will cover reasons for customer complaints, benefits of effective complaint handling skills to manage complaints and emotions.	
Assessment: Participants will: • Determine reasons for customer complaints • Identify benefits of complaint management • Handle complaints • Manage emotions.	
Main points	Training methods
Why customers complain	Group discussion
The benefits of effective complaint management	Group discussion, brainstorming
Complaint management procedures	Overhead transparencies, practice
Managing emotions	Question and answer, role play
Conclusion: Areas covered, feedback about performance, any future plans Resources/training aids: Whiteboard, overhead projector, handouts	

Let's study an example of British Airways. British Airways conducted a two days seminar, the focus of which was introducing its quality service initiative. A team of about 150 employees was carefully selected

to attend this seminar. All the staff assembled in a large conference centre where they were seated in groups of eight. The subject matter which was discussed was providing quality service to the customers, importance of giving attention to the customers and feedback from a research conducted by the organization was also discussed with the employees. Results obtained from conducting this seminar revealed the need for greater commitment of managers to the cause of providing quality service.

Due to this feedback, British Airways started a one week long training course for its managers. This course was named “Managing People First” and was designed to give the managers experience managing people in the service industry. The strengths and weaknesses of the participants were evaluated by getting their sub-ordinates and supervisors to fill out a questionnaire. Managers were also allowed to manage small groups of people, giving them confidence, experience and motivation.

Include Everyone

When a new strategy or quality improvement programme is initiated, only the staff should not be trained but the managers as well. There is a need to involve everyone in the activities of the organization. If only the employees are trained through the programme, the managers will not know what is going on in the organization and will not be able to manage their staff either. Employees will also feel a bit de-motivated because of this.

Whenever a new service programme or training programme is introduced, both managers and technical staff should be given training about it. Technical staff should be trained about technical things related to their job and managers should be trained to manage the staff. In order to integrate the new service with the culture of the organization, everyone needs to be included in it.

For example, at Xerox, managers were given training about a new quality service initiative twice; the first time to make them familiar with the initiative and the next time to make them aware of how they need to train their staff.

A Company-Wide Initiative

Whenever a new strategy or customer service initiative is introduced, it should be introduced as a company-wide initiative i.e. the strategy should be introduced to all departments and employees of the organization at the same time. They should be briefed about their requirements for achieving the new goals. For this strategy or initiative to be successful, it is important the whole organization works together as a team. There should be mutual co-operation among different departments as all tasks are inter-related.

The employees also need to be trained for implementing a new initiative/strategy. The organization can organize training workshops itself or seek the services of some external trainer. However, when external trainers are hired, many times the content of the training programme is not tailored to suit the organization’s environment. Therefore, now-a-days there has been a move away from ‘sheep-dip’ style

training methods towards properly planned and designed training programmes conducted by internal trainers.

For example, Lloyds TSB conducted a training initiative “Developing Service Excellence” in which their traditional techniques of training were not used. Staff and managers both were made to attend this programme. The trainers trained the participants to have a team-based working environment in all their branches in the country. Team meetings were held to find out the strengths and weaknesses of all the team members and also to decide a plan of action for achieving the required objectives.

Similarly IBM Pacific set a new target of providing quality services to its internal and external customers. Their target was basically to reach the goal of providing good quality services to about 8000 people in 12 countries. They expected their staff to train themselves and then hold training sessions to train small groups of people. The purpose of this training was to improve relations with the customers. In this way all the staff in the region participated in this activity. Hence, this was a company-wide initiative.

Managers Lead the Way

Good organizations realize the important role their managers can play in the success of their strategies and new initiatives. Therefore, they lay a great deal of stress in strengthening employee-manager relationships. They believe that the managers should have good relations with the employees as well as customers. If managers know their staff, their skills, strengths and weaknesses, they will be able to utilize them and manage them better. Research shows that this initiative increases employee motivation, performance and customer satisfaction.

One of UK’s largest motor retail companies, Lex Retail Group, gives significant importance to their managers and encourages them to build better relationships with their staff. Lex focuses on three main things: –customer satisfaction –employee empowerment –optimized performance. To achieve these 3 objectives, the managers build good relationship with their staff and allow them to make key decisions themselves. This way employees’ actions are supported by the managers. The organization also conducts a training programme for the managers to help them train their staff about making key decisions and taking responsibility for their actions.

A training exercise implemented by the organization included making the managers experience bad service to emphasize the need of good customer services. The managers were invited for a routine training session early in the morning. At the training centre, no proper arrangements were made for the managers. Coffee and other refreshments were not provided either. Managers were taken into a very filthy conference hall. Coffee arrived very late and was served by a very mismanaged staff, who kept arguing amongst themselves. The managers were then led to another conference hall where they were greeted by their directors. Feedback was taken from the managers and this experience was used to help emphasize the importance of properly trained, managed staff and good customer service. A new customer service programme was also introduced. Managers were told to use similar examples of bad service to train their staff for providing excellent quality services.

Norweb, an electricity company tried to achieve its customer's expectations by working more efficiently and by providing good quality services. The top 40 managers of this organization attended a session called "Breaking the Chain". In this session, the story of a baby elephant was described. The baby elephant was tethered to a chain when it was very young and even though it wanted to, it couldn't break free from the chain. It suffered from a lot of pain in misery. Even when it grew up and became strong, it did not break away from the chain to remind itself of the pain it has suffered. This story focused on the lesson that it is necessary to break free from the past and work hard for a brighter future.

This session was followed by another one, "Get it off your chest". 300 employees from different branches and customer service centres were selected to participate. All participants were encouraged to give suggestions for improving organization's activities. These suggestions were also implemented to improve service quality.

High or Low Key?

Organizations often use the aid of training programmes and seminars to bring their staff and employees closer together. When organizations introduce a new strategy or new service philosophy, they often conduct seminars to introduce management and staff to it. Training programmes are then introduced to help managers and staff adjust with new work requirements. These workshops, training programmes and seminars help in the interaction of employees stationed in different branches and regions which in turn helps in better understanding. Some organizations also make customer service an important part of all on-going training programmes and seminars.

For example, NatWest conducted a series of workshops to help introduce their employees and management to a new quality service programme. All technical employees, managers and senior level management were required to attend this programme. 330 different workshops were conducted. This resulted in better focus on quality services and better communication among the employees. Furthermore, seven 1-day workshops were conducted throughout the country to introduce the programme to employees from all branches.

Woolwich Building Society initiated a research programme which interviewed employees and customer alike to obtain feedback about what kind of service they thought the organization offered. The results of this research helped develop a new customer service strategy. However, before introducing this strategy, a group of employees were sent throughout the country to explain the aims of this campaign to see initial reaction of the concerned people.

This also helped evaluate employee's attitude towards providing quality service and lead to the development of an educational programme, designed for senior executives as well as technical staff in which 3500 people participated.

Other organizations resort to more "low-key" approaches for introducing new service strategies like using team meetings, seminars or videos etc. for the purpose. For example, Nationwide Building Society organized some parties for their employees after their customer service strategies had been launched to thank their staff.

Whichever technique the organization uses to introduce new strategies (high-key or low-key), they need to ask a few questions like:

- How does the introduction instil the values of the organization?
- How does it fit the needs of employees?
- How is management commitment being demonstrated?
- How suitable is the approach?
- How will we measure success?

The main thing is, whichever method is used, it should be suitable to the organization's current situation and work environment and must be a success. For example an organization introduced a new strategy which proved to be a success; raising customer satisfaction rate from 69 to 87% and employee motivation by 22%.

eBay started its innovative services in the late 1990s and at that time, the amount of goods for sale were very few; less than 300,000 as compared to 10 million in the modern day. In 2006, research indicated that 10% of the total time that British people spent online was spent on eBay.co.uk. Research also revealed that at the same time, about 68000 made their living fully or partially on eBay.

The organization has a very good customer focused strategy which enables it to provide its customers with limitless options to choose from in a fun way. eBay believes that all people are good and will trust each other for trading, buying and selling of goods even if they haven't even met the each other. This belief helps the organization to provide quality service to its users.

By using the services offered by eBay, buyers and sellers can easily interact and communicate with each other. Forums have been created for regular users where they can discuss different products and offers and also give suggestions to improve services. A very interesting feature is that people can post comments and reviews about particular services. eBay uses a strategy of improving its services based on customer feedback. Another scheme introduced now is "Buy it Now" where sellers can sell goods for a fixed price. The focus on all the schemes and services offered by eBay is customer satisfaction.

Tesco, one of the world's biggest retail companies, started out as a small business but is now the 4th largest retailer of the world. Their CEO states that this has been possible because of the organization's focus on 4 main things:

- Senior executives were clear about their objectives and what they wanted to achieve.
- These objectives are clearly communicated to managers and staff; they were given responsibility and power to make key decisions.
- Value of customer feedback.
- Keeping things simple.

In the late 1990s, Tesco's senior executives arranged a meeting with their managers and staff. More than a thousand employees attended this meeting. Core questions asked were "What is the business for?",

“What do we believe in?”, “Where do we want the company to go?”. The answer was in one single sentence: create benefit for customers and earn their loyalty for a lifetime. The vision of this organization can be summed up to be: “to try harder than anyone else for the customers and to treat people as you would like to be treated”.

Tesco implemented an initiative to gather information about their customers. They introduced the “Clubcard” programme in which shoppers filled the card with their personal information such as age, gender and income. This information was then used to classify the customers into different groups.

Tesco has a very flat structure. It consists of just six hierarchical layers from the CEO on the top to the technical staff on the bottom. This flat structure empowers the employees and helps them be aware of their responsibilities. There is a lot of focus on managers’ and staffs’ training and development. The organization uses a performance measuring system called “The Steering Wheel”. This is graphically represented in each store and can be used by employees to evaluate their performance and that of the stores’. They can also see what difference their contribution is making in the success of the organization.