

# **BSBCUS401**

# **Coordinate implementation of customer service strategies**

**Release 2**

**Learner guide**

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Aspire Version 1.1

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BSBCUS401 Coordinate implementation of customer service strategies Release 2

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# Before you begin

This learner guide is based on the unit of competency *BSBCUS401 Coordinate implementation of customer service strategies*, Release 2. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: [www.training.gov.au](http://www.training.gov.au).

## How to work through this learner guide

This learner guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the learner guide you need to read, and which practice tasks and learning checkpoints you need to complete. The features of this learner guide are detailed in the following table.

Feature of the learner guide	How you can use each feature
Learning content	Read each topic in this learner guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples and case studies	Examples of completed documents that may be used in a workplace are included in this learner guide. You can use these examples as models to help you complete practice tasks and learning checkpoints. Case studies highlight learning points and provide realistic examples of workplace situations.
Practice tasks	Practice tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which practice tasks to complete.
Video clips	Where QR codes appear, learners can use smartphones and other devices to access video clips relating to the content. For information about how to download a QR reader app or accessing video on your device, please visit our website: <a href="http://www.aspirelr.com.au/help">www.aspirelr.com.au/help</a>
Summary	Key learning points are provided at the end of each topic.
Learning checkpoints	There is a learning checkpoint at the end of each topic. Your trainer will tell you which learning checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.



## Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table outlines specific foundation skills noted for your learning in this learner guide.

Foundation skill area	Foundation skill description
Reading	<ul style="list-style-type: none"> <li>Reviews textual information and comprehends details that relate to the interests or requirements of the client and organisation</li> </ul>
Writing	<ul style="list-style-type: none"> <li>Creates a range of formal texts using structure, grammar and clear and specialised language to describe customer needs, maintain information and support a particular position</li> </ul>
Oral communication	<ul style="list-style-type: none"> <li>Uses pace, intonation, intelligible pronunciation and listening and questioning techniques to interact effectively with others</li> </ul>
Numeracy	<ul style="list-style-type: none"> <li>Recognises and interprets numerical information and performs calculations on familiar mathematical information</li> </ul>
Navigate the world of work	<ul style="list-style-type: none"> <li>Recognises and applies organisational protocols and meets expectations associated with own work</li> </ul>
Interact with others	<ul style="list-style-type: none"> <li>Selects the appropriate form, channel and mode of communication for a specific purpose relevant to own role</li> <li>Uses a range of strategies to establish a sense of connection and build rapport with customers</li> <li>Collaborates with others contributing knowledge and skills to achieve joint outcomes</li> </ul>
Get the work done	<ul style="list-style-type: none"> <li>Applies formal and logical processes when planning and implementing tasks</li> <li>Applies standard procedures when responding to familiar problems within own work context</li> <li>Uses digital technologies to access, organise, present and store information relevant to own role</li> </ul>

## What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome	Rate your confidence in each section
Topic 1 Advise on customer service needs	1A Understand and assess customer needs	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1B Diagnose problems and improve customer service delivery	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1C Advise on options to improve customer service	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	1D Use business technology to present information	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
Topic 2 Support customer service strategies	2A Promote and implement customer service strategies	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2B Identify budgetary considerations in delivering strategies	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2C Resolve customer difficulties and complaints promptly	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	2D Implement customer service strategies	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident

Topic	Key outcome	Rate your confidence in each section
Topic 3 Evaluate and report on customer service	3A Review and measure client satisfaction with service delivery using customer data	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3B Identify and report the changes necessary to maintain service standards	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3C Recommend and advise on future directions in customer service	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident
	3D Maintain systems and records for customer satisfaction reports	<input type="checkbox"/> Confident <input type="checkbox"/> Basic understanding <input type="checkbox"/> Not confident

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# Topic 1

## Advise on customer service needs

Customer service is often the only factor that makes people choose between one organisation and another.

Managers who are aware of the importance of customer service strategies in the context of their own work unit and understand issues related to customer service delivery and practice are able to guide their teams to meet or exceed customer expectations. To do this they must be prepared to monitor their customers' needs closely, deal with their needs and offer incentives for them to remain loyal. Effective organisations have processes in place for understanding their customers and developing customer service strategies.

In this topic you will learn how to:

- 1A Understand and assess customer needs
- 1B Diagnose problems and improve customer service delivery
- 1C Advise on options to improve customer service
- 1D Use business technology to present information

# 1A

## Understand and assess customer needs

The marketing concept of business, which has dominated management thought and opinion in the last 30 years, dictates that an organisation must fully understand who its customers are and be totally aware of their needs and expectations. All business decisions and strategies must be made with this concept in mind to ensure the organisation offers products and services that meet and exceed customer expectations and fulfil their needs

Some organisations meet the challenge of delivering quality customer service by setting up special departments responsible for ensuring customer satisfaction. These might be customer service teams, client contact units, customer hotlines or help desks, which respond to customers' questions, complaints or problems. Their job is to attempt to resolve each customer service issue. Other organisations may have customer service teams whose main task is to contact customers and ask them for their opinion of the organisation's customer service. Some organisations empower teams that have customer contact to assume responsibility for all customer service issues, including gathering feedback on satisfaction levels.



### Customers' choices

Customers may have several brands to choose from, as well as several organisations offering the product or service that they want. During the purchasing decision-making process, underlying customer needs determine which product or service a customer ultimately purchases and from which organisation. Customer needs include the customer's perceived feelings of being unsatisfied or deprived of something, ultimately leading to them taking action to meet this need by purchasing a particular product or service. In attempting to have their needs fulfilled, customers develop expectations of products/services that must be met before the customer will make a purchase.

Organisations must clarify customer needs to ensure they are offering what customers expect and have the customer service policies, procedures and strategies in place for satisfying them. Customer service needs may change so organisations must ensure they have a good understanding of their client groups and use appropriate communication techniques to continually assess their needs.

Organisations need to know the following information about their customers:

- How customers would prefer to interact with them; for example, by phone, in person, receiving information via mail or online
- What areas of the organisation's performance customers are least satisfied with; for example, the way goods are delivered, the timing of invoices
- How their customer service techniques and performance compares with competitors; for example, they may offer express delivery
- What type of after-sale support they need; for example, after-sales phone support or better instructions to help them assemble their products
- The different groups of clients in order to provide each with different types and levels of customer service in accordance with their needs

## Customers' profiles

To provide clients with the exact kind of service they require, some companies invest significant resources in building a client profile. This narrowing of the customer base allows companies to work smarter by focusing their energy and resources to maximise returns.

In identifying your organisation's customers, it is important to note that the concept of customer service extends beyond those people who purchase your products and services. Customers can come from several different groups of people. Here are four examples of common customer profiles.

### External customers

These are most commonly consumers, although other businesses can also represent your external customers.

### Internal customers

A large organisation can have customers from within the organisation who depend on you and your team to provide customer service.

### Third parties

These may be suppliers, creditors and government agencies who do not necessarily purchase your products/services, but with whom the organisation has a business relationship.

### Business acquaintances

Individual members of the public who come into contact with your organisation, its products and services and/or its communications with the public. These people may not necessarily purchase but there is a relationship between them and the organisation; for example, people making an enquiry.

## Segmentation

No two customers are the same – they have different ‘profiles’. However, the total pool of all potential customers in a market can be broken down into smaller sub-markets or segments of similar customers. Most organisations will focus their resources and efforts on targeting only a few of these segments and will usually attempt to segment customers along four general variables. The first is geographic variables: where the customer lives or operates.

Examples of geographic variables
<ul style="list-style-type: none"><li>• Continent</li><li>• Country</li><li>• State</li><li>• Region</li><li>• City/town</li><li>• Suburb</li></ul>

## Demographic variables

Demographic variables are the personal characteristics of the customer. For certain products, the customer’s age will be reflected in demand for the product and customer service requirements. A retail outlet in an area with an ageing population will provide good service if staff know which products will suit older customers; for example, mobile phones that are simple to operate will have more appeal to most customers.

Customers might be characterised by the following:

- Age
- Gender
- Marital status and family size
- Occupation
- Education level
- Income level and socioeconomic group
- Religion
- Nationality

## Psychographic and behavioural variables

Psychographic variables include a person’s personality type, their personal values and attitudes and their lifestyle. These variables will clearly influence certain choices, such as whether to purchase an item that is claimed to have a lower impact on the environment. Because customers have different preferences, some will prefer the convenience of using technology, such as the internet, while others will prefer talking to a customer service officer face to face or by telephone.

Essentially, customers will purchase the product or service that they perceive to best meet their needs.

Behavioural variables often relate to an individual’s habits.

### Common behavioural variables

- Benefit sought by purchasing a particular product/service
- Where the customer prefers to purchase from
- Level of brand loyalty
- Product usage rate – how often the customer buys the product/service
- Purchase rate – how many units of product/service the customer purchases each time they buy
- When the customer prefers to purchase

## Customer needs

Customer needs can take many forms and will differ from one customer to the next. One customer may purchase a particular product because it is the cheapest, whereas other customers may purchase a different product because it is better performing, it is more convenient to purchase or they feel an affinity for the brand.

While the potential list of customer needs is endless and will vary markedly depending on the nature of the industry and product/service in question, there are several core customer needs that customers have in most purchasing situations.

### Performance

The customer has a need for the best performing product or service regardless of its cost or how difficult it is to purchase.

### Economy (value)

The customer has a need for the product or service that provides the greatest benefit relative to the cost – which product/service provides the most ‘value for money’. This often means the cheapest product/service available, but not always.

### Convenience

The customer has a need for the product that is most convenient to purchase and access in terms of time and effort.

### Safety

The customer has a need for the product or service that gives them the most safety in terms of performance and also reassurance that it will fulfil its intended purpose, even though it may be more expensive or not the most socially appealing.

**Aesthetics (appearances)**

The customer has a need for the product that looks the best, even though it may not actually be the best product in terms of performance, practicality or value.

**Social acceptance**

The customer has a need for the product or service that gives them the most social benefit and gratification. The customer needs the product/service because it is 'cool' or fashionable at that time. Fashion and fad items are good examples of products with high levels of social acceptance.

**Customer service**

The customer has a need for the product or service that has the greatest level of customer service and support. The customer may even purchase a more expensive product and/or one of lesser quality to competitors' offerings, just because the organisation offers the best customer service.

## Define customer service

Customer service is the term given to the assistance, advice and support an organisation offers its customers. It encompasses a range of specific behaviours, such as listening actively, communicating and explaining clearly, questioning and summarising information, showing empathy and being cheerful and positive. People prefer to deal with a company or store where they are treated well. It also includes the extent to which the organisation has efficient and flexible ordering, delivery and payment processes; provides high-quality products and services to meet the customers' needs; and has policies and procedures in place to ensure service is delivered to customers consistently and at the desired standard.



## Customer service roles and responsibilities

Managers, team leaders or supervisors who work in the area of customer service have specific responsibilities to assess current service levels, match them to customer needs and provide advice to their team members concerning opportunities to improve customer service delivery.

Here are some of the typical duties and responsibilities of customer service staff.

### Learn

- Who the organisation's internal and external customers are
- What customer service needs are by analysing data
- The outline and key specifics of the organisation's customer service charter and organisational policies and procedures

### Communicate

- Constructive advice to internal and external customers
- To resolve customer complaints
- To staff how services could be further improved
- About customer service opportunities

### Implement

- A customer service audit
- New customer service strategies
- Regular reviews

### Coach, mentor and train

- Coach and mentor colleagues in customer service skills
- Provide or organise training sessions for groups when necessary

## Customer service requirements and principles

Customer service is usually an important customer need and customers will have expectations about it. Organisations that meet and exceed these expectations are likely to provide customers with satisfactory experiences, increasing the likelihood of keeping the customer's business. These organisations will have explicitly or informally adhered to basic principles of customer service, which cover customers' expectations and needs in four broad categories: expectations of staff, expectations of the product or service, expectations of convenience and expectations of the work environment. The degree to which an organisation's customers will have their expectations met will vary depending on the nature of the organisation, the products/services it offers and the customers it identifies as its primary target market.

Here are broad principles of customer service.

An organisation's customer service principles may include the following:

- Deliver quality products
- Identify and understand customers and their needs
- Identify and correct when customers' needs are not met
- Maximise customer satisfaction
- Strengthen customer loyalty and service

## Staff expectations

Customers appreciate the following characteristics and behaviours of staff, and to some degree expect them.

### Pleasant

Customers appreciate staff who are helpful, friendly and polite and who they perceive to be honest, reliable, trustworthy and genuine. This includes staff who are understanding and empathetic when receiving customer complaints and who present and dress well.

### Knowledgeable

Customers appreciate staff who know a lot about the products and services offered and who are good at identifying customer needs and recommending the correct products/services.

### Efficient

Staff who are able to provide a good service at a reasonable pace and are prompt in attending to customers provide good customer service. If they are empowered to make decisions to assist the customer without seeking higher authority, they can meet customer needs more quickly and in a way that inspires confidence.

### Fair

Customers expect customer service staff to treat all customers the same and to be fair and flexible.

## Service expectations

Customers expect that products and standards meet general standards, although compromise is possible if conditions vary. There is some variation of product and service standards between countries and customers generally recognise a relationship between price and quality.

Customers have expectations of products/services that may include:

- a good selection of products/services available and not just one option
- products/services of good quality being available
- stock being available
- demonstration products/services being available
- clear and accurate descriptions and instructions being available
- accurate and clear pricing information and signage
- reasonable and competitive prices.

## Convenience expectations

Most of these standards are commonly observed by organisations. However, as technological change and other changes take place, some standards are dropped and others take their place.

Customers show a preference for an organisation that has convenient opening hours and locations.

Other things that customers appreciate and expect include:

- fast checkout and short sales processing times
- signage that assists the customer in serving themselves
- help and servicing available and in a variety of mediums; for example, phone, internet
- systems in place to swiftly resolve problems and disputes
- easily understood and convenient returns and refunds policies
- customer financing and deferred payment (e.g. lay-by) options available
- shipping, postage, delivery and installation available where appropriate
- after-sales servicing and repairs.

## Work environment expectations

The customer expects that the organisation's place of business will be clean and tidy to a degree suitable for the relevant industry (for example, different standards would be expected between a retailer and a mechanic's garage). Customers need a workplace to be orderly and organised to access and move around the premises easily.

An organisation that is compliant with WHS legislation and codes of practice will ensure that its locations are safe and free of workplace hazards and risks to staff and customers.



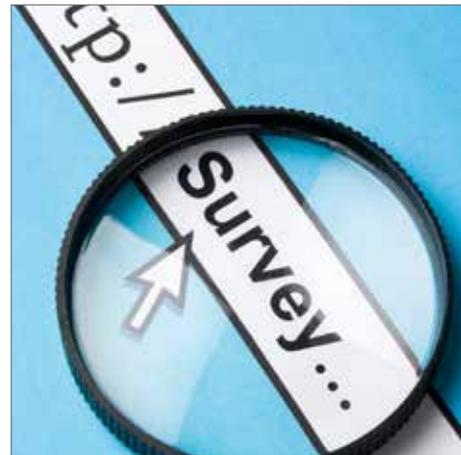
## Use communication techniques

Workers and management will have some idea of their customers' needs, but informal opinions can be one-sided, subjective and not based on what the customer might report if they were asked directly.

In order to have satisfied and long-term customers, organisations can make use of several formal and informal information sources to access data on customer service needs to provide a more holistic and objective picture.

### Customer satisfaction surveys

Customer satisfaction surveys, questionnaires and feedback forms can be used to assess customer service needs as they provide customers with an opportunity to either compliment or complain about the organisation's customer service. They may be provided with the product or service, mailed to the customer or left in a conspicuous place such as on a shop counter. Many car rental companies place a feedback form on the dashboard of their vehicles to attempt to get feedback from customers. Other businesses provide a postage-paid envelope to customers to increase the chances of receiving completed forms. Online feedback forms are increasingly being used to allow customers to provide feedback more conveniently. A typical online feedback form will include form fields for the customer's name and contact details and a space for comments.



### Customer complaints log

Many organisations will log customer complaints, whether customers have chosen to complain in writing or verbally.

Some customer complaints logs only capture patterns in complaints, while others also include space to record outcomes. Here is an example of an analysis of complaint forms.

Analysis of complaint forms 1 June to 8 June			
Date	Complaint	Complaint made by	Complaint directed at
3 June	Salesperson could not provide sufficient information	Member of public (not regular customer)	Salesperson
6 June	Goods not delivered on time	Corporate agency	Distribution company (an outsourced service)
8 June	Information required to provide to customer not available in time	Colleague	Colleague

## Feedback form

A feedback form that a customer fills out on paper or online may include space for their comments and a variety of questions. Here is an example of the types of questions that might appear on a customer feedback form.

Georgie's Gifts		
Thank you for purchasing our product. We would appreciate it if you could take a few minutes to answer the following questions.		
1. Where did you find out about our product?		
	Yes	No
2. Were you satisfied with the customer service you received?	<input type="checkbox"/>	<input type="checkbox"/>
3. Were you served promptly?	<input type="checkbox"/>	<input type="checkbox"/>
4. Did the salesperson explain things clearly to you?	<input type="checkbox"/>	<input type="checkbox"/>
5. Did they listen to your request?	<input type="checkbox"/>	<input type="checkbox"/>
6. Do you think the salesperson had comprehensive knowledge of the product?	<input type="checkbox"/>	<input type="checkbox"/>
7. How satisfied are you with the product?	<input type="checkbox"/>	<input type="checkbox"/>
8. Would you purchase the product again?	<input type="checkbox"/>	<input type="checkbox"/>

## Customer interviews

Customer interviews are similar in principle to surveys and feedback forms but are usually performed to analyse a particular issue, as opposed to eliciting general feedback on a continual basis. Interviews can elicit qualitative information from customers that may not be obtained from a customer completing a survey or feedback form on their own. They enable two-way communication and feedback that provides greater depth and understanding than a one-way survey, feedback form or questionnaire.



## Effective communication techniques

Customer interviews can be performed in person or via the telephone. Having well-developed interpersonal skills is essential when interacting with customers, especially during interviews. Initially, you need to establish a rapport with the customer to assist them to articulate and address their needs.

### Effective communication techniques

- Listen carefully and actively. Give feedback, nod your head and ask appropriate questions.
- Respect the customer's viewpoint.
- Adjust the way you speak to the customer; for example, speak clearly and with simple vocabulary if your customer has difficulties with English.
- Customers with a hearing impairment will appreciate it if you modify your pace and face them when you are speaking.
- Pay attention to your intonation (how your voice rises and falls after statements and questions) as this can help listeners know how to respond.

## Informal customer feedback

Informal feedback on customer service needs can be obtained every time there is an interaction with a customer. It may be as simple as asking, 'Were you satisfied with the service?' after a transaction, or asking the customer if they could spend a few minutes answering a few questions about the service offered. Customers will often be frank and open when asked to comment in an informal, non-threatening manner and the organisation is likely to receive some honest responses. Feedback from customers can also be gathered from telephone calls, emails and letters, especially if effective communication strategies are used.

You can develop your communication skills by listening to experienced colleagues, practising your questioning and paraphrasing skills to gather information, and asking your supervisor or manager for advice. In some instances, a customer may have difficulty expressing themselves and may need you to prompt them with additional questions or rephrase what you are saying. Avoid using technical words they may be unfamiliar with.

Here are some examples of effective communication strategies.

### Effective communication strategies

Ask open questions that allow customers to provide in-depth answers on what their needs are.

Use closed questions to guide customers towards issues of concern with customer service.

Summarise and paraphrase customer feedback to review what customers have said and to confirm you have understood what they have told you.

## Example: improve customer service

Melina is the supervisor of a team of quality control staff at a factory that packages bulk consumer items, such as personal care products, into smaller packages for sale in supermarkets and other stores. The team conducts quality audits.

Melina is getting a lot of phone and email queries from internal customers, asking her when her report figures will be available. Sales staff want the figures so they can advise their customers. Around the end of each month, an accounts team member will also contact her asking for a work-in-progress report so they can complete end-of-month invoices and statements.

Melina decides that she will create a work-in-progress report on the last working day of each month and send it to the managers of the accounts department and the sales department. They in turn request that their staff not contact Melina regarding progress as they will forward them her report.

This way both teams can keep their clients up to date and Melina will not receive dozens of phone calls each day from salespeople who all have the same question.



## Practice task 1

1. Provide a brief description of your organisation, or an organisation that you are familiar with. Include its location and a brief description of the goods or services offered to customers.

2. For this organisation, provide some examples of customers from each of these customer groups: external customers, internal customers, suppliers and business acquaintances.

*continued ...*

*... continued*

3. How would you describe the organisation's typical customer?

4. What do you think are this customer's primary needs when purchasing the product or service sold by the organisation?

5. What is/are the main determinant/s in deciding which particular product they buy and from which organisation?

*continued ...*

*... continued*

6. In your opinion, what are the most effective communication tools for seeking information from customers about their customer service needs?

7. List some tips for establishing a good working relationship with customers. Include any effective communication strategies that you have noticed an experienced colleague use.

8. Outline the broad principles of customer service.

# 1B

## Diagnose problems and improve customer service delivery

Customer service needs that have been identified must be further analysed in order to diagnose any customer service problems that exist and areas in which the organisation can improve.

To effectively understand whether customer service gaps or mismatches exist in your organisation, you will need to undertake a customer service audit.

### Perform a customer service audit

A regular customer service audit can give an organisation up-to-date information about how satisfied customers are with customer service performance. Audit is a term used to describe a process whereby procedures, practices and records are closely examined and checked to ensure they meet certain standards. It reviews the organisation's customer service performance by analysing the business from the customer's perspective. A customer service audit is a review of the way services are delivered by an organisation.

A customer service audit includes:

- the quality of current customer service
- what customers complain about the most
- how well staff work as a team
- how customer service can be improved
- how the organisation's service compares with that of its competitors
- how easily an organisation's customers are able to use its systems.

### An effective audit

The organisation performs a customer service audit by observing staff in action talking with customers, gathering and analysing information from customer feedback and complaint forms, conducting surveys, issuing questionnaires and asking third parties (such as industry bodies or suppliers) to comment on service levels.

To be effective, audits should be conducted regularly. Some organisations have developed a formal customer service audit checklist to help with their implementation.

A customer service audit may examine:

- communication with customers
- promptness with orders, deliveries, etc.
- flexibility within each situation
- provision of information
- handling of problems
- provision of feedback.



## Example: audit based on observable behaviour

In this audit of a holiday resort, measurements are entered into the 'scale' column according to the following measures: N/O = not observed, 0 = below average, 1 = average, 2 = above average.

When information is captured this way on a regular basis, scores attained in different months can be compared and the resort can act on aspects that are not scoring well.

Here is an example of how an observable behaviour might be measured.

Measure	Service	Scale	Comments
<b>Timeliness</b>	Guests are greeted within two minutes of arrival.		
<b>Flow</b>	Baggage is placed in the reception waiting area.		
<b>Accommodation</b>	Requests for special services are noted and met where possible.		
<b>Anticipation</b>	Guests are informed of dining, recreation facilities and other services without having to enquire.		
<b>Communication</b>	Guests are informed of payment requirements and check-out procedures. Staff ask questions politely and respect the customer's privacy.		
<b>Tone of voice</b>	Staff are relaxed and friendly.		
<b>Body language</b>	Guests are greeted with a welcoming smile and staff make eye contact when talking to them.		
<b>Attentiveness</b>	Attention is paid to the needs of parents with children or guests with other special needs.		
<b>Tact</b>	Requests are dealt with in a friendly, supportive manner.		
<b>Guidance</b>	Maps and advice on recreation areas and safe swimming beaches are provided.		
<b>Problem solving</b>	Complaints or dissatisfaction with service are resolved quickly.		
<b>Customer service charter</b>	Staff are familiar with, and consistently apply, the standards.		

## Analyse customer feedback

Customer satisfaction forms, complaint forms, surveys, website surveys, market research questionnaires and other customer feedback will highlight issues of concern to customers and identify particular areas where customer service is not being provided at the standards customers expect. Customers of a hotel, for example, can rate room cleanliness highly, but rate family friendliness poorly. The marketing coordinator of the hotel, who receives the completed feedback forms, can create a spreadsheet that captures all customer feedback in a very concise form and allows them to see if measures to correct problems have been effective.

Here is an example that illustrates the use of hotel information to capture and analyse customer feedback.

	This month's average score	Last month's average score
Room cleanliness	5	3
Friendliness of staff	4	4
Available facilities	5	5
In-house movies	4	4
Family friendly	3	2
Business friendly	5	4

## Further analysis of customer feedback

Different kinds of forms seek different information for different purposes. Customer feedback forms might ask different questions to produce data about different aspects of a customer's experience.

Here are three methods that can be used by an organisation when seeking customer feedback.

### Advertising

Answers to a question that asks the customer where they found out about the product can tell an organisation where their advertising dollars are producing results.

### Customer satisfaction

Answers to questions about whether staff were prompt, were knowledgeable, explained things clearly and listened can indicate where training needs to be provided.

### Product satisfaction

Answers to questions about satisfaction with the product or service can indicate where improvements should be made.

## Example: analyse customer feedback

After receiving customer feedback from completed forms, the marketing coordinator of a cleaning product business presents the information in a way that makes it possible to compare responses. Each box represents the number of customers that responded.

Question	Response			
Where did you find out about the product?	TV <input type="text" value="56"/>	Internet <input type="text" value="18"/>	Newspaper <input type="text" value="34"/>	Friend <input type="text" value="4"/>
Were you served promptly?	Yes <input type="text" value="67"/>		No <input type="text" value="45"/>	
Did the salesperson explain things clearly to you?	Yes <input type="text" value="86"/>		No <input type="text" value="26"/>	
Did the salesperson listen to your request?	Yes <input type="text" value="37"/>	No <input type="text" value="0"/>	Did not respond <input type="text" value="75"/>	
Do you think the salesperson had a comprehensive knowledge of the product?	Yes <input type="text" value="31"/>	No <input type="text" value="67"/>	Did not respond <input type="text" value="14"/>	
How satisfied are you with the product?	Very <input type="text" value="23"/>	Satisfied <input type="text" value="57"/>	Not satisfied <input type="text" value="2"/>	Did not respond <input type="text" value="30"/>
Would you purchase the product again?	Yes <input type="text" value="23"/>	Probably <input type="text" value="28"/>	No <input type="text" value="6"/>	Don't know <input type="text" value="55"/>

## Analyse qualitative feedback

Feedback received during telephone calls, face-to-face discussions, emails and letters can also be gathered together and analysed by looking for trends in the comments made. It can be more time-consuming to assemble information that comes in these formats rather than numerical or quantitative data. However, the sort of 'free form' or qualitative feedback offered in letters or meetings can be extremely valuable as it allows customers to say exactly what's on their mind without restricting them to categories or grading scales.

A hotel, for example, might be told that 'I ordered room service and on both occasions the meal was not hot when it arrived. I asked for a replacement meal and was provided it both times, but this should not have happened', or 'Thanks for organising two adjoining rooms for us and our kids – it was great' or 'I would like to have seen more vegetarian dishes on the menu'.

Here is a series of actions that can be taken to respond to feedback.

### Respond to feedback

**1****Sort feedback**

Sort feedback into different groups; for example, those relating to food, to housekeeping, to front desk management.

**2****Communicate**

Pass on information to relevant managers; for example, feedback relating to food would be conveyed to the hotel's chef, a compliment about room arrangements would be passed on to the front desk manager.

**3****Log data into spreadsheet**

Enter the data into a spreadsheet in different categories, such as catering, housekeeping and front of house.

**4****Present information**

To improve service delivery and keep track of things they are doing well, managers of the hotel meet monthly. Information collated and presented by the marketing coordinator is presented in summary form by managers, discussed, and used to set performance goals for teams.

**5****Review and change the feedback forms**

As the choice and standard of food seemed to be issues, the marketing coordinator could change the feedback forms to include a section on the standard of food offered.

## Analyse service delivery

An organisation can also analyse the actual delivery of services offered, using similar methods to those used when gathering customer feedback: observation, interviews with staff members and surveys. Often this step compares what should be delivered against what is actually delivered. For example, a customer service team may have a policy of answering all incoming phone calls within thirty seconds. Observation may reveal that this objective is not being met.

Analysis of service delivery can be very informative when it is compared to feedback from customers. The earlier example of the hotel showed how feedback forms were used to gather customer feedback on the services offered. The hotel also has a regular audit that staff members conduct among themselves. Each team has a list of key responsibilities and goals for these. For example, the housekeeping team's list is shown below and is based on the work they do cleaning each guest room. Every month housekeeping supervisors randomly audit 10 rooms that have been cleaned and check each room against this list, checking the cleanliness of different areas against standards.

Examples of cleanliness goals:

- Floors vacuumed: no visible dirt or items on the floor.
- Bed made: no wrinkles, fresh linen, and six pillows on each bed.
- Bathroom cleaned: used bleach in sink, new toilet roll, fresh soap, shower curtain clean and dry, and eight new towels.
- Room tidied: desk and bedside tables tidied, guest's personal items folded and placed in drawers, curtains opened.
- Mini-bar restocked: all items refreshed.

## Understand organisational requirements

Once the organisation's ability to meet its customers' service needs has been assessed and areas for improvement identified, the next step is to develop options and strategies for improving performance. However, there are several organisational requirements that must be considered when developing potential strategies to improve customer service performance. These are issues that will affect any actions taken to improve customer service.

Many are specific to an organisation: the organisational structure, the organisation's goals and objectives, where it is positioned in its market, existing customer service policies and procedures, resource considerations and restrictions, and quality assurance and procedures manuals. Other requirements may fall upon all organisations in the sector: legal and WHS requirements, confidentiality and security, and ethical standards.

As a member of a customer service team, you have an obligation to understand and apply the organisation's policies and procedures, industry standards and relevant legislation.



## Customer and staff input

The marketing concept requires the organisation to harness all its resources to meet and exceed target customers' needs. The organisation's primary target customer market/s must be kept firmly in mind when developing any strategies to improve customer service. These customers must not be disappointed or alienated by any new strategy.

It is also important that personnel and departments within organisations are consulted and not sidelined when new strategies are being formulated. Any potential customer service strategies must be developed in conjunction with those whose responsibility it is to develop, produce, market and sell products and services, as well as with the people responsible for interacting with customers and providing customer service.

Every department within an organisation will have insights that could be valuable when formulating an effective customer service strategy.

## Organisational goals and objectives

The organisation's underlying goals and objectives are the most important consideration when developing customer service strategies. All areas within the organisation must be working together with the end goal in mind. Hence, customer service strategies must align with these goals and the organisation's overall market position.

In the following comparison, a strategy aimed at increasing the number of sales staff on the floor to improve service levels in a lower end department store would alter the store's market position. Even though higher staff numbers would improve customer service, it may be in conflict with a typical lower end department store's overall corporate strategy, objectives and market position.

Lower end department store	Higher end department store
<ul style="list-style-type: none"> <li>• Large product range at the lowest possible price</li> <li>• Low sales-staff-to-customers ratio</li> <li>• Customers do not expect or seek high service levels</li> <li>• Price is a key consideration for customers</li> </ul>	<ul style="list-style-type: none"> <li>• Large, exclusive product ranges</li> <li>• Higher sales-staff-to-customers ratio</li> <li>• Customers seek and expect good service</li> <li>• Price is not a key consideration for customers</li> </ul>

## Customer service policies and procedures

Many organisations have formalised policies and procedures in place that operate as guidelines for all staff when they are interacting with internal and external customers. There are many reasons why organisations formalise customer service policies and procedures.

Purposes of customer service policies and procedures can include:

- making sure internal and external customers are treated consistently and to the desired standard
- ensuring that customer service staff act in a certain manner every time they are dealing with customers
- making sure that customer service staff know what steps to follow in all situations, particularly when customers are unhappy or have complaints
- ensuring that customer service staff deliver service in a manner consistent with the organisation's overall goals and objectives
- making sure that staff know who is responsible for certain products or services.

## Customer service issues

Information relating to service issues is usually documented and stored in a manual and/or on an organisation's intranet. These policies and procedures greatly affect how customer service staff interact with their customers. As such, the policies and procedures that are already in place will need to be referenced and kept in mind when proposing strategies and improvements to customer service. A proposal you have may be in conflict with existing procedures, meaning that either the proposal or the procedures will need to be altered.

An analysis of the organisation's customer service policies and procedures is an effective means of diagnosing issues in customer service performance. Policies and procedures guide how customer service staff interact with customers; therefore, there may be an issue with the guidelines themselves rather than the staff who are merely following them.

Here are the standards found in most organisations that cover customer service policies and procedures.

### Standards relating to appearance and manner of service

- Appearance of store or workplace
- Dress codes for staff
- How to greet or approach a customer
- Speed of service required
- Sales methods and techniques
- Method of responding to customer enquiries

### Pricing, purchasing and delivery

- Pricing and discounting policy
- Terms of payment and payment options
- Credit terms and application process
- Order processing
- Delivery options and availability

### After sales

- Refunds, returns and exchanges policy
- Method for handling customer complaints
- Guarantees and warranties applicable

### WHS

- Work health and safety considerations

## Resource considerations and restrictions

The resources at your disposal must be kept firmly in mind in terms of the funds available to implement any proposed strategy designed to improve customer service, as well as the human resources available. Any strategy you develop must be realistic and fit within the organisation's overall resource levels.

For example, if you have identified that customers are demanding longer business hours, then a strategy aimed at opening for an extra hour each day will need to factor in whether the organisation has the staff and money available to implement this strategy.

## Quality assurance

Quality assurance is necessary in industrial organisations (for example, manufacturers), which require quality certification and compliance to make business operations safe and effective to meet regulatory guidelines.

However, most organisations have quality assurance procedures in place to ensure operations are performed to the required standard. As such, these procedures affect customer service policies and procedures and can directly affect the manner in which staff operate.

For this reason, it is important to factor quality assurance requirements into any proposed customer service strategies, so as to not violate or be in conflict with quality assurance requirements. An example could be a manufacturer seeking to increase production times to reduce customer order waiting periods. Before deciding to cut back, speed up or reduce any area of the production process, the organisation must ensure any action maintains its quality programs.

## Legal requirements

In situations where there are legal requirements affecting the customer service your organisation provides, any option for improving customer service must not be in breach of these legal requirements. These legal aspects could include privacy issues relating to collecting customer details, anti-discrimination or access and equity.

Here are examples of legal requirements relating to customer service that must be followed in different industries.



- Clothing articles must display washing instructions.
- Children's nightwear must have fire safety labels.



- Staff who prepare or sell food must be aware of the correct handling, storage and cooking methods.



- Stock traders and financial advisors need to work strictly within laws applying to financial services.



- If contracts are involved, as in real estate sales, customers might be given a cooling off period.

## Work health and safety

Work health and safety guidelines have the same effect as legal requirements when devising any proposed strategies aimed at improving customer service. These requirements are enforced rigorously by government and are in place to minimise workplace injuries not only to staff, but also to customers, suppliers and visitors. These guidelines must be considered when implementing customer service strategies.

For example, a fast-food restaurant would pay particular attention to slippery floors; supermarkets must take extra care with the positioning of display items; and recreational facilities must advise customers of safety procedures when using equipment.

## Confidentiality and security

Customer confidentiality and security is an increasing issue of concern for consumers given the prevalence of e-commerce and the collection of customer information when purchasing. Hence, it is important to have in place procedures for maintaining customer confidentiality and security. More importantly, these procedures need to be enforced, meaning any proposed customer service strategy you devise must consider these requirements. For example, if you devise a strategy to email customers to alert them to promotions or sales before the general public, then you must check that customers have authorised you to do this when they provided you with their email addresses.

Consideration should be given to customers who have concerns about the following:

- Privacy and security violations after they have provided their surname, address, credit card number and other personal details
- Personal details being used by an organisation to solicit business in the future
- Security when giving personal information over the phone or internet



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2. What other information sources on customer feedback could this organisation use to help it monitor the standard of customer service?

3. List the ways in which an organisation could monitor customer service feedback to identify problem areas in its customer service. What methods are used in your organisation? How could the monitoring of customer service be improved?

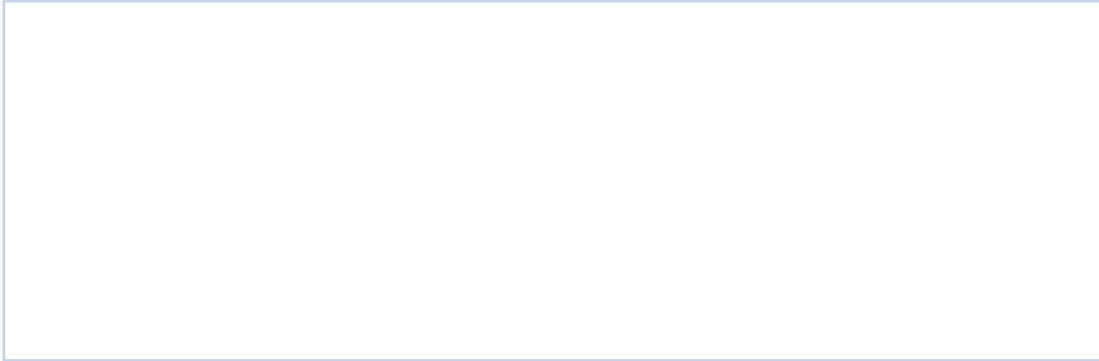
4. Does the organisation check service delivery through any other means than asking for customer feedback? Could it improve the way it identifies problem areas in its customer service? How?

5. Does your organisation, or an organisation you are familiar with, have policies and procedures in place for staff to follow when interacting with internal or external customers?

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6. List one way in which your organisation's existing customer service policies or procedures could affect changes you wish to make to a customer service strategy.



# 1C

## Advise on options to improve customer service

Identifying gaps or mismatches in service delivery represents an opportunity for the organisation to improve its customer service strategies and build relationships with customers.

When you understand who your customers are and what they want, compare this to what you are currently offering and consider any organisational requirements that will affect any customer service strategies you devise.

The next step involves devising strategies and advising on options you believe will lead to an improvement in customer service and the meeting of customers' needs. The objective of such advice and strategies is to be effective.

Some characteristics of effective advice:

- Relevant
- Constructive
- Specific
- Consistent
- Measureable
- Realistic

### Effective advice and strategies

Keep the following in mind when formulating strategies to close a gap between what customers want and what they are being offered by your organisation, and to achieve the objective of generating solutions that will be effective.

#### Relevant

The strategy you devise must be relevant to the gap in customer service performance you have identified. Advice should be clearly linked to the customer service problem at hand. The purpose of developing the strategy is to correct or resolve the issue. Therefore, your advice must reflect this.

#### Constructive

Advice delivered needs to be constructive and not excessively negative. Customer service strategies you develop will require the assistance and support of other people in the organisation, so it is important to be positive and constructive when presenting your advice on improving customer service.

#### Specific

Your customer service strategy must explicitly state what you are going to do to improve customer service performance and how you are going to do it. Rather than simply stating that you are going to 'improve customer service performance', your strategy must contain an action plan showing step-by-step details of your strategy so that people know what is happening, what is required of them and when.

<b>Consistent</b>	Any customer service improvement strategy you come up with must be consistent with the organisation's overall strategy and goals. A strategy you develop may be an excellent idea, but it needs to be consistent with what the organisation is doing and trying to achieve as a whole.
<b>Measurable</b>	The advice you give on improving customer service must be measurable by listing the exact goals or targets you want to achieve; for example, customer call times to decrease to 30 seconds, order periods to decrease to seven days, sales to increase by 12 per cent. Setting exact goals increases clarity on what is expected and provides a benchmark for people to strive towards. Having a measurable target allows you to measure your progress and your success in implementing the strategy.
<b>Realistic</b>	The strategy you develop must be realistic in the sense that it must be attainable given the organisation's current resources. Any strategy to improve customer service must factor in the organisation's resource capabilities; otherwise, the strategy is not going to be implemented effectively.

## Options for improving customer service

When exploring options for improving customer service delivery, it is essential that you are able to think laterally. Approach those who have had previous experience in a similar situation and ask for their advice and suggestions.

Here are some examples of strategies aimed at improving customer service performance.

<b>Improve staff–customer interaction</b>
<ul style="list-style-type: none"> <li>• Provide training in communication, interpersonal skills</li> <li>• Use videos to show correct techniques</li> <li>• Brainstorm ideas at staff meetings</li> </ul>
<b>Develop a more efficient customer database</b>
<ul style="list-style-type: none"> <li>• Purchase a specialised software application, and train staff in its use</li> <li>• Provide more detailed information on customer contacts</li> <li>• Designate a person responsible for keeping the database current</li> </ul>
<b>Develop more streamlined procedures in organisational systems and processes</b>
<ul style="list-style-type: none"> <li>• Provide options for improved customer service</li> </ul>

### Develop a greater understanding of products and services

- Update promotional brochure/catalogue
- Provide training

### Improve customer feedback mechanisms

- Develop/improve feedback sheet
- Develop a website
- Improve the method of recording and analysing feedback

### Provide better access to services for customers

- Ensure easier physical access for customers
- Have signs available in various languages

## Customer service charter

A best practice strategy to improve the overall level of customer service in your organisation is to implement a customer service charter. This document can be made available in a hard-copy format and online so that customers and staff can access it. There can be numerous benefits to customers, staff and the organisation in developing a charter.

Here is some information about using a customer service charter.

### What is a customer service charter?

A customer service charter is primarily aimed at meeting the customer service needs of the organisation's customers. It does this by listing the service standards, attitudes and systems that must be in place to guide the customer service effort and the actions of staff. There may be separate service charters for internal and external customers.

### How is it developed?

A customer service charter is generally developed as an exercise involving all staff and is further refined by a specific team responsible for its development and implementation. Frontline managers should be familiar with an organisation's customer service charter as a framework for developing and maintaining an acceptable level of customer service.

### Benefit to the organisation

The organisation's commitment to customer service is made clear when a charter is developed. Staff can be clear about their customer service responsibilities and duties. This is important for customer service teams, sales teams, others who have a lot of direct customer contact and staff who are new to dealing with external clients. Customer service can be measured against these standards.

### Benefit to customers

Staff can be clear on how different types of customer interactions should be managed, which minimises the risk of customers not being attended to quickly or professionally.

## Contents of a customer service charter

The contents of the organisation's customer service charter will vary depending on the nature of the organisation, the industry it operates in (for example, retail vs wholesale) and who its customers are (for example, internal vs external, consumers vs businesses). By accessing the online customer service charters of a range of organisations, you will see a variety of examples.

Typically, a customer service charter will contain five core sections:

- Customer service principles/purpose of the charter
- Development of customer service standards
- Communication with customers
- Opportunities and channels for customer feedback/complaints
- Customer service and privacy

## Customer service principles

A customer service charter may begin with a statement of the organisation's underlying principles towards customers and why it feels it needs a charter. Generally, the purpose of the charter is to specify and clearly state the customer service standards expected by the organisation and its employees, to effectively act as a service promise to customers. In order for the charter to be useful and accessible to customers and staff, the final document needs to be written in plain, simple language.

The customer service charter does not have to go into too much detail about who the organisation's customers are; a general outline of who the organisation believes are its target customers will suffice.



## Customer service standards

The bulk of the customer service charter will be devoted to outlining the organisation's standards and statements of best practice in customer service. Here are some examples of general customer service standards.

### Speed of service

Outlines the specific standards expected by the organisation in serving customers and responding to their enquiries. For example:

- Customers who enter our store must be approached for service within 60 seconds of entry.
- All in-bound phone calls must be answered within 15 seconds and all customer queries handled within seven minutes.
- Email enquiries from customers must be forwarded to the relevant person within the organisation and answered within two business days.

### Ordering, delivering

Outlines the standards set for the time frame within which customer orders must be processed. This defines the total time allowable between when the customer places an order and when they receive the product/service. For example:

- All customer orders must be delivered within 10 business days from the time the order was placed.

### Customer accessibility

Provides information about how customers can contact the organisation and during what hours. For example, the organisation may state that it can receive queries from customers via:

- an internet homepage
- an email address for customer enquiries
- a business phone number (and the hours of operation)
- a fax number (and the hours of operation)
- a postal address or PO Box.

### Business hours

- Outlines the hours the organisation is open for business and the hours during which customers can contact it.

**Responsibilities**

Outlines which person, team or department is responsible for which areas of customer service. This is particularly important for larger organisations where collaboration between people or departments is required when serving customers. For example, the charter could state which person, team or department is responsible for:

- receiving customer enquiries
- serving customers in the ordering process
- taking customer orders
- processing customer orders
- resolving customer complaints and disputes.

**Pricing policy**

Outlines the organisation's overall pricing policy. This is usually done broadly in terms of where the business prices itself in the market (high-end vs low-end) and may include a commitment to guarantee the lowest cost or to match or beat competitors' offerings.

**Refunds policy**

Provides details about the circumstances under which the organisation will allow customers to return or exchange items and under what conditions refunds will be issued. This needs to be clear and specify things like the time frame in which products can be returned, any purchase amount limits that apply, staff/manager approval required, and presentation of receipt conditions.

**Guarantees/warranties**

Information about guarantees and warranties the organisation provides on its products and services. These need to be specific and clear to meet legal guidelines and provide the customer with an accurate view of any conditions or restrictions that may apply to prevent misunderstandings later on.

## Communication, complaints and security

The organisation's charter should include its approach to providing customers with the opportunity to raise complaints and provide other feedback.

The charter can illustrate the communication principles the organisation will follow with regard to communicating with customers about changes to operations or issues that will affect the customer. Communicating about change is important for maintaining customers. Customers sometimes feel uncomfortable with change and timely communication contributes to maintaining customer loyalty. For example, communication with customers may be required when prices rise, stores/locations close, policies change, the business moves premises or customer service policies and standards change. Communication principles also provide staff with clear guidelines.

Guidance about ensuring customer privacy also needs to be provided in the form of an outline of policies and procedures. It can be reassuring for a customer to know that staff have been informed of the restrictions governing the use of personal information.

### Example: customer service charter

Here is an example of information that might appear on a customer service charter.

Key element	Shared behaviours	How do we demonstrate the shared behaviours?
<b>Communication</b>	To communicate effectively we will: <ul style="list-style-type: none"> <li>• listen carefully to each other</li> <li>• clearly communicate the needs and expectations of work provided</li> <li>• provide open and honest two-way communication between staff</li> <li>• give and receive feedback.</li> </ul>	We will: <ul style="list-style-type: none"> <li>• make time to listen</li> <li>• keep each other informed with regular progress reports on work we have been involved with</li> <li>• communicate in a supportive and constructive way</li> <li>• communicate clearly, consistently and not judgementally</li> <li>• provide opportunities for feedback.</li> </ul>
<b>Behaviour</b>	To behave appropriately we will: <ul style="list-style-type: none"> <li>• behave with integrity and in an ethical manner</li> <li>• take pride in what we do</li> <li>• acknowledge problems and errors, and correct and learn from them.</li> </ul>	We will: <ul style="list-style-type: none"> <li>• always model the desired behaviours as an example to others</li> <li>• keep in mind the question: is it the right thing to do for the right reason?</li> <li>• act promptly and do what we say we will do</li> <li>• strive to do our best in every interaction</li> <li>• take ownership of problems and complaints</li> <li>• act quickly to solve problems.</li> </ul>

*continued ...*

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<b>Provide professional, courteous service</b>	Providing professional, courteous service will mean: <ul style="list-style-type: none"><li>• identifying ourselves when we communicate with customers</li><li>• listening to and clarifying a customer's needs</li><li>• keeping the customer informed regarding the progress of their enquiry.</li></ul>	We will: <ul style="list-style-type: none"><li>• always include contact details on written correspondence</li><li>• introduce ourselves with first and last name and provide a business card for follow up</li><li>• listen actively to the customer, check understanding of their needs/problems, take notes if appropriate and confirm the action to be taken</li><li>• be wary of making assumptions regarding customer identity, needs, concerns or expectations</li><li>• make sure we keep our promises to customers regarding feedback, progress and outcomes.</li></ul>
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### Practice task 3

1. Why do organisations implement customer service charters? What benefits do they provide to both the organisation and the customer?

2. Access Australia Post's customer service charter online, at: [www.auspost.com.au/about-us/customer-service-charter.html](http://www.auspost.com.au/about-us/customer-service-charter.html). How does the organisation describe the purpose of its customer service charter?

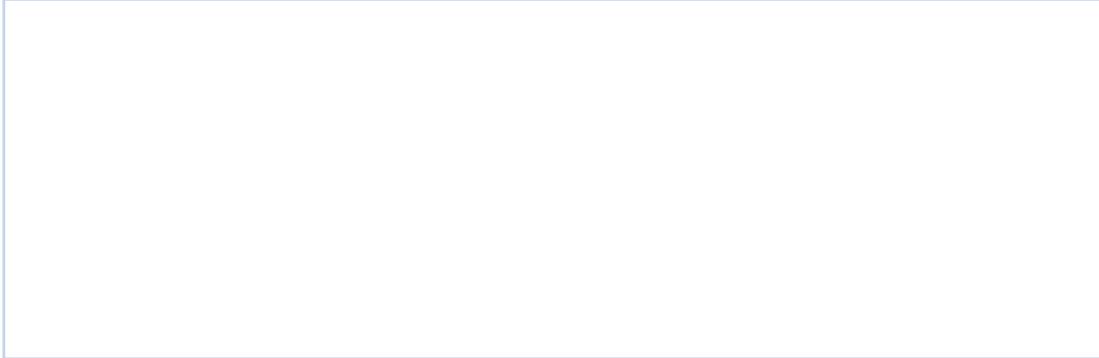
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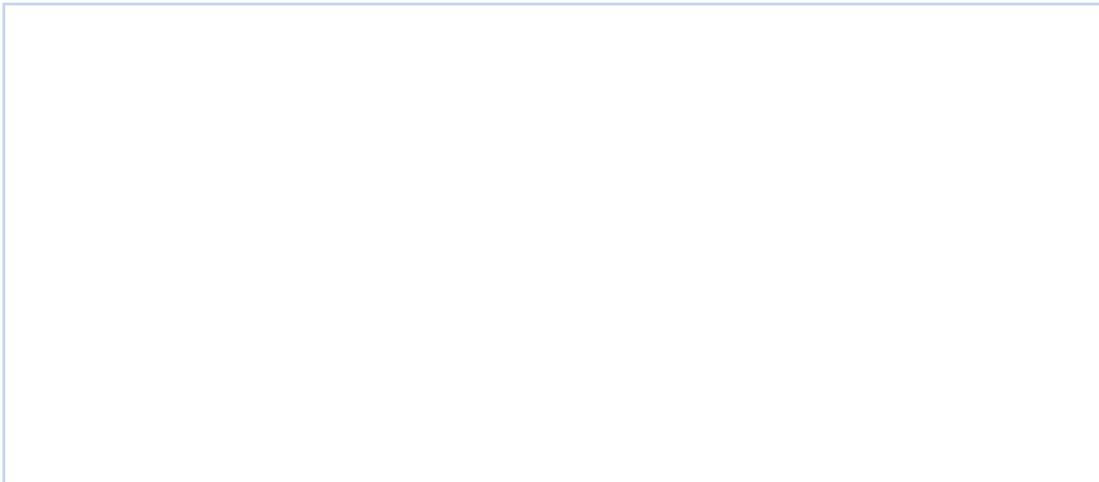
3. Use the following links to access the customer service charters of Telstra and Australia Post:

- [www.telstra.com.au/charter](http://www.telstra.com.au/charter)
- [www.auspost.com.au/about-us/customer-service-charter.html](http://www.auspost.com.au/about-us/customer-service-charter.html)

Compare and contrast the complaints processes of these two large organisations.



4. Has your organisation, or an organisation you are familiar with, ever made significant changes to its customer service practices? Why is it important to communicate with customers about these?



# 1D

## Use business technology to present information

Business technology provides tools that allow you to ensure that information on customer service needs is collected, processed, structured and presented in an effective manner. It can also assist you in analysing data collected on customers to identify trends in customer service needs and to share and communicate this information with colleagues.

Spreadsheet software can be very useful. It can enable you to chart annual customer complaint statistics, for example, and the reasons why complaints are received. When this information is presented visually in tables, charts or graphs, the data is clearer and more understandable. This may make it easier to identify unmet customer needs.



Customer service databases or customer management programs can be used to track customer interaction. You can also use such programs to print reports on specific data; for example, the number and types of complaints received in a month.

### Business technology

Different types of business technology enable staff to collect, compile and distribute information on customer service needs in particular ways. If the organisation has a website or social media presence, these may be used to collect customer feedback on products. An intranet provides a good medium for presenting statistics, documents or reports that are for general distribution. Organisations may subscribe to business software, such as a customer relationship management (CRM) program.

Standard business technology requirements might include the following:

- Computer
- Photocopier
- Printer
- Binder
- Shredder
- Answering machine
- Fax machine
- Telephone
- Email

## Online services

Consumers can now easily access goods and services via the internet, which has radically changed the way consumers and businesses interact. The way businesses can manage their dealings with customers has been revolutionised.

Here are examples of what web-based technology can provide:

- When combined with fast, remote connections, it allows organisations to provide prompt, reliable service
- Support staff can access centralised product and customer databases online
- Support staff are able to readily access purchasing, ordering or client account details remotely
- Customers can carry out complete transactions, from ordering and payment to warranty registration
- Businesses with well-developed and informative websites are able to transact with customers locally
- Businesses have affordable, accessible alternatives in the way customer profiling is managed
- Customer-monitoring activities can be outsourced

### Example: customer service technology

Maria takes many phone calls from clients each day. She uses a headset, so she is also able to type customer information and access records using her computer. Her voicemail system captures missed calls.

Maria receives a customer complaint call and calls her team leader Jo to discuss it.

Jo suggests that Maria creates a new file on the problem and assembles all the information relevant to the client's issue. She asks Maria to use Outlook Calendar to arrange a time they can meet.

Maria accesses the client's records electronically. She opens the organisation's database management system and then prints out the relevant information. She accesses other information related to the customer's product using the organisation's intranet.

Jo and Maria meet and discussed the problem by phone with the interstate product manager, putting him on loudspeaker. Together, they work out a resolution that will satisfy the client.

A phone call and email provide the client with a form to fill out.

Once the issue is resolved, Maria shreds confidential information shared by the client and updates their record in the database. In the meantime, Jo works on a report created using organisational electronic forms and templates. The report is emailed to the product manager and kept on the organisation's shared folders on the computer server where others can access it.



## Practice task 4

1. Most organisations have a wide range of business technology available to staff to assist them in undertaking their daily tasks and duties. Describe how two key business technology tools are used to assist in collecting and presenting information on customer service needs within your own organisation, or an organisation you are familiar with.

2. In addition to the business tools you have described, research other tools that are available that help organisations deliver superior customer service. How do they help?

3. What recent examples can you think of within your own organisation or industry where new technology has been adopted to ensure customers remain satisfied and customer service is timely and of a high quality?

## Summary

1. An organisation must fully understand who its customers are through market segmentation and customer profiling.
2. Customers select the offering that best meets their needs and expectations.
3. Customers also have needs and expectations when it comes to customer service. These can be categorised into needs and expectations of the organisation's staff, the product/service being offered, convenience and the work environment.
4. The organisation can assess its customers' service needs through communication techniques such as surveys, feedback forms, interviews, management and staff opinion, and informal feedback gathered by listening to customers.
5. A customer service audit can be used to diagnose problems between customer service delivery and the customer's service needs.
6. In advising on strategies to improve customer service, it is important to consider organisational requirements that will affect the implementation of the strategy. These include the organisation's target market, structure, goals and objectives; existing customer service policies and procedures; resource levels; legal requirements; ethical standards; and existing pricing, discount and refund policies.
7. When advising on strategies to improve customer service, it is important to ensure the advice is relevant, constructive, specific, consistent, measurable and realistic.
8. Having a customer service charter is an effective strategy for improving customer service performance and meeting customer service needs by formalising service standards, attitudes and systems to guide the customer service effort and the actions of staff.

## Learning checkpoint 1

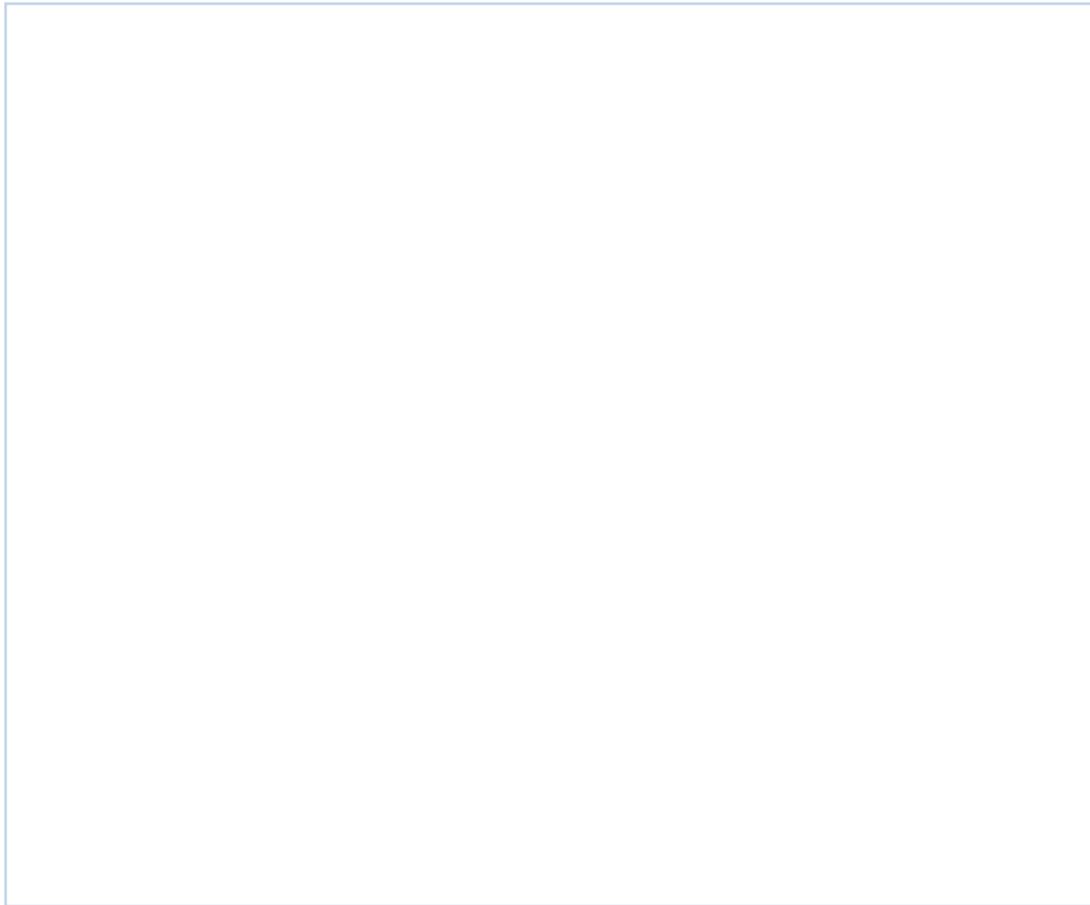
### Advise on customer service needs

This learning checkpoint allows you to review your skills and knowledge in advising on customer service needs.

#### Part A

For your organisation, or one that you are familiar with:

1. Prepare a profile of the organisation's target customer/s.



2. List the primary needs and expectations this customer group has in purchasing the organisation's products and services.

3. What are the needs and expectations of these customers when it comes to customer service?

4. Outline the principles of customer service.

5. Describe some strategies you and your customer service team apply to assist customers to articulate their needs.

6. Which documents do organisations use to provide guidelines for staff in their interactions with customers?

7. List the business technology that your organisation uses to provide customer service and to collect and analyse information on customer service needs. Describe any other technology that is not being used that you believe would be effective in providing customer service.

## Part B

1. Perform a customer service audit on your organisation using a table like the one below to record responses to the tasks that follow. An example has been provided for you.

Customer service need/expectation	Communication technique/s to assess	Organisation's performance in meeting need/expectation	Problem areas/issues to be addressed
Staff to have extensive product knowledge of mobile phones and accessory items	<ul style="list-style-type: none"> <li>Customer feedback forms</li> <li>Staff performance reviews on product knowledge</li> </ul>	Customers generally satisfied with level of product knowledge of staff in mobile phone units, but accessory knowledge lacking and add-on products not frequently offered to customers	Staff knowledge of accessory items and add-on sales to be improved

- List the customer service needs and expectations of your customers (which you defined in Part A) in the first column of the table.
- State the communication techniques you could use to assess customers' service needs and the organisation's performance in meeting them in the second column.
- Analyse the organisation's performance in meeting each customer need/expectation in the third column.
- Identify any problem areas or issues that need to be addressed in the last column.

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2. For each of the problem areas and issues in customer service you identified in the previous question, advise on the strategies you could use to address them and the organisational requirements to consider in devising each strategy (for example, target market, organisational structure, legal requirements, pricing policies).



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## Topic 2

# Support customer service strategies

Once you and your team have understood and analysed customer service needs and the quality of service your organisation provides to customers, you need to prioritise the areas most in need of improvement. For example, you may have discovered that your customer database needs upgrading, the procedure for processing payments needs to be streamlined or staff need additional training on communication techniques. How will you go about making all of these improvements?

Once issues have been prioritised, the next step is to consider how the strategies you have identified to resolve particular customer service issues should be introduced to the rest of your organisation. This is a very important step because, in addition to gaining approval from senior managers for your plans to be implemented, it's vital for your colleagues to understand what your plans are and how they will be put into action.

In this topic you will learn how to:

- 2A Promote and implement customer service strategies
- 2B Identify budgetary considerations in delivering strategies
- 2C Resolve customer difficulties and complaints promptly
- 2D Implement customer service strategies

## 2A

### Promote and implement customer service strategies

The purpose of implementing customer service strategies is to increase the quality of service provided to customers. This serves to differentiate the organisation from competitors and meet the service needs of customers.

After analysing your customers' service needs and developing strategies to improve service delivery, the next step of this process involves determining who to promote customer service improvement strategies to, and then effectively presenting improvement proposals to the relevant people.

Although relevant individuals and groups will vary according to the organisation, you need to use communication skills effectively regardless of whether you are dealing with customers, colleagues, management personnel, suppliers or external organisations. Speak clearly and concisely, explain information so there is no confusion or misinterpretation, avoid any jargon or technical words that may not be familiar to others, and give time for people to form and ask questions. Identify the most appropriate form of communication, such as a formal presentation, an email, a memo, a letter, a contract, a brochure or a one-on-one meeting.

Support and input are required from:

- customer service representatives
- customer service line management
- senior management, including your supervisor
- other departments and colleagues
- organisational committees
- customers
- suppliers
- external organisations.

## Gain support from customer service representatives and managers

Regardless of the type of organisation, for any customer service strategy to be effective it must have the support of the customer service managers, teams and representatives who will ultimately be responsible for delivering the improved service to the customer. Here are two examples of such service representatives and their role in the management of customer service standards.

### Customer service representatives

These are the people at the coalface, those who most help to shape customers' opinions on the organisation's customer service performance. As such, they will have unique insights into customer service based on their interactions with customers. These insights could prove valuable in formulating any strategy.

It is fundamental that these people be notified of the details of the strategy you are proposing so that they can provide feedback and have input into the strategy. These are the people who will invariably be affected the most by any service improvement strategy, so consulting them to increase their sense of ownership and degree of acceptance is vital if customer service representatives are to implement the strategy effectively when interacting with customers.

### Customer service line management

The line management of the customer service team, who are responsible for managing customer representatives, must have customer service strategies promoted to them as their belief in, and acceptance of, the strategy will directly influence how their customer service representatives view and accept any proposed changes. If the customer service manager is offside with your strategy, then it will be difficult to get the customer service representatives to embrace the strategy and implement it.

It is also essential that customer service managers have direct input into any proposed changes, as they will have invaluable insights into how customer service can be improved and the feasibility of any suggested strategies you have come up with. They will have insights and feedback into important areas because they occupy a prime vantage point in the organisation by servicing its customers.

## Senior management

The organisation's senior management, including your supervisor, may need to authorise any customer service strategy you propose implementing. It is unlikely, except for very small projects, that a customer service strategy you devise will be able to be implemented without the approval of the organisation's senior management.

As well as providing approval, senior management can provide a holistic viewpoint to assess your strategy and whether it is feasible given the organisation's level of resources and whether it is consistent with the organisation's overall goals and objectives. Often employees at lower levels will consider a strategy only from their own or their department's viewpoint, so senior management can better determine how the strategy will fit within the organisation's operations.



## Other departments, colleagues and organisational committees

It is likely that you will need to seek input from other departments in the organisation regarding the feasibility of your strategy and time frame. Seeking input is also helpful in preparing the ground to promote the strategy once it has been set in place.

### Other departments and colleagues

The budgets or circumstances of other departments and organisations may allow or disallow the changes you wish to implement. Some strategies you thought were excellent ideas may have to be ruled out because other departments do not have sufficient resources to help implement them.

Sometimes the skills of other teams are needed.

### Organisational committees

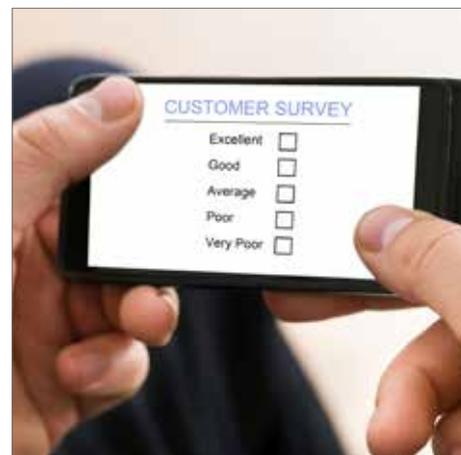
Organisations may have various committees in place that are made up of colleagues from throughout the business. Examples include work health and safety (WHS) committees, fundraising committees and social committees. A proposed customer service strategy may require input from these groups.

## Seek customer input before a strategy is implemented

A customer service strategy may need to be promoted to customers before implementation or require their consent and approval once the decision has been made.

Consider testing the potential effectiveness of the strategy with customers before it is implemented. Customer input can then be incorporated into the final implementation of the strategy. Doing this provides clients with reassurance and evidence that their ideas and feedback are being listened to and acted upon, and that their opinions are valued by the organisation.

Only choose clients who are able to provide you with relevant feedback, such as customers who buy large volumes of your product/service, use them in a particular way that makes them able to give the insights you need, or have experience using competitor's products/services that enables them to make comparisons with yours. It may also be beneficial to have customers sign a confidentiality agreement or other statement that enables you to involve them in the process without worrying about whether the ideas and strategies you present to them will be leaked to your competitors.



## Notify customers of the change

Once the decision to implement a particular customer service strategy has been made, all customers affected who were notified during the development stage of the strategy will now need to be notified of the actual implementation. Customers of your organisation develop needs and expectations of your customer service based on past business dealings and any change to business operations that alters how you do business with customers has the potential to cause them serious concern and disruption.

### Examples of customer service strategies that require customer notification

If delivery times are being altered to exclude weekend deliveries, you need to ensure customers understand this and don't expect weekend deliveries anymore.

Before changing payment terms from 28 to 14 days, current customers will need to be advised and their satisfaction with the proposal gauged.

If prices are being altered (either up or down), customers will need to be advised to prevent misunderstandings and over/undercharging in the future.

## Seek input from suppliers and external organisations

For organisations that provide a product for customers, as opposed to a service, the input of suppliers may need to be incorporated into customer service strategy development. Any strategy that requires alterations to supply will need to be discussed with suppliers prior to implementing the strategy to assess its viability. Examples of this include where the organisation seeks to alter order cycles, times, amounts or special orders for customers.

In addition to customers and parties within your organisation, there may be third-party organisations that require input into the customer service strategy and notification once strategies have been implemented. Examples include trade unions, industry bodies, government departments and advisory boards. For example, if your organisation seeks to extend shopping hours on weekends due to demands from customers, government regulations regarding weekend trading hours would need to be consulted, as would the relevant union/s to ensure an extension of trading hours would not be in breach of any workplace contracts or awards.



## Present proposals on improvements

When communicating with different individuals and groups, it is essential that you be mindful that different methods may not be appropriate. For example, how you communicate a customer service strategy to sales staff will be different to how you present it to senior management. It is important to use the correct presentation method, or combination of methods, for your target audience.

The nature of the strategy you are presenting will also affect the communication method you use. For example, a major change in customer service strategy involving multiple departments throughout the organisation will most likely require a more formal presentation method than a simple change to opening hours.

Each method has its pros and cons and which method/s you select depends on who your audience is and the nature of the message you are giving. Here is a list of different ways of communicating to different audiences.

### Methods of communicating about change

- Formal presentations
- Emails, company memos, staff meetings and training sessions
- Development of policy and procedures manuals
- Press releases
- Regular company newsletters
- Customer information sessions
- Updates on company website
- Advertising on TV, radio, newspaper or online
- Promotional handouts, brochures or flyers

## Guidelines for presenting proposals and implementing strategies

Regardless of the way in which proposed service solutions can be presented, there are a few guidelines to follow when presenting and implementing a strategy aimed at improving customer service. These guidelines act as a checklist to make sure that you've done all the work you should have before a strategy is presented and implemented. Following these guidelines will provide you with the greatest chance of your strategy being accepted and implemented effectively by staff.

Aspects of a strategy to describe and explain can include:

- the customer service issue
- customer service needs
- the implication of inaction
- a range of possible solutions
- the recommended solution.

## Describe the customer service issue

Before informing staff of the changes being implemented, it is important to advise them on exactly what the customer service issue is. When doing this, always summarise the evidence you have collected, state the reasons why you know a problem exists and note whether the issue came to your attention because you asked for feedback or you received unsolicited feedback. Explain how you found out about the situation.

Here are how two team leaders explained their customer service issues, and the supporting evidence, to staff.

Unsolicited feedback	Requested feedback
<p>‘Every week we randomly choose two customers to survey. These surveys take about 10 minutes and are completed over the phone by one of our customer service team members. Over the past six weeks, all of the customers surveyed commented on the new billing system and stated they were not happy with how it has been rolled out. As a result we surveyed another 10 customers and asked them specifically about the billing system – 100% of the people we surveyed provided negative feedback on the new system. We have transcripts of each interview available.’</p>	<p>‘Several salespeople passed on feedback from our customers about our opening hours. It seems that several would prefer us to open at 8 am and close earlier if necessary as they find it difficult to contact us once their own stores have opened. We found that our major competitor offers this service, which clients said they appreciated greatly.</p> <p>‘We then decided to send out a questionnaire for our customers to fill in on the topic so we could better understand their needs. We sent out over 80 surveys to our clients and 62 were returned. Of these, 78% indicated they would like our phone lines to be open for queries before 8.30 am. A summary of the results and a copy of the survey form are included as an attachment to this report.’</p>

## Describe needs and solutions

By giving attention to each of the following phases, you can be confident that the issue you have identified is being presented clearly and relevant staff have an opportunity to understand solutions and decisions. This makes it more likely that the proposed changes will be supported during their implementation.

**Describe customer needs**



Provide staff with a customer service goal. Explain what your customers want from your organisation’s customer service and then compare this to what you are currently delivering.

Highlighting this discrepancy will demonstrate to staff that change is needed to satisfy customers. The performance of competitors should also be discussed, as it shows where the organisation needs to compete more effectively.

**Describe the implication of inaction**

Clearly state what is likely to occur if nothing is done to improve existing customer service practices; for example, loss of customers, decrease in sales and potential for job losses. This will assist staff in accepting that something needs to be done and help them relate the issue to how they can help. If possible, link the consequences of inaction to the company's objectives or customer service charter.

**Describe a range of possible solutions**

You must list the various options that exist to address the customer service issue. This shows that you have analysed the situation extensively. Explain the different solutions available and their benefits and disadvantages.

Ensure that any costs are explained fully and the relative cost of each option is clear.

**Recommend a solution**

Finally, make a case for the solution you believe is best. This decision will be made with input from relevant sources. As you and your team are so close to the issue and familiar with the topic, your opinion and recommendations will be wanted and valued by those who are listening to you or reading your report.

## Example: describe and recommend solutions

'We have two viable options to choose from to resolve our current customer dissatisfaction with incoming call response times. Hiring a new full-time staff member is too expensive at present.

'The first is to appoint a part-time staff member to relieve existing staff during lunchtime and breaks so our response time does not increase, as it does now, at these times. This will not address the problem overall but will manage the 'worst' times we are experiencing currently. This will cost \$25,000 per annum for salary and on-costs.

'The second option is to review the current workload of call centre staff and determine what they are spending their time on – perhaps we could minimise non-phone call activities, such as photocopying, by redeploying support staff to assist the call centre team. The cost of this would need to be determined following the review, and the costs of the review itself will also need to be taken into account.

'We recommend that the first option be supported and implemented as it would serve as an interim measure while more information is gathered about the problem and the costs of conducting a review of call centre staff workloads is calculated. Although it does not resolve the issue of customer dissatisfaction with response times generally, it will allow us to increase customer satisfaction in the short term with the prospect of rationalising workloads and eliminating this problem in the future.'



## Practice task 5

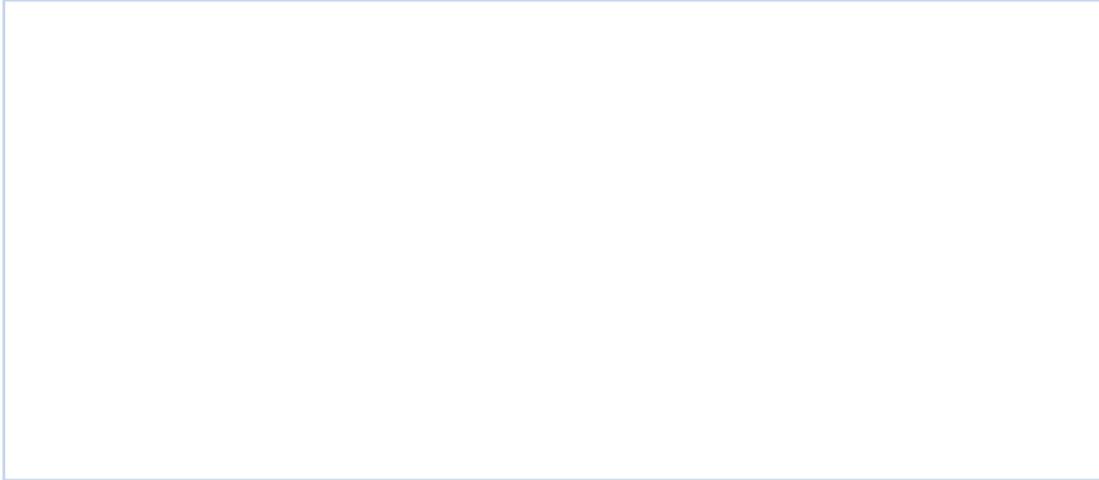
1. Why is it important to promote customer service strategies to the customer service representatives who interact with customers when these people are not part of the organisation's management?

2. If you were going to develop a strategy to improve response times for any customer group served by your organisation (or one you are familiar with), which other departments in the organisation would you need to promote the strategy to and seek input from in regards to its feasibility and time frame?

*continued ...*

... continued

3. Imagine you have been asked to present possible customer service strategies to a group of your organisation's senior managers, or those of an organisation you are familiar with. You have also been asked to make a recommendation as to which strategy you believe should be implemented to improve customer service standards. How would you structure your report and presentation? Why?



4. Which communication method/s would you choose to present the following customer service improvement strategies?
- a) Alerting the general public to a new product/service to be launched
  - b) Presenting to senior management on a proposed change in the organisation's target market from retail to wholesale businesses
  - c) Notifying customers of a change in operating hours
  - d) Alerting sales staff to an upcoming training session on customer service
  - e) Consulting with suppliers on the possibility of reducing lead times in ordering and production



## 2B

### Identify budgetary considerations in delivering strategies

Implementing a strategy to improve customer service may require you to identify and allocate budgetary resources. Budgetary resources include funds, staff and time. This area of responsibility requires that you identify budgetary limitations and research your costs. Any training that is required to improve customer service should also be recognised as a cost in terms of time and money.

Depending on the strategy, different budgets may be relevant. An IT strategy, for example, may be achieved with funds allocated from a project budget, while many other customer service strategies will be accounted for in a marketing budget.

Here is how one organisation might prepare its budgets.

#### **Sales budget**

An estimate of future sales, often broken down into both units and dollars; used to create the organisation's sales goals

#### **Production budget**

An estimate of the number of units that must be manufactured to meet the sales goals; the production budget also estimates the various costs involved with manufacturing those units, including labour and materials

#### **Cashflow/cash budget**

A prediction of future cash receipts and expenditures for a particular time period that is usually in the short-term future; the cashflow budget helps the organisation determine when income will be sufficient to cover expenses and when there will be a need to seek outside financing or draw on capital reserves

#### **Marketing budget**

An estimate of the funds needed for promotion, advertising and public relations to market the product or service

#### **Project budget**

A prediction of the costs associated with particular internal projects that include labour, materials and other related expenses; the project budget is often broken down into specific tasks, with task budgets assigned to each

#### **Management budgets**

Used to support specific management actions; these can include budgets for stock levels, development budgets, contingency analysis, GST commitments, tax commitments, etc.

## Access available resources

In your role as a frontline manager or supervisor, it will be your responsibility to access resources from the overall pool of resources from the entire organisation.

Organisations, particularly larger entities, typically implement procedures that managers must follow to access resources from the budget. In your role you are competing against other areas of the business to receive resources from the organisation to implement your customer service strategies. The process for accessing these resources will vary depending on your organisation's funding procedures and the way implementation of the new strategy is being accounted for. A large organisation may have a training department, while a small one will not.

Here are descriptions of occasions when managers accessed funds for external training to improve customer service.

### Make a business case

The manager of a hotel chain's customer service unit analysed customer feedback forms, which indicated that the phone manner of her staff needed to improve. She identified a suitable course and her manager advised her that the team's staff development funds could pay for it. She completed a business case because the cost exceeded \$2,500. Her manager reviewed it, identified gaps in detail and asked her to resubmit it. He then approved the application and passed it on to the accounts manager, who signed off on the purchase. A cheque was raised and sent to the training provider.

### Bill a training department

Jason is the supervisor of a sales team for a company that makes and sells tools, such as sanders, drills and nail guns, to large hardware stores where they are bought mainly by tradespeople. Jason and his team need to be retrained in customer service skills as part of an organisation-wide effort to improve the way all staff interact with customers and to exceed the standards set by their competitors. Jason is told that the training for his team, which would include attendance at a two-day conference, would be fully paid for by the organisation's training department and no additional expenses would be incurred against his team's learning and development fund.

## Allocate available resources

Staff training and development is the most obvious area to allocate resources when attempting to improve customer service performance. Although this is one of the key areas in improving customer service, there are many areas that you could allocate resources to.

Organisations can divide budget resources into different areas when improving customer service and the customer's experience with the organisation. There are many areas that budgetary resources could be diverted to and it is your role to determine which of these areas will receive funds to implement your customer service strategy.

Here are some budget areas relating to staff and how expenditure in each area could affect customer service.

### Existing staff

How items allocated to this category could affect customer service:

- Increasing the number of staff in other areas to reduce order turnaround times
- Increasing the amount of time staff have to prepare advertising material
- Rostering staff to cater for increased opening hours

### New staff

How items allocated to this category could affect customer service:

- Setting up computer, phone equipment or other tools and allocating work areas
- Providing uniforms
- Increasing staffing levels to reduce the amount of time customers wait for service

### Training and development

How items allocated to this category could affect customer service:

- Training staff in the use of new technologies (such as computer systems)
- Training for staff who train others

## Allocate available resources to property, plant and equipment

Funds spent on property, plant and equipment may make the physical environment safer and more attractive, informative, appealing and accessible to customers and the staff who serve them. They can also allow for greater speed and efficiency in delivering customer service.

Here is how an organisation might allocate resources to property, plant and equipment.

### New fixtures and fittings

How items allocated to this category could affect customer service:

- Installing a wheelchair ramp to provide access for customers with a disability
- Installing a new waiting lounge so customers can wait for orders in comfort

### IT and stationery

How items allocated to this category could affect customer service:

- Better handling of customer enquiries to improve efficiency and minimise customer waiting times
- Printing new forms to reflect procedural changes (such as feedback forms)
- Printing improved promotional material to advertise new service levels

### Point of sale equipment

How items allocated to this category could affect customer service:

- Scanning equipment and new registers to improve the accuracy and speed of transactions

### Safety standards

How items allocated to this category could affect customer service:

- Fixing broken floor tiles
- Installing improved floor plans showing exit routes

### Facilities

How items allocated to this category could affect customer service:

- Developing child-minding facilities
- Installing new toilets for customer use

### Maintenance

How items allocated to this category could affect customer service:

- Ensuring equipment is kept operational to ensure effective service delivery

### Merchandising equipment

How items allocated to this category could affect customer service:

- Setting up new displays to keep customers informed of new product lines

## Allocate available resources to systems, programs and communication

An organisation that runs efficiently with effective systems in place can deliver a better standard of customer service. These systems also contribute to the smoother implementation of changes within the organisation. Here is how an organisation might allocate resources to systems, programs and communication.

### Policies and procedures

How items allocated to this category could affect customer service:

- Developing a more flexible returns policy
- Reassuring customers that the organisation complies with legal and ethical requirements

### Advertising

How items allocated to this category could affect customer service:

- Sending mailouts to customers with surveys, newsletters and advice regarding new products
- Setting up a website to give customers another means of contact
- Developing and printing brochures to improve customer knowledge of products

### Incentives

How items allocated to this category could affect customer service:

- Setting up a customer rewards program
- Starting staff awards for the delivery of excellent customer service

## Research costs and budgetary limitations

Imagine you and your team have identified two possible solutions to a customer service issue you need to address. You have been asked to make a recommendation to your own manager about the best solution on offer. Part of this must include detailed information about the costs. You can't make a recommendation if you don't know which solution is the more expensive.



Consider the impact of budget structures and limitations on the implementation and success of customer service strategies. The best customer service strategy may not be the most suitable for your organisation given its budgetary constraints. For example, an excellent solution to handling incoming customer calls promptly could involve installing new computer-based telephone equipment and sophisticated computerised answering services. However, the cost may far exceed the amount allocated in the budget. For recommendations to be realistic and achievable, you must take budgetary considerations into account.

### Example: research costs

Conner, a customer service supervisor at a car servicing centre, decides to revamp the customers' waiting lounge. Here is his implementation plan:

- Compile a list of all the things that need to be purchased.
- Research the possible costs. Get quotes and use information obtained by others in the organisation.
- Submit the list to the purchasing department (one-off costs with an asterisk (\*) and worked out ongoing costs at a per annum rate).

Purchase new chairs and a coffee table	\$800*
Organise a water dispenser	\$400 p.a.
Paint the reception area	\$490*
<b>TOTAL</b>	<b>= \$1,690</b>

The other part of the strategy for improving customer service levels is to implement customer service training for all employees. Conner makes a new list.

Training for office staff	6 people x \$700 per person	\$4,200
Training for mechanics	10 people x \$300 per person	\$3,000
<b>TOTAL</b>		<b>= \$7,200</b>

The accounts manager allocates the lounge revamp to the annual 'Customer Comfort' budget area. The training will be split between two budget areas: 'Staff Development' and 'Customer Service', as it could fall into either category. They go through the necessary paperwork and Conner submits it to his manager for approval.

## Provide coaching and mentoring assistance

Staff members may have difficulties meeting the requirements of customer service procedures or service quality standards. This may be due to inexperience or misunderstanding what is required of them. When implementing your organisation's customer service strategies, it is your responsibility as a leader to provide guidance for team members through coaching and mentoring.



### Coach team members

A coach provides team members with individual on-the-job training to assist them to perform the duties that make up their roles. A coach may be a supervisor or manager who has a full understanding of the organisation's customer service objectives and strategies and is able to provide support for staff in customer service based on their technical expertise and background knowledge. This is similar to a sports coach who provides players with the assistance required to improve their game.

Supervisors and line managers can act as coaches for their own teams, or coaches can be other managers from within the organisation or experts in a particular area. In general, a coach is someone from the team member's department or someone who has experience in the same or a similar role to the role currently being performed by the staff member.

In a customer service context, coaching involves:

- providing feedback on performance
- providing training and assistance in performing certain duties
- listening to problems and concerns
- observing team members in action
- learning what each team member is capable of and their strengths and weaknesses in delivering customer service
- explaining and demonstrating the correct procedure to follow or method of completing a task
- giving encouragement, hints and helpful tips and celebrating successes and achievements
- providing opportunities to practise what is being learnt.

## Coaching methods

Coaching generally has a defined time frame in which the skill or knowledge is demonstrated and taught, followed by practice sessions and then an assessment to determine whether further coaching is needed. Here is a basic framework a coach could use as they work with a team on the development of customer service strategies.

### Observe the employee

- Observe the way the employee performs tasks related to customer service delivery
- Evaluate teamwork and results

### Document your observation

Keep a record of:

- good performance results
- behaviours or techniques you would like to discuss
- performance compared to customer service procedures and policies
- decision-making ability
- action plans.

### Give appropriate feedback

- Focus on specific tasks and work-related behaviour
- Give encouraging feedback often
- Discuss your observations with the employee
- Do not criticise, but give constructive feedback when necessary
- Make sure employees have understood what is expected of them and what you expect of them as their coach

### Set goals

- Work with the employee and together set a realistic goal for them to achieve

### Reflect on the employee's progress

- Check on their progress against their goals
- Make time to review their performance

### Apply a team approach

When working with a whole team, provide positive reinforcement of customer service strategies by:

- respecting the contributions of all participants
- giving credit for achievements
- presenting and promoting a positive image of the group
- solving problems that staff need to face together – do not leave them feeling like they are on their own and encourage them to work as a team when challenges arise
- provide encouragement
- give constructive feedback instead of criticism if performance needs improvement.

## Mentor team members

Whereas a coach provides assistance in performing the duties involved in a particular role, a workplace mentor acts more as a role model or a symbol of the values desired in staff. While a mentor may be similar to a coach and have the technical expertise and experience of performing the team member's duties, the mentor's real role is to provide emotional support, advice and confidence. Hence, mentoring relationships are often not just about what needs to be done on a day-to-day basis at work, but also encompass personal goals and other issues.

Mentors are usually not a team member's immediate supervisor or manager, although they can be. This is because mentoring is a long-term relationship that goes beyond the technical or day-to-day aspects of the job. Also, it would be difficult for a supervisor to effectively be a mentor to all of their team members and unfair on other team members if one staff member was mentored and another wasn't.

In a customer service context, mentoring can involve:

- being a role model in terms of behaviour and attitude
- providing emotional support and confidence for new employees and protection for team members who have made an honest mistake
- encouraging fair and ethical practices in customer service
- encouraging non-discriminatory work practices
- providing strategies for achieving both work and personal goals
- providing career advice
- providing feedback
- nominating team members for promotion and advising others when they have performed well.

## Practice task 6

1. Imagine that a staff member who has been having difficulty handling customer complaint calls asks to meet with you. She asks if you could help her do her job better by sending her on a one-day course called 'Effectively Managing Customer Complaints'. The cost is \$600. You think it sounds like a good idea and agree to organise it for her. How would you go about accessing company funds in your organisation, or one you are familiar with? What procedures are in place?

2. Imagine that your manager tells you that all staff need to attend training on the use of your organisation's new CRM software. Each department needs to pay for staff attendance out of their own training budgets. The cost is \$150 per employee. What steps do you take to arrange the cost of this training to be allocated to this budget component?

# 2C

## Resolve customer difficulties and complaints promptly

Research indicates that instead of actually complaining, around 90 per cent of dissatisfied customers will simply not do business with the organisation again. Therefore the actual complaints you receive from customers will represent only a minority of all customers who experience difficulties with your organisation and its customer service.

Organisations with good customer service programs in place view customer complaints as opportunities rather than problems. When a customer identifies an area where the organisation has failed to meet a need, the organisation sets the wheels in motion for the problem to be acknowledged and resolved. This approach calls for specific procedures to be in place for dealing with such customer issues.



### A positive view of customer complaints

A positive view looks at all customer contact, whether complaints or compliments, as an opportunity to promote goodwill and increase customer satisfaction. Customer service charters will usually include statements that demonstrate a positive attitude to dealing with customer complaints, and positive attitudes can be identified among customer service team members and managers. Here is a selection of statements and views reflecting this attitude.

#### Positive statements and attitudes

'Customer satisfaction is our objective.'

'We welcome complaints. They help us to improve our service.'

'Customers who take the time to complain and give us their feedback should be thanked.'

'Customer complaints identified a gap in our organisation's service delivery. Now we know about it, we can work toward resolving it.'

'All customer contact is an opportunity to promote goodwill and to demonstrate the high levels of service our organisation is capable of.'

'Those who complain are giving us a second chance to keep their business.'

## Customer difficulties and complaints

There can be a wide variety in the types of complaints organisations might receive depending on the organisation, the industry, the products or services offered, the types of clients and their expectations. Here are a number of common complaint categories.

### Customer service

Problems with customer service in terms of:

- waiting times
- politeness
- honesty
- level of empathy
- customer enquiries not being followed up
- dissatisfaction with the quality of service received from frontline or other employees in relation to a specific occurrence or event.

### Product or service

- Damaged or faulty goods
- Products/services delivered are not what was described in terms of function or quality and/or not fit for the customer's intended purpose
- Services rendered are faulty, insufficient in meeting the customer's needs, of poor quality or unfinished/incomplete
- Poor product packaging
- Parts or instructions missing from a product

### Pricing, purchasing, delivery

- Products not delivered, incorrect address or late delivery
- Billing and payment errors; for example, overcharging
- Service and administrative errors, such as issuing incorrect invoices
- Labelling or advertising goods or services at an incorrect price
- Warehouse or storeroom errors, such as incorrect packing of products
- Inflexible purchasing conditions
- Product not being available

### Environmental

- Difficult access to the organisation.

## Complaints from e-business dealings

When a business is not operating as a bricks and mortar operation with traditional service delivery, but as an e-business, there is an additional array of potential problems relating to the way customers and technology interact. The problems leading to customer complaints will often be issues that your organisation can resolve, while others will require the customer to source external assistance. Inactive links and other website faults can often be readily identified and repaired if the organisation regularly reviews and checks its website. Asking staff members to review and comment on the website's usability may identify areas for improvement, as will seeking customer feedback on the website's effectiveness. Unfortunately, however, organisations often spend heavily on website development and maintenance for a supposed gateway to the business that is, in effect, a barrier.



Sometimes customers may have concerns that emanate from technological issues beyond your control. The customer's own internet connection or the software they are using may lead them to complain to you in the genuine belief that the problem is yours. However, your organisation can do much to cement customer confidence by offering advice and support on how to resolve the problem.

## Handle and resolve difficulties and complaints

Organisations need to have set procedures in place for staff to follow when dealing with customer difficulties. Doing this provides the organisation with many benefits. For example, complaints are resolved as quickly as possible, staff are confident when handling complaints as they have set steps to follow and all customers are treated the same when their complaint is being resolved.

The purpose of having complaint procedures in place is to try to minimise the damage to the organisation when a customer complains and to attempt to retain their business in the long term.

### Examples of the characteristics of an effective customer complaints system

- Complaints are resolved quickly with clear-cut deadlines for when each stage of the process must be completed.
- Procedures are relatively straightforward and easy for both staff and customers to understand.
- The complaints procedure should be documented so staff have a guide to follow when interacting with complaining customers.
- Customers should be made fully aware of how to lodge a complaint.
- Complaint details are written down and recorded for future reference and follow-up.
- Recorded complaints are stored and analysed to identify trends and issues in customer service and areas for improvement.
- Customers are informed about the progress of any complaint they lodge.

## Implement a customer complaints procedure

When it is implementing a customer service complaint procedure, an organisation will need to deploy a variety of steps and strategies. Here are examples of steps to follow to successfully resolve customer complaints.

### Steps to successful complaint resolution

**1****Receive and log complaints**

Customers must be easily able to log complaints and staff should record all details for future reference and analysis.

**2****Investigate the complaint**

The staff member who took the complaint, the staff member who was responsible for serving the customer originally or the manager responsible for the staff member may investigate the complaint. All details of the customer's dealings with the business must be sought to determine exactly what happened.

**3****Declare to resolve the complaint**

The customer's complaint may not be able to be resolved immediately if you need to investigate the details of their complaint. In such circumstances, it is important to reassure the customer that you will resolve the complaint and to take responsibility for doing so.

**4****Solve the complaint**

After investigating the complaint, it will become evident what has happened. Now action by the organisation is required. Determining what action to take involves consulting the organisation's policies and procedures.

**5****Notify the customer of the solution**

The customer must be notified about what action will be taken by the organisation to resolve their complaint.

**6****Follow up with the customer**

It is important to follow up with the customer once the dust has settled to see how they felt their complaint was handled. If the customer is still unhappy with the outcome of your analysis, then you may need to direct them to an outside party (for example, an ombudsman).

## Make sure complaint procedures are clear

Staff must be aware of policies and procedures for dealing with difficulties and complaints and be comfortable implementing them. This ensures they are comfortable handling customer complaints, thereby providing better service to customers who are upset at the organisation and increasing the chances of retaining their business.

Policies and procedures for customer complaints should clearly set out guidelines for the following matters.

Information requirements for customer complaint procedures
The expected standard of service
The approach the staff member should take with the customer; for example, accepting full responsibility
The types of issues the staff member can deal with themselves and the types of issues that should be referred to someone else
Procedures for returns and refunds, dealing with a service complaint, having products repaired, returning goods to suppliers, and goods under warranty or guarantee
Strategies to ensure the customer is happy with the solution; for example, offering a discount on their next purchase
How to deal with incorrect deliveries

## Record complaints and difficulties

It is important that all details of a customer's complaint, including how it was ultimately resolved, are recorded for future reference and the analysis of any trends or issues in the organisation's customer service. When you have data on customer complaints, you can serve the customer better when responding to their complaint and identify ways in which the organisation's customer service could be improved.

Ensure all staff know the importance of recording a customer complaint. The way complaints are dealt with varies between organisations, depending on their size and the nature of their business. In some organisations there may be a specific department or team solely responsible for recording and handling customer complaints; sometimes it may be the responsibility of all staff to record the complaints or comments from customers and pass them on to the appropriate people.

Some organisations have a website that invites people to pass on comments and suggestions; others have complaint forms. Such a form can be used as a support mechanism to reinforce the complaint resolution procedure the organisation has in place.



## Analyse complaints

Every time a customer brings an issue to your attention, it should be recorded, the information reviewed and the findings used to improve customer service. For example, if several customers return the same item, you may need to look at the quality of that product and decide whether a better alternative is available to offer to your customers. An analysis of the complaints or difficulties experienced is an essential step toward resolving the issues and improving the organisation's customer service.

Here are three examples of organisations that resolved the causes of customer dissatisfaction because they achieved an understanding what customers were complaining about.

### Identify when complaints begin

Data on customer complaints at a dry-cleaning shop showed that the number of complaints about stains that had not been removed from clothing had tripled since May. That was the month when a long-time employee retired and a new staff member replaced him. Further investigation of the problem revealed that the new staff member needed additional training on stain removal. When this was completed, customer complaints returned to the usual low levels.

### Complaints follow change

An accounting business kept track of the number and types of complaints they received from their clients. Typically there were just one or two complaints a month, which were easily resolved. The previous financial year, new taxation regulations came into place and the accounting business had seen a rise in the number of complaints, most of which were from customers who didn't understand why they hadn't received as much back in their tax as they did in the previous year. The company decided that they could help their clients by educating them about the new tax laws and began issuing a regular newsletter on issues such as this. The newsletter was a huge success.

### Complaints lead to new process

Josh is the supervisor of a customer service team at a company that imports and distributes speciality foods from Europe. His team had received about 10 complaints a week from delicatessen and food store owners who had not received orders on time. As well as being able to pass this feedback on to the warehouse manager, who was responsible for the on-time delivery of orders and could address the cause of the problem, Josh needed to work with his team to develop a process that could help them manage this issue with customers.

Together the team came up with a process that they agreed to follow when calls on this issue were received. It included offering to courier any urgent items to their stores the same day and charging the store for the goods but not the courier service. Josh ran the process past the warehouse manager, who advised that he was in the process of resolving the problem and had appointed another delivery company. He anticipated that the costs of any courier services would not be significant as the new provider was starting within a week and had guaranteed on-time delivery. The process was written up and provided to all staff.

## Customer complaint management

Your organisation should have policies and procedures in place to ensure that customer dissatisfaction is addressed effectively.

Information that staff may need guidance on can include:

- using conflict management techniques
- referring complaints to others
- refunding the customer's money
- replacing faulty or incorrectly delivered products

### Use conflict management techniques

Customer service staff often deal with irate customers and difficult situations. When customers become angry, it is best that all staff follow clearly defined procedures and react in a professional manner. It is easy to become overwhelmed when dealing with irate customers so it is important that everyone is familiar with the organisation's specific policies and procedures. It is also vital that staff who deal with irate customers are trained in the basic conflict management techniques.

Basic effective conflict management involves:

- acknowledging the customer's difficulty
- showing concern for the customer's feelings
- projecting professionalism and not becoming personal
- making sure the customer confirms that they understand the problem
- rephrasing and paraphrasing the customer's statements to ensure understanding
- providing a clear resolution for the customer
- checking the customer has understood the arrangement.

### Refer complaints to others

Some complaints will be of a serious nature and staff may refer them to you as the supervisor or frontline manager. Learn which types of complaints you are able to resolve and which problems should be referred to someone more senior. In some cases a customer will elect to deal only with a manager, in others customers will like to have their problems dealt with promptly by the person they are dealing with.

Policies and procedures for dealing with customer complaints and difficulties should make it clear how much autonomy staff have in dealing with issues. However, staff must also know not to exceed their authority. If a customer is aggressive, a manager or supervisor should be contacted.

When a customer feels that a complaint has not been resolved satisfactorily, they may take their claim to an ombudsman. An ombudsman is an individual, or a team of people who work with them, who is appointed to receive, investigate, report on and (in some instances) resolve complaints against institutions. In Australia there are many ombudsman offices with different areas of responsibility, such as banking or telecommunications. These are bodies that are government appointed and act independently of the companies in that industry.



## Refund the customer's money

Many goods come with money-back guarantees, which may be used as a selling point. Guarantees sometimes persuade a customer to buy when they are not totally sure they want the product. Where no guarantees are explicitly stated, an organisation may still refund money for goods that are faulty or unsatisfactory.

The returns and refunds policy may state that your customers are required to have proof of purchase showing they bought the goods from your organisation within the last two months. A flexible refund/returns policy can result in an increase in business, which may outweigh the additional costs.

All staff should be aware of the procedures for making refunds in your organisation. In particular, they should be aware of the accounting and paperwork aspects of a refund.

Here are some aspects of these policies and procedures you will most likely need to know.

### What staff need to know about refunds and exchanges

- How and when the refund is to be made; for example, cash, cheque or credit card
- When no refund or exchange is allowable; for example, if goods have obviously been used
- When staff must give customers a full refund and when an exchange or voucher is appropriate
- How the refund is to be recorded and accounted for; for example, special forms supplied
- What paperwork and forms are to be completed acknowledging that a refund has been given
- What authority is required for a refund and any dollar limits that apply
- When an issue should be referred to a supervisor or manager

## Replace faulty or incorrectly delivered products

Customers who have received a faulty product or one that was incorrectly delivered may wish to have their item replaced, rather than receive a refund. Procedures for replacing goods will vary according to the type of product and the organisation. Staff may be authorised to replace goods if a customer is unhappy with a product or when the goods are found to be faulty. The organisation should have a form that allows staff to record the details of the fault and how and when the goods were replaced. If a particular product is consistently returned, the records help an organisation find ways to identify and resolve the problem.



## Example: a customer complaint resolution form

A customer complaint resolution form assists with the smooth processing of a customer complaint, can collect data that allows complaints to be categorised and analysed more easily and can provide quality assurance in complaint resolution.

<b>Customer complaint resolution form</b>						
Name of employee receiving complaint: Name of customer (company and individual): Contact details: Date:						
Tick the box to indicate the major problem: <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none;"><input type="checkbox"/> Product is damaged</td> <td style="width: 50%; border: none;"><input type="checkbox"/> Wrong quantity delivered</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Product was late/not delivered correctly</td> <td style="border: none;"><input type="checkbox"/> Incorrect pricing</td> </tr> <tr> <td style="border: none;"><input type="checkbox"/> Poor service from staff</td> <td style="border: none;"><input type="checkbox"/> Invoice incorrect</td> </tr> </table>	<input type="checkbox"/> Product is damaged	<input type="checkbox"/> Wrong quantity delivered	<input type="checkbox"/> Product was late/not delivered correctly	<input type="checkbox"/> Incorrect pricing	<input type="checkbox"/> Poor service from staff	<input type="checkbox"/> Invoice incorrect
<input type="checkbox"/> Product is damaged	<input type="checkbox"/> Wrong quantity delivered					
<input type="checkbox"/> Product was late/not delivered correctly	<input type="checkbox"/> Incorrect pricing					
<input type="checkbox"/> Poor service from staff	<input type="checkbox"/> Invoice incorrect					
Describe the complaint in detail:						
Steps taken to resolve the issue:						
How/when will the customer be kept informed of progress as the issue is resolved:						
Check box to indicate that this plan has been followed as above: <input type="checkbox"/> YES <input type="checkbox"/> NO If no, explain why and list alternate action taken:						
List managers/staff members alerted (if necessary):						
List all employees involved in resolving the problem:						
Date of resolution: Name and signature of staff member responsible:						

## Practice task 7

Read the case study, then answer the questions that follow.

### Case study

SAS (Scandinavian Airlines) went through a major change in the early 1980s, from making a loss with massive problems in 1980 to being a profit-making Airline of the Year in 1983. Their changes and success were all about customer service. Jan Carlzon, the airline's COO and CEO during these years, wrote about the company's turnaround and rebirth as a customer-driven company in his book, *Moments of Truth*. He summarised the airline's change of focus by saying, 'We used to fly airplanes – now we fly people'. They had become a service-oriented airline.

'The frontline employees' efforts were suddenly imbued with greater value within the company. All the employees received special training on providing service and, to many of them, the content was investing time and resources in them. They had frequently gone unappreciated. Now they were in the limelight.'

(Source: Carlzon, J 1987, *Moments of Truth*, Harper Collins, New York, p 26)

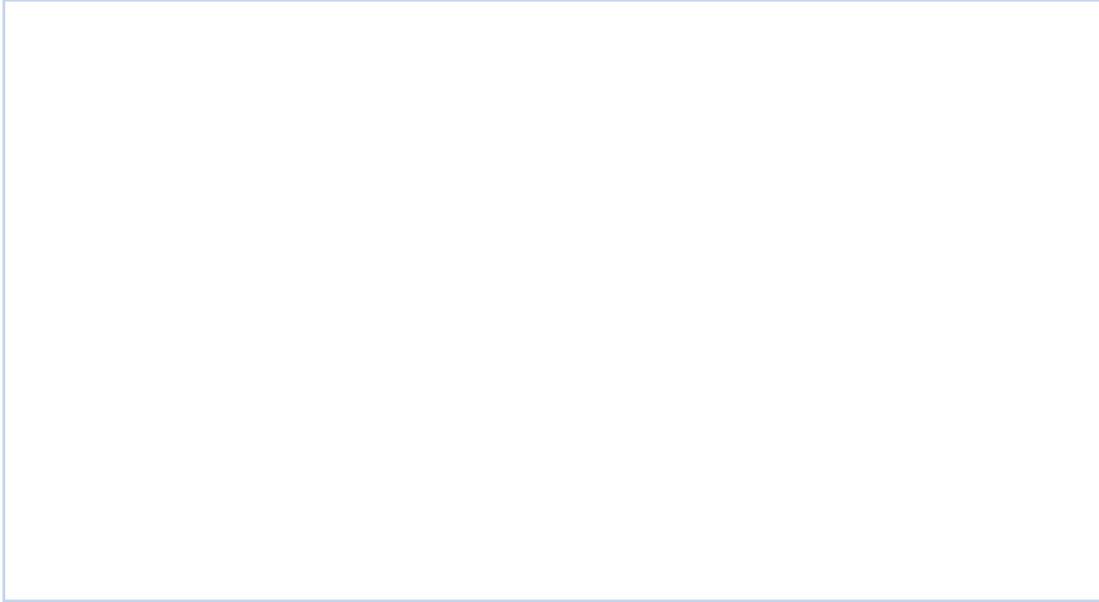
Carlzon explained that all SAS employees were given the power to act to resolve customer problems, difficulties and complaints as soon as the issue became apparent to them, by thinking resourcefully and creatively. Customer difficulties were resolved quickly by frontline staff who did whatever they could to make their customers happy. In many instances, quick-thinking staff avoided customers complaining by anticipating problems and responding accordingly:

- Check-in staff waiting for a plane to arrive decided to arrange coffee and biscuits for travellers who were delayed as a result of the aircraft's late arrival.
- A customer service officer at a regional airport organised a car to travel back to a passenger's hotel where he had forgotten his tickets and other documents; the items were collected and the passenger still made his flight.

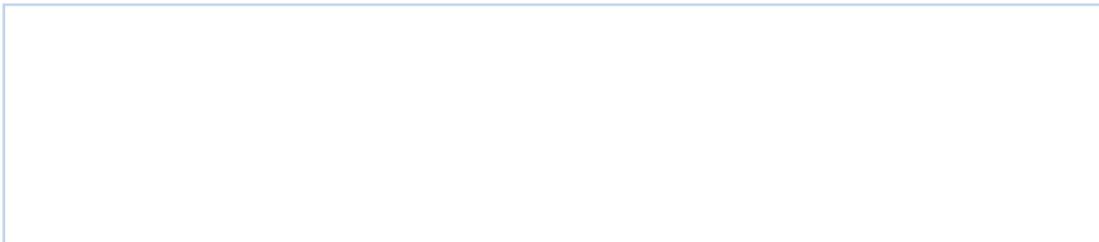
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1. Compare the approach Jan Carlzon describes above to your own organisation, or one you are familiar with. How different are the two? Why? Do all employees see customer satisfaction as something they are responsible for or is it the domain of frontline staff? If your organisation is very different to SAS in its approach, do you know of any organisation that not only talks about customer service in this way but delivers on it in the practical ways that he describes? How do they do it? What authority do frontline employees have?



2. As a customer, how would you react if the service you received was similar to the service levels Carlzon provided? How do you feel when you make a complaint and it gets passed on to someone else or when you're not being listened to?



## 2D

## Implement customer service strategies

It is important to remember that the purpose of customer service strategies is to enhance service levels in a way that allows your organisation to stand apart from its competitors. Remember that the success of a strategy requires the support of all those involved in implementing it.

Consultation means involving the key players in each stage of the process. Strategies developed in consultation with the frontline staff will foster team acceptance by giving staff ownership of the strategies. Similarly, team members at all levels need to be part of the process of implementing strategies. The people directly involved in putting the strategies into effect will respond much more positively if they are part of the decision-making process of when and how it is to happen. The experienced frontline staff members collectively are likely to hold a great deal of expertise in what to do, when and how.



## Foundational customer service strategies

The kind of strategies your organisation determines appropriate to resolving customer service issues will largely be peculiar to the nature of the enterprise, its products/services and the customers themselves. In general terms, however, almost every organisation would want to include the following considerations in its strategies.

### Courtesy and politeness

Courtesy and politeness are the cornerstones of all customer service strategies, and should feature in every customer service charter as the most fundamental service standard.

### Delivery arrangements

Delivery arrangements must ensure timely delivery of the product or service that the customer has ordered and that the organisation promises it can provide.

### A guarantee of quality

Product or service characteristics carry an inherent customer expectation of some degree of quality. It is a fundamental, reasonable expectation of any customer (as well as a legal obligation) that goods or service do what they claim to be able to do. No amount of price discount, refund or replacement can compensate the dissatisfied customer. Ensuring the quality of services or products is the safest long-term strategy.

### Product or service availability

Product or service availability, like the guarantee of quality, is another fundamental of good business. If a good or service is advertised, customers will be disappointed if the organisation cannot deliver.

### The organisation's stated standards and delivered standards match

If your organisation is unable to provide the quality of product or level of service that it promises, then it is placing added, unwanted and unreasonable pressure on frontline staff who have to deal with dissatisfied customers. Effectively, if your enterprise does not measure up, then you are asking your team to defend the indefensible.

## Practice task 8

1. If managers come up with a strategy they believe will greatly improve customer service but staff are reluctant to implement the changes, what are some ways to promote the changes and overcome this?

2. Think of a positive experience you have had over time with an organisation that appears to have sound foundational customer service strategies in place. Describe how this organisation gets customer service right in at least three key ways.

## Summary

1. A frontline manager must promote new customer service strategies and opportunities to all relevant people within and outside the organisation, such as supervisors, customers, team members and organisational committees.
2. When presenting proposals (either formally or informally) on improving customer service, summarise the evidence, describe customer needs and the consequences of inaction, describe a range of possible solutions, and recommend the solution you believe will be most effective.
3. When implementing strategies to improve customer service, all groups and individuals who will be affected need to be consulted and have the opportunity to provide input, such as staff, supervisors/managers, customers and others external to the organisation.
4. Funds from the organisation's budget must be allocated to improving customer service through staff training, hiring new staff, advertising and marketing, purchasing new equipment, improving technology and facilities, and other measures.
5. Frontline managers can act as a coach and mentor for staff from all areas of the organisation to provide assistance, share skills and knowledge and set standards for others to follow in providing customer service.
6. Customer complaints represent an opportunity for the organisation rather than a problem as the customer is essentially giving you a second chance to keep their business.
7. Organisations must establish policies and procedures that provide guidelines for receiving, recording and managing customer complaints for staff at all levels of the organisation to follow.

## Learning checkpoint 2 Support customer service strategies

This learning checkpoint allows you to review your skills and knowledge in supporting customer service strategies.

### Part A

Learning checkpoint 1, Part B required you to devise several strategies for improving customer service in your organisation, or one you were familiar with.

1. For one of these strategies, list the people (and their roles) and groups both within and outside the organisation that you would need to consult, seek input from and promote the strategy to.

2. List the communication methods you would use to promote the strategy to each of these people/groups.

3. Outline the content of your presentation to two of these people/groups. What information will you provide and how will you present it?

4. Using the same customer service improvement strategy, list the areas in which you will need to allocate budgetary resources to implement the strategy. Provide estimates of the associated costs for each area.

5. Explain how formal or informal coaching and mentoring programs will be used when implementing your customer service strategy. What support will be provided for customer service team members, and from whom? Explain how this will help the effective implementation of the strategy.

## Part B

Use a table like the one below to answer the following questions on customer difficulties and complaints procedures. If you are not currently employed, interview someone who works in customer service. An example has been provided for you.

Type of complaint	Policies and procedures for resolving	Suggested improvements
Sales staff sold a customer a product that didn't meet their requirements	<ul style="list-style-type: none"> <li>• Proof of purchase required</li> <li>• Product must be in as-new condition</li> <li>• Customer provided with refund if product returned within seven days, exchange within 14 days</li> <li>• Customer required to sign refund/exchange form to verify return</li> <li>• Customer provided with a new receipt</li> <li>• Manager approval required for items valued at more than \$100</li> </ul>	<p>The process is too long, as the customer has to wait excessively while their complaint is resolved. Suggest:</p> <ul style="list-style-type: none"> <li>• the customer is not required to sign the verification form; the manager can fill it out after hours</li> <li>• manager approval is required only if the product is valued at more than \$250</li> </ul>

- List the most common types of customer complaints for your organisation in the first column.
- For each type of complaint, list the policies and procedures in place for handling the complaint in the second column.
- In the last column, suggest any areas in which you believe the organisation's policies and procedures could be improved when handling this type of complaint.

Type of complaint	Policies and procedures for resolving	Suggested improvements

<b>Type of complaint</b>	<b>Policies and procedures for resolving</b>	<b>Suggested improvements</b>

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## Topic 3

# Evaluate and report on customer service

Maintaining consistently high customer service standards requires an organisation to regularly monitor and review its services with regard to customer satisfaction. This should be an ongoing process of continuous improvement.

In this topic you will learn how to:

- 3A Review and measure client satisfaction with service delivery using customer data
- 3B Identify and report the changes necessary to maintain service standards
- 3C Recommend and advise on future directions in customer service
- 3D Maintain systems and records for customer satisfaction reports

# 3A

## Review and measure client satisfaction with service delivery using customer data

Evaluating customer satisfaction with an organisation's service delivery involves assessing the effectiveness of strategies, assessing how well the implementation of any new strategies was managed and identifying areas where further improvements can be made. By continually monitoring the effectiveness of the customer service strategies implemented, the organisation can identify which practices to continue and where further improvements are needed.



### Customer feedback systems

Customer service needs are continually changing. What customers deemed as acceptable in the past may not be the case today or in the future. To continually meet the changing customer service needs of its customers, an organisation should continually measure and evaluate customer satisfaction by regularly analysing verifiable data. There is a need for constant review and measurement of what customers need and expect from your organisation's customer service and what they feel they are being delivered.

Customer feedback systems collect information about the way an organisation is perceived by its customers and should be collected in a targeted and deliberate fashion. Here is an example of what information customer feedback systems can provide.

Customer feedback can provide answers to the following questions:

- Are customers satisfied and to what extent?
- What are customers' opinions about the service they receive?
- What do customers like about the service they receive?
- What do they dislike?
- Which complaints are most commonly made?
- What suggestions have customers offered?

### Customer satisfaction surveys

As well as providing information about customers' current needs, customer satisfaction surveys can function as part of an overall and comprehensive customer feedback system. They are used to collect both qualitative and quantitative data on the organisation's customer service performance. Unlike feedback forms, which are continually used, a survey is commissioned as a project to survey a defined population of respondents (in this case the organisation's customers or potential customers) and get their thoughts, opinions and attitudes on a range of issues related to the organisation and customer service in general. Hence, surveys can be used as a one-off or intermittently over a certain period of time; for example, every six months.

Survey questions are structured and standardised so every respondent answers the same questions in the same way. This reduces bias and ensures the customer feedback the organisation receives is more reliable and valid. The other main advantage of using surveys is their efficiency in collecting feedback from a large number of actual or potential customers.

Surveys can be administered by researchers or be self-administered. Here is more information about the two.

Researcher-administrated surveys	Self-administered surveys
<p>Questions in this type of survey are administered or read to the respondent by the researcher (or someone from the organisation). This has the advantages of the respondent having any confusing questions explained, appropriate responses can be given, there are fewer incomplete or missing responses, and the organisation has greater control over the data that is received. As such, researcher-administered surveys have a disadvantage in that they are susceptible to bias and leading of the respondent by the researcher, who can push or guide respondents to give certain answers.</p>	<p>Self-administered surveys are also called questionnaires, where the respondent administers the questions to themselves in their own time. This is less expensive for the organisation and easier to coordinate, and can lead to more objective answers from respondents who feel less pressure than with a researcher present. However, the major disadvantage is that with nobody to assist them, customers may answer the survey incorrectly, not answer some questions or only partly answer some questions.</p>

### Customer feedback forms

In contrast to surveys, feedback forms are used on a continual basis and can be given to the customer at the time of purchase or through online feedback forms. Whereas surveys target respondents, feedback forms are completed voluntarily by customers, which can reduce the number of responses received.

Here are some of the advantages and disadvantages of using customer feedback forms.

Advantages	Disadvantages
<p>The advantage of using feedback forms is that customers will typically provide very relevant information on customer service performance, as feedback forms are generally submitted by customers when they are dissatisfied and/or just after they have purchased or used your organisation’s product/services. Therefore feedback forms provide very relevant data. They can also include open or comments sections where customers can provide feedback that may not have been covered in the previous questions. This is another advantage over surveys, which do not generally allow for unstructured responses.</p>	<p>A major limitation of customer feedback forms is that responses are limited solely to current customers of the organisation. Although this information is useful, organisations ideally seek feedback from potential customers who may not be purchasing from them, as their responses can provide useful insights into what the organisation needs to do to get their business. Another drawback is that only a minority of customers complete feedback forms, most of who are dissatisfied as opposed to satisfied customers. This limits their applicability to the general customer base.</p>

## Customer interviews

Interviews can be conducted in different ways, such as in person or via telephone. Having a representative of the organisation conduct the interview enables the organisation to better control the feedback process and seek the information it requires, as the interviewer can guide and assist the customer through the interview process. Interviews also allow the organisation to drill down on particular issues and explore them in depth.

However, a major disadvantage of using customer interviews is that they are narrow in focus as they only solicit feedback from one or a few customers, whose responses may not be applicable to the general customer group. Customers may also be led by interviewers in providing responses or be reluctant to provide critical feedback due to the presence of the interviewer compared to the anonymity provided with feedback forms.



## Further sources of customer and third-party feedback

Several other sources of feedback can be obtained from customers and other people who interact directly with the organisation. Here are some examples of methods that can be used to source customer and third-party feedback.

### Focus groups

A focus group brings together a group of customers or potential customers to seek their attitudes and opinions regarding the organisation and its customer service. A facilitator guides the group through a series of questions, keeps the group on track and allows the group freedom when answering questions and interacting with each other. Focus groups get feedback from a customer-centric point of view. While the facilitator will have a list of questions or issues to analyse, focus groups are most effective when customers have the freedom to explore issues the organisation may not have thought of before.

The major drawbacks are that the facilitator may lose control of the discussion and the group may talk about issues that are not relevant; the group may not be representative of the larger target market, which makes their answers less useful; and members of the group may be reluctant to voice their own opinions for the sake of not rocking the boat and abiding by the group's answers.

### Toll-free feedback numbers

Feedback hotline numbers allow customers to call free of charge to register any queries, complaints or issues they may have.

Toll-free feedback numbers are an effective way of allowing customers to have their say and have their issues listened to and resolved. As such, hotline numbers represent a part of effective customer service by giving customers an easily accessible channel for communicating with the organisation. Hotlines also provide customers with a platform to discuss any issues they have, compared to surveys and interviews where the questions are fixed and focused on particular issues.

### Suggestion boxes

Although they are most commonly used in retail organisations, suggestion boxes can also be used by service-related businesses and placed at reception areas or in the lobby. Variations of the traditional box with an opening where customers can put in their suggestions are common, such as on the back of place mats at a restaurant or on a company website.

The benefit of using suggestion boxes is that customers typically provide feedback immediately after (or during) their interactions with the customer service officer, meaning they are effective in understanding how the customer feels during the customer service process. They also provide the respondent with a sense of detachment and freedom to express opinions they would be reluctant to voice in person, particularly when the suggestion box allows customers to respond anonymously.

### Mystery shoppers

Predominantly used by retail organisations, mystery shoppers are professional shoppers hired by an organisation to monitor the customer service in their stores. They pose as a genuine customer seeking to make a purchase and will usually have a list of prearranged questions and issues to test on customer service representatives, who must address these concerns and respond accordingly. After interacting with staff and making a purchase, the mystery shopper completes an assessment report, which is returned to the organisation for review and analysis of its customer service performance.

### Third-party feedback

Feedback can come from parties who are involved with the organisation in some way, such as consultants, suppliers, contractors or industry bodies. These groups can be asked how satisfied they have been with the way the organisation conducts business with them, including aspects such as attention to their needs, communication, dealing with issues and difficulties, negotiations and prompt payment.

Although these groups don't purchase the organisation's products and services, they do interact with the organisation and are therefore in a position to provide opinions on customer service performance. They will also be a valuable and independent source of information on how customers perceive the organisation at large and its reputation in the industry.

## Secondary research

There are many reliable forms of customer service performance data that already exist within an organisation. This is secondary data that was originally collected for another purpose, but is also useful at providing an analysis of customer service performance.

Secondary research can include:

- net sales figures and sales growth
- market share
- number of product refunds, returns and exchanges
- number of cancellations of services
- number of customer complaints received
- customer waiting times
- number of clients on the organisation's books
- staff turnover and absenteeism and staff performance appraisal data
- quality assurance data.

## Manage the feedback process

When collecting feedback on your organisation's customer service and satisfaction, there are many decisions to make as you think about what information you would like to gather and how you are going to do it. Motivating customers to respond to your requests for feedback is often difficult, possibly because they don't believe their complaints will be taken seriously. Also, many customers only contact the organisation if they are upset and have a complaint to make, and many customers do not have time to complete a feedback form or survey.

Here are some questions and ideas to help you manage this process and receive worthwhile results.

### Comparing data

Has the information been collected and analysed in the past? If it has, design a survey or structure interview questions based on the existing information or old surveys so the data can be easily compared.

### Number of responses required

How many responses will you require to get enough meaningful data? Remember that some clients will not have the time or inclination to participate, so expect to approach more customers than you need. For instance, if you want 100 surveys completed, you may need to issue up to 300.

### Explain and reward

If you are going to send information out in hard copy, such as with a survey or feedback form, you should also send a letter explaining what it is for. You may also need to offer customers something in return for their opinion and time such as a free gift voucher or \$20 credit on their account.

**Choose customers**

If you are planning on monitoring feedback over time (for example, each quarter), decide whether you want to contact a different group of customers every time or if you will send surveys out to the same customers. Depending on what you are measuring, this could affect your results.

**Think about questions**

If you are trying to decide what information you need to find out, prioritise the data you want to collect and then design questions for each area. Test whether the questions you have written will give you the information you need by giving a sample to a colleague for their opinion.

**Measurable feedback**

Decide whether you want customers to rate service performance across criteria that you set, such as courtesy of staff, product knowledge or complaint resolution. If so, consider having customers rate your team from 1 to 5 (1 being poor, 5 being excellent). This type of feedback is a good way to monitor service delivery over a period of time against criteria that reflect the key responsibilities of your team or customer service areas.

**General feedback**

Decide if you want general feedback from customers about whether they think you are doing well. Consider asking open-ended questions such as, 'What aspects of our service delivery do you believe we could improve?' or, 'Please comment on how our customer service levels compare to other organisations you work with'. This type of feedback can be valuable when you want to find out which aspects of your service delivery are below accepted industry standards or to work out where improvements can still be made.

**Capture, analyse and report feedback**

Always work out how results will be captured, recorded and analysed in the early stages of the review process. For instance, you may need to set up a database or spreadsheet that allows you to compare results over time or to write up a report on general feedback. Consider why the information is being gathered and then work out how the data should be best stored for analysis and review purposes.

## Example: excellence in managing customer feedback

Two sisters, Rebecca and Kirsten, established a small business in Hobart after they had gained considerable experience in the event management industry.

Kirsten explains their customer service delivery processes: 'After each event we have a nice little thank you card and gift for the person we've been dealing with. We also send a survey that is quite detailed and focuses on the quality of our service. Surveys are followed up and we may make a personal call to collect them – it's another way to keep us 'top of their minds'. We send a personalised letter to them after we've reviewed their survey, based on the feedback they have given us, acknowledging areas where we can improve and thanking them for compliments.

'We keep a database of responses and compile monthly feedback reports. We analyse it and use it to develop and improve customer services and products. We also use it to set standards we work toward achieving. For instance, we ask customers to rate us on attention to detail. Last month our scores were an average of 8/10. This month we want to get 9/10 and have come up with some ideas to help us do that, like making helpful lists for customers to review.'



## Practice task 9

1. In what situations would you use a survey to review customer satisfaction? For what type of customer service issues would surveys be most suitable for eliciting feedback? What type of survey do you think is best?

2. In what situations would you use a feedback form to review customer satisfaction?

3. How valuable is secondary research data in analysing customer service performance? Are there any limitations of this data for providing information on how satisfied customers are?

## 3B

### Identify and report the changes necessary to maintain service standards

As a result of monitoring customer satisfaction with service delivery, you should be able to identify any developing problems that could have a negative impact on customer satisfaction and identify any changes that could be put in place to resolve satisfaction problems and prevent future problems from arising. Organisational guidelines, policies and procedures clarify exactly what is expected of you and your team and how current practices may not be meeting expected standards.

### Report changes to designated groups and individuals

When identifying a need for changes in customer service practices and strategies, there are several people and groups you may need to report to.

Groups affected by customer service change may include:

- customer service representatives
- customer service line management
- senior management/your supervisor
- other departments and colleagues within the organisation
- organisational committees
- customers
- suppliers
- external organisations.

### Purpose of reporting change

Once you have identified the changes that need to take place, these must be reported to and discussed with one or more groups or individuals depending on the nature of the organisation you are in. You need to select an appropriate method that suits the group to report the change. A staff meeting, formal presentation, training session, press release, memo, promotional handout, advertisement or other form of communication could be the most appropriate.

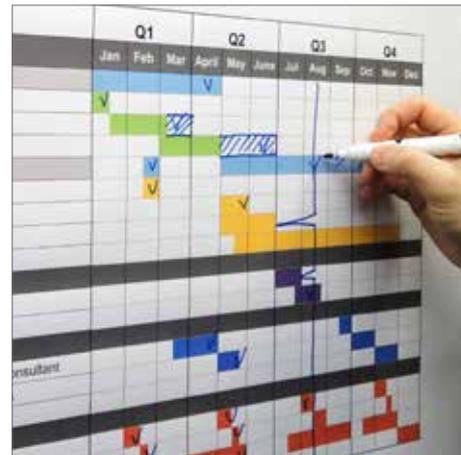
Report changes to an individual or group if the following apply or may apply:

- They (or their team) will need to change the way they are doing things
- They have authority to approve the actions you are proposing
- They need to know of your intentions so their own actions complement or support (and not undermine) the new process or steps you are putting in place
- They need to release or approve funds
- They need to communicate your proposed change to their own teams or other stakeholders
- They need to check that your proposed actions are within organisational guidelines and any rules or laws that apply to your industry
- Their feedback may be useful in determining implementation plans
- You need their help in educating your team or others within the organisation about the benefits the proposed change will bring

## Plan for changes

When identifying changes to be made to customer service standards and reporting to designated groups and individuals, it is important to develop a plan for implementing the changes you have identified. Often, doing this will reduce uncertainty within the organisation because all groups and individuals will be aware of what is happening, when and what action is required by them.

A key part of this process is developing a time frame for implementation that outlines each of the steps required to implement the change and the due dates for completion. For example, a plan may identify 30 August as the date when support materials for a customer service change are developed, before they are distributed on 1 September and start being used by the customer service team on 2 September.



Each step must be analysed later to identify tasks within each one.

## Implementation plans

After a broad plan has been developed, the implementation plan must also go into further detail and specify the exact actions that make up each step in the process of implementing the change. The more specific the plan is, the better you will be able to plan each activity, monitor its progress and organise resources for carrying out the plan.

Here is an example of the types of information found in an in-depth implementation plan.

Change being made	How the change is implemented
Implementing new software	<ol style="list-style-type: none"> <li>1. Purchase software</li> <li>2. Consult with other managers and specialists</li> <li>3. Organise installation dates and training sessions</li> <li>4. Inform staff why new software is being purchased</li> <li>5. Tell them when it will be implemented and when they will need to attend training</li> <li>6. Install software and run training sessions</li> <li>7. Provide staff with new procedures and documentation</li> <li>8. Assist staff as they adjust to the new system</li> </ol>
Changing the customer service budget	<ol style="list-style-type: none"> <li>1. Inform staff of cutbacks in the customer service budget and what this will mean (for example, save on stationery orders, no gift vouchers for unhappy clients)</li> <li>2. Explain why this is happening</li> <li>3. Invite group discussion so the impact of the new budget is understood and how challenges will be met can be debated and agreed on</li> <li>4. Explain any new procedures and rules</li> <li>5. Ask for their cooperation and thank them</li> <li>6. Explain how performance will be monitored</li> </ol>

Change being made	How the change is implemented
Product changes	<ol style="list-style-type: none"> <li>1. Inform staff of new product changes</li> <li>2. Provide them with training and support materials</li> <li>3. Explain that they are expected to know the new information by a certain date and why</li> <li>4. Explain assistance they will receive to do this</li> <li>5. Review staff knowledge of new product specifications within a set time</li> <li>6. Provide follow-up training and assistance if necessary</li> </ol>

### Example: make a temporary change to customer service

Danielle is the accounts team leader at the head office of a national electrical and appliances retailer. Her team has recently begun receiving complaints from some store managers because the daily price updates that should be circulated to stores before 5.00 pm each day have not been arriving at some stores. These price lists are important because they let stores know about changes in recommended retail prices for existing products and allow them to update their computer systems with the new product information and pricing.



Danielle’s team are puzzled. They have been consistently emailing updated prices just after 4.00 pm for the past few weeks and most stores are receiving the emails with no problems.

On investigation, Danielle learns from the IT manager that some stores have not had their email systems updated yet as part of a national IT overhaul that is underway. He explains that by 4.00 pm, some stores’ systems are full. Danielle explains the situation to her team. They discuss what changes they could make to accommodate the IT problem and decide to fax pricing lists to the affected stores until their IT systems are upgraded.

Danielle phones the store managers and tells them the cause of the problem and what her team is doing to provide them with their usual high level of service, despite the IT challenges.

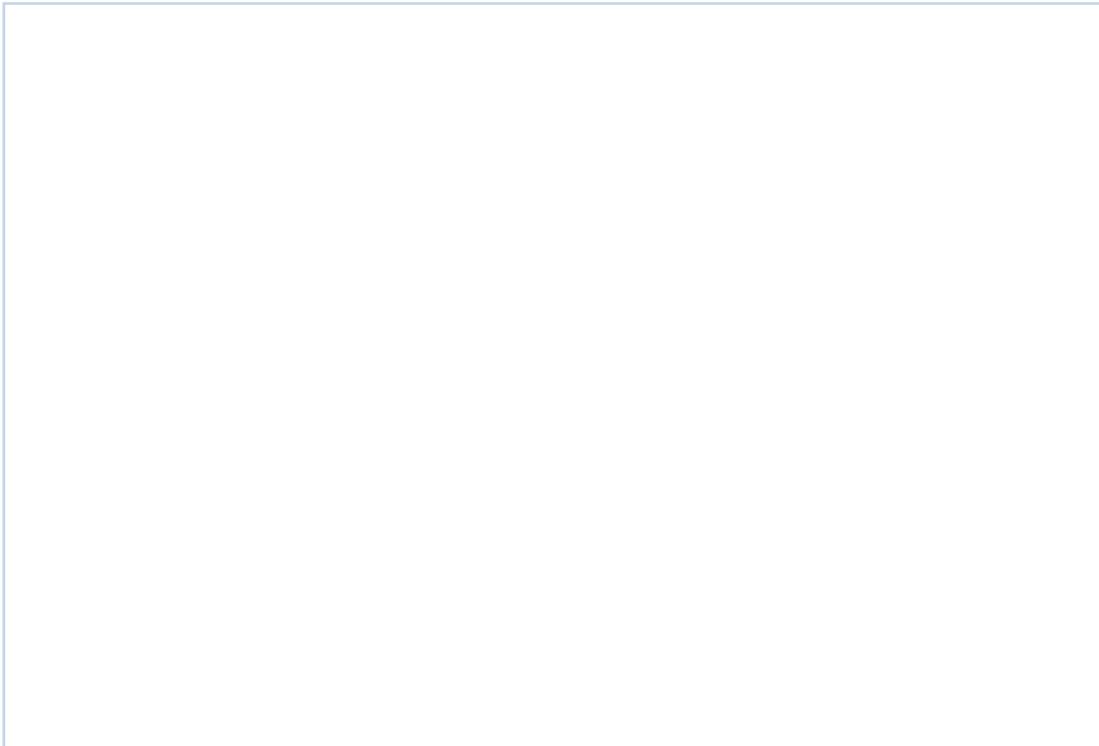


## Practice task 10

1. Imagine you are planning to implement a change within your own team that will enable your staff to deliver better quality service. Who would you have to consult with and report the proposed changes to? Make a list of those within your organisation (and external to it) who you would talk to before commencing implementation of the change.

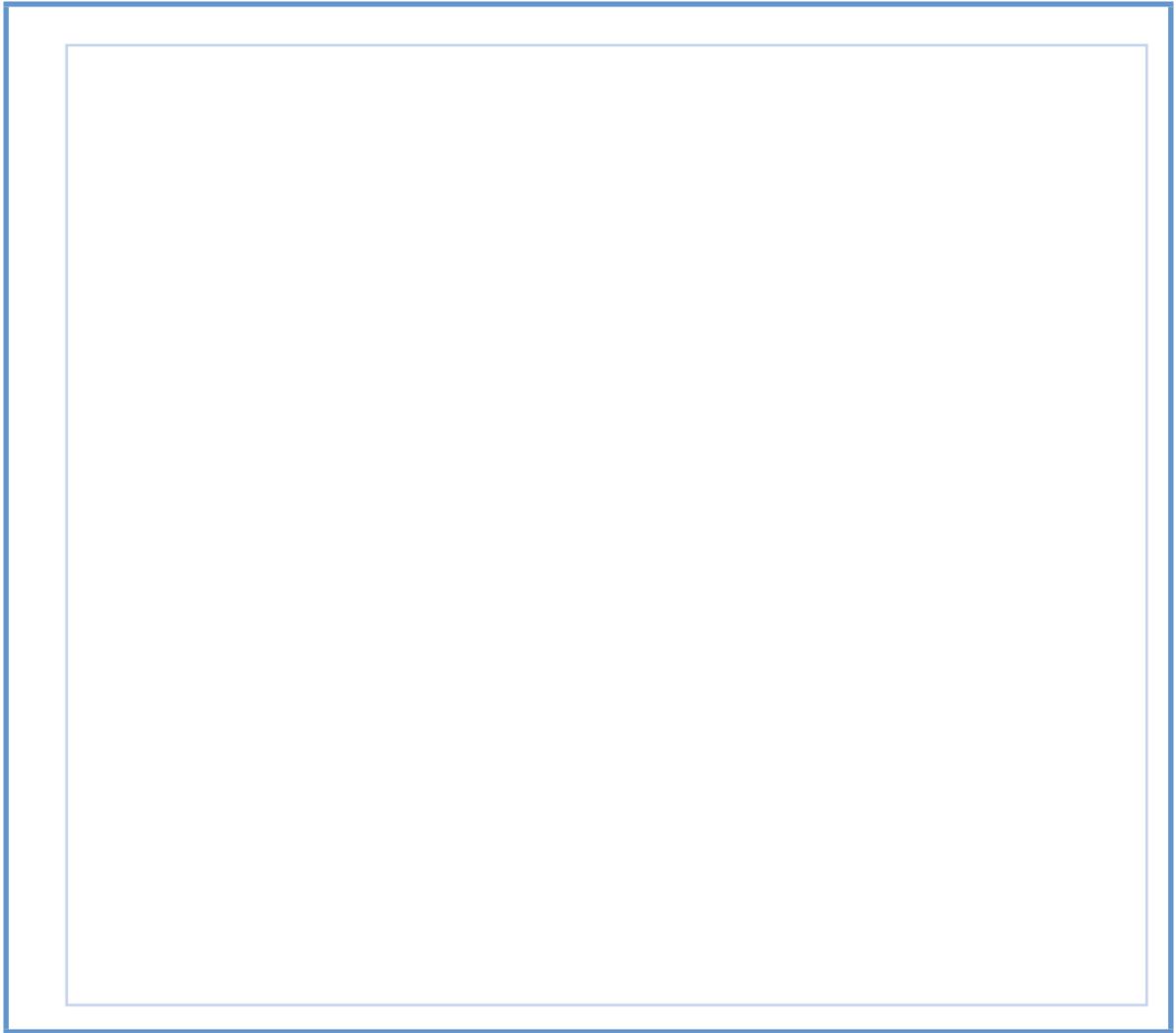


2. Think of a change to customer service standards and practices you could make in your organisation. If you are not currently employed, research another organisation such as your local council. Prepare a broad implementation plan showing the steps required to implement the change and the time frame for completing each step.



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## 3C

## Recommend and advise on future directions in customer service

As customer service management is an ongoing process, the organisation needs to continually identify, implement, monitor and review customer service strategies. From these reviews you will need to develop recommendations on improvements to customer service performance.

The types of recommendations you could make are numerous.

Recommendations depend on many things, including:

- the nature of your organisation
- your organisation's customer service performance
- the needs of the organisation's customers.

## Quality of recommendations

The depth and effectiveness of your recommendations and advice on future directions in customer service strategies will be influenced by the volume and quality of data gathered from the feedback process that your organisation uses. Detailed, comprehensive data will provide you with a clear picture of the kind of pathways you can follow to address customer service issues and make improvements. The key is to ensure that you can verify and support your recommendations with direct evidence. Whatever recommendation you make, it is important to match the action to the underlying customer service issue rather than making superficial or piecemeal changes that will not be successful in the longer term.

Here are some examples of the areas in which you can make recommendations to improve customer service within an organisation.

Staffing	Organisation
<ul style="list-style-type: none"> <li>• Specific training courses for staff</li> <li>• Changes to budget allocations to divert more resources to customer service</li> <li>• Role restructuring for staff</li> <li>• Employing additional staff or moving staff to different areas within the organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Changing organisational structure and responsibilities for customer service between different roles and departments</li> <li>• Changes and developments to customer service policies and procedures</li> <li>• Purchasing new equipment and technology for use in customer service</li> <li>• Changing or renovating the appearance of the organisation's premises</li> <li>• Developing advertising campaigns</li> <li>• Improving point of sale equipment and procedures</li> <li>• Establishing customer loyalty programs</li> </ul>

## Monitor your own performance

In addition to looking at ways your organisation can improve, you must also consider your own performance with customer service and identify ways you can increase your skills and knowledge and progress your career. Check your skills against performance standards specified in the organisation's customer service charter. Managing your own learning requires you to regularly monitor and review your strengths and weaknesses, identify whether there are any skill gaps and consider how you can seek learning opportunities.

Be aware of your organisation's professional development program as you may be able to access short courses or those leading to a qualification. Seek advice from your manager and observe how experienced colleagues deal with customers. Take advantage of offers to attend customer service seminars or workshops. There may be the opportunity to access a mentor.



### Practice task 11

Choose a customer service issue that you have previously identified using verifiable data. Report on this issue and make a recommendation. Use this example customer service plan document or a template from your organisation.

**Vision**

(Summarise your organisation's approach to quality customer service)

**Overview**

(Explain why you are preparing this plan)

*continued ...*

... continued

<p><b>Objectives</b> (List your customer service objectives/goals)</p>
<p><b>Customer definition</b> (Summarise the customer category; for example, people under 18)</p>
<p><b>Customer feedback</b> (Summarise the data you have used to create this plan)</p>
<p><b>Gap analysis</b> (Identify the gaps you have found in your organisation's customer service)</p>
<p><b>Improvement strategies</b> (Detail your recommendations that will improve your organisation's current customer service)</p>

*continued ...*

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<p><b>Communication processes</b> (Summarise how your improvement strategies could be communicated through the organisation)</p>
<p><b>Time lines</b> (Outline an implementation time line and training schedule)</p>
<p><b>Budget</b> (Outline the implementation and training costs)</p>
<p><b>Summary</b> (Summarise your key recommendations)</p>

# 3D

## Maintain systems and records for customer satisfaction reports

As part of the process of evaluating and reporting on customer service, the organisation should have systems and procedures in place for the continual collection of data and feedback on customer service and satisfaction. Where can you get information on how satisfied customers are? Much of this data and feedback will come from information sources that you are familiar with, such as customer satisfaction surveys, customer feedback forms, toll-free feedback numbers and secondary research.

The organisation should implement and install feedback mechanisms, but these tools are useless unless an effective system is developed to continually collect information, analyse it and distribute the results to the relevant people within the organisation to use as the basis for decision-making.



### Characteristics of a data collection and reporting system

The systems used to continually collect information on the organisation's customer service performance and customer satisfaction must have several characteristics if they are to be effective.

First, modern management and information collection must use technology. Outdated paper-based systems no longer meet the demand for the organisation to have the right information at the right time. Although the collection of data can be a manual process, as with collection methods such as customer surveys or mystery shoppers, manual data should be input into IT systems to allow for its storage and analysis.

Technology to monitor and report on customer service includes:

- websites and online feedback forms
- statistical packages and spreadsheets to analyse the customer information collected
- email systems to share information easily between colleagues within the organisation
- databases to effectively store and analyse customer information and provide ease of access when searching in the future
- phone systems to allow customers to provide feedback
- point of sale equipment to record sales and profit levels.

## More characteristics of a data collection and reporting system

Here are more characteristics that a data collection and reporting system needs to have.

### Accuracy

While data must be collected on customer service, it is imperative that all data collected be accurate. Reliable decisions on customer service strategies can only be made when they are founded on accurate and reliable information.

### Timeliness and accessibility

The data collection and reporting system for customer service performance must make information easily accessible so that staff and management can access it at relevant times. While some information must be restricted and protected, information systems must be set up to provide members of the organisation with ready access to the information they need.

### Clarity

The information collected and processed must be easily understandable for those who will be receiving it. The way it is formatted and written should not make it difficult to interpret.

### Storage

Customer satisfaction information must be stored reliably and safely so that it can be referenced in the future to identify trends in customer service and compare results over time. The use of IT systems is preferable to paper-based systems as they allow for the safe and efficient storage of large amounts of data that can be easily accessed in the future.

### Consistency and comparability

When analysing the organisation's performance in customer service and satisfaction, it is important that the information collected is recorded, stored and presented in a consistent manner and format. Doing this allows the organisation to compare customer satisfaction results over time to identify successful service strategies and areas for improvement.

### Continuity

Effective systems continually collect customer service information. The concept of customer service satisfaction is not static. What customers want and need and how they feel change over time and information must be continually collected. Decision-making needs to be based on current circumstances.

## Practice task 12

1. How does your organisation, or one you are familiar with, currently collect information on customer service performance and satisfaction?

2. How is this data stored, analysed and used for decision-making on customer service strategies? Are the systems satisfactory? Explain your answer.

3. Is comparable historical data on customer service performance stored and available for comparison with current performance? How does this, or could this, benefit the organisation and its customers?

## Summary

1. As customer service management is an ongoing process, customer service strategies and performance need to be continually monitored, reviewed, evaluated and adjusted accordingly.
2. As well as having steps in place for customers to provide feedback at their own discretion, organisations must also have systems in place to proactively monitor and review customer satisfaction levels on a continual basis.
3. The organisation must review and measure its customer service performance by implementing feedback mechanisms such as surveys, feedback forms, interviews and mystery shoppers.
4. The collection of customer service performance information enables the organisation to evaluate its overall customer service performance and understand how customers perceive the organisation, its products and its customer service.
5. Analysis of customer service and satisfaction will lead to the identification of specific areas for change in your customer service strategy.
6. In planning to implement changes to the customer service strategy, it is important to report to designated personnel and your team to get their input, approval and support for the proposed changes.
7. Systems are required to record the performance of customer service strategies that have been implemented, in order to provide evidence of and assess their effectiveness. Management can use this information when reviewing customer service performance and identifying areas for improvement.
8. Effective systems for recording and reporting on customer service performance have several characteristics, including the use of technology, accuracy, timeliness and accessibility, clarity and storage of information.

## Learning checkpoint 3 Evaluate and report on customer service

This learning checkpoint allows you to review your skills and knowledge in evaluating and reporting on customer service.

### Part A

1. List the methods your organisation (or one you are familiar with) currently has in place to collect information and feedback on customer service performance and satisfaction. Explain how each information source provides a measure of the organisation's customer service performance.

2. Based on data collected from the information sources you listed in Question 1, how would you assess your organisation's overall customer service performance? Is the organisation providing a service that meets customers' needs and satisfies them? Provide some conclusions on your organisation's performance.

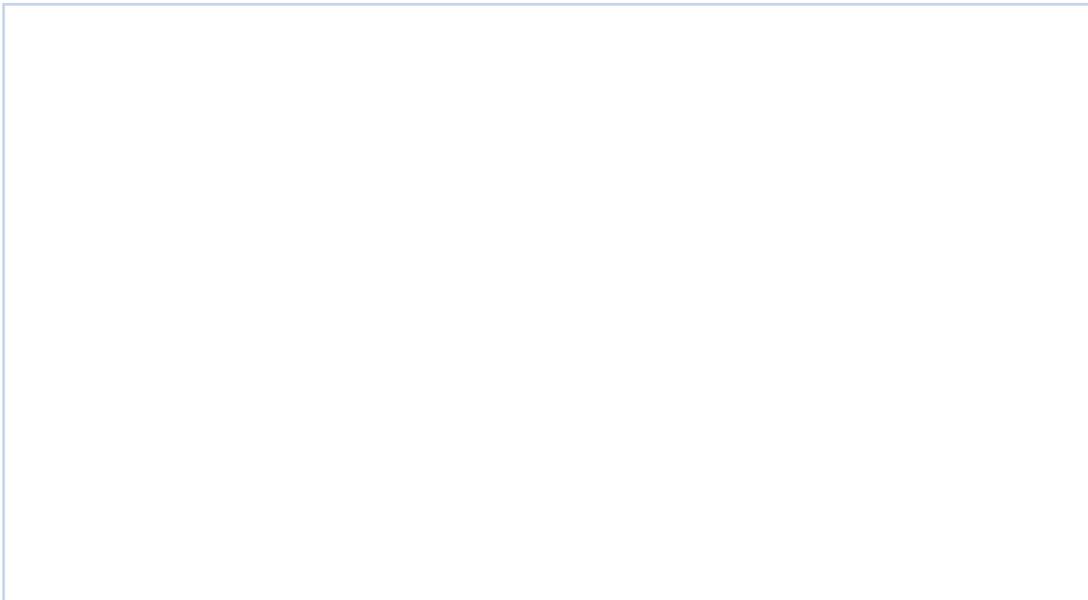
3. What strategies or changes do you recommend to improve the organisation's overall customer service performance based on your assessment in Question 2?

4. Develop an implementation plan for one of the strategies you listed in Question 3. Specify the steps to be taken, the time frame for each step and the people or groups responsible for implementing the strategy.



## Part B

1. What systems and procedures could you implement to continually monitor and report on customer service performance in your organisation, or one you are familiar with? What characteristics must these systems have in order to be effective?



**2. Complete these tasks:**

- a) Evaluate your own customer service performance and write a paragraph to summarise your findings.

- b) Research and list a range of learning options that may help you improve your customer service skills. Provide details of the options; for example, course title, why and how it will assist you and its expected outcomes.