BSBREL402
Build client relationships and business networks

Release 1

Learner guide

aspire learning resources

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Aspire Version 1.1

BSBREL402 Build client relationships and business networks Release 1

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Contents

Before you begin

This learner guide is based on the unit of competency *BSBREL402 Build client relationships and business networks*, Release 1. 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.

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: www.aspirelr.com.au/help
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	• Interprets information from a range of sources to determine and adhere to communication and networking requirements
Writing	• Records notes from research and discussions for future reference • Develops materials for a specific audience according to organisational standards
Oral communication	• Participates in spoken exchanges with a range of audiences using structure and language to suit the audience • Involves others in discussions using active listening and questioning techniques appropriately
Numeracy	• Performs calculations to determine timeframes and measure actual performance against required standards
Navigate the world of work	• Considers wider organisational goals when developing customer relationship strategies
Interact with others	• Selects and uses appropriate conventions and protocols when communicating with clients or business contacts to build rapport, seek or present information • Recognises the need to alter personal communication style in response to the needs, values, beliefs and cultural expectations of others • Adapts personal communication style to build positive working relationships and show respect for the opinions, values and particular needs of others
Get the work done	• Takes responsibility for planning, sequencing and implementing tasks and own workload to achieve business outcomes • Uses analytical processes to gather relevant information, identify and evaluate options and decide on appropriate systems and strategies • Actively monitors and evaluates effectiveness of decisions to identify and implement improvements

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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 Initiate interpersonal communication with clients	1A Identify and use preferred client communication styles and methods	❑ Confident ❑ Basic understanding ❑ Not confident
	1B Establish rapport with clients using verbal and non-verbal processes to promote two-way communication	❑ Confident ❑ Basic understanding ❑ Not confident
	1C Identify and act on potential barriers to effective client communication	❑ Confident ❑ Basic understanding ❑ Not confident
	1D Initiate communication processes relating to client needs, preferences and expectations	❑ Confident ❑ Basic understanding ❑ Not confident
	1E Investigate and act on opportunities to offer positive feedback to clients	❑ Confident ❑ Basic understanding ❑ Not confident
Topic 2 Establish client relationship management strategies	2A Develop client loyalty objectives focusing on the development of long-term business partnerships	❑ Confident ❑ Basic understanding ❑ Not confident
	2B Assess client profile information to determine approach	❑ Confident ❑ Basic understanding ❑ Not confident
	2C Develop client loyalty strategies to attract and retain clients in accordance with the business strategy	❑ Confident ❑ Basic understanding ❑ Not confident
	2D Identify and apply client care and client service standards	❑ Confident ❑ Basic understanding ❑ Not confident
Topic 3 Maintain and improve ongoing relationships with clients	3A Develop strategies to obtain feedback from clients to monitor satisfaction levels and improve client relationships	❑ Confident ❑ Basic understanding ❑ Not confident
	3B Obtain feedback and develop and implement strategies which maintain and improve client relationships	❑ Confident ❑ Basic understanding ❑ Not confident

Topic	Key outcome		Rate your confidence in each section
Topic 4 Build and maintain networks	4A	Allocate time to establish and maintain business contacts	❑ Confident ❑ Basic understanding ❑ Not confident
	4B	Participate in associations and activities to maintain a network of support and market knowledge	❑ Confident ❑ Basic understanding ❑ Not confident
	4C	Establish communication channels to provide and exchange information and ideas with the network	❑ Confident ❑ Basic understanding ❑ Not confident

Topic 1
Initiate interpersonal communication with clients

Interpersonal communication is not about what you say, but how you say it. It is a distinctive, transactional form of human communication, involving a common ground between the parties, for the purpose of managing relationships. Interpersonal communication occurs when you treat the other person as a unique human being.

Long-lasting interpersonal relationships are sustained by a spirit of mutual equality. When you listen and respond to your client with respect, and without manipulation, you initiate an interpersonal relationship.

Managers must learn to use interpersonal communication skills effectively to ensure the business remains profitable, reputable and meets the needs of its clients. Mastering the art of interpersonal communication means learning to say the right thing, or make the right symbolic gesture, at just the right moment.

In this topic you will learn how to:

- 1A Identify and use preferred client communication styles and methods
- 1B Establish rapport with clients using verbal and non-verbal processes to promote two-way communication
- 1C Identify and act on potential barriers to effective client communication
- 1D Initiate communication processes relating to client needs, preferences and expectations
- 1E Investigate and act on opportunities to offer positive feedback to clients

1A Identify and use preferred client communication styles and methods

Your communication is only as good as your understanding of the person you are communicating with. Everybody has their own preferred communication style and methods. Often, when we initiate client interaction, we adjust our own communication style to match our desired outcome, rather than the needs or preferences of our clients.

As a manager, it is essential you become proficient in a variety of communication styles and methods rather than just the ones you are comfortable with. This allows you to increase the value of client communication in your workplace.

Identify your clients

Your clients are the people or businesses that use your organisation's services. An ideal client is one who finds a solution to their problem or need in the services or products your organisation provides.

Your clients may include a diverse range of people, many of whom will have more than one issue they need help with. One of the most important skills a manager can have is the ability to communicate with clients in a way that empowers them and helps facilitate change.

Once you have clearly identified who your clients are, you can work on developing an interpersonal relationship with them by using your client's preferred communication style and methods. This allows you to develop a working relationship based on clear boundaries, respect and trust, and encourages clients to express their concerns and affirm their desire for change.

Use your client's preferred communication style and methods to:

- show your client that you can listen to, respect, and understand them
- maintain a positive working relationship
- connect on an interpersonal level
- increase client satisfaction
- avoid miscommunication or misinterpretation of information
- avoid conflict or manage it effectively
- increase client loyalty and retention
- gain referrals from existing clients
- encourage the sharing of ideas, information, feelings and concerns
- improve the efficiency of communication processes.

Communication styles

Understanding different communication styles allows you to read and respond to your clients effectively. This reduces client resistance and helps you to build professional relationships of trust and confidence.

Communication styles can be categorised in several ways. The following are commonly referred to in the context of business communications.

The assertive communication style
Assertive communication is the healthiest and most desirable communication style. Assertive communicators stand up for their own rights and opinions while respecting the rights and opinions of others. They actively listen and respond effectively to the needs of their clients. Assertive communicators: • achieve their goals without hurting others • are protective of their own rights and respect the rights of others • are socially and emotionally expressive • take responsibility for their own choices • ask directly for their needs to be met • accept the possibility of rejection • accept compliments and constructive criticism graciously.
The aggressive communication style
The aggressive communication style is about winning at the expense of someone else. It is an ineffective approach given the content of the message is usually lost because people are too busy reacting to the way it is delivered. Aggressive communicators are generally hostile in their approach and often bully others into tasks, behaving as if their needs are most important. Aggressive communicators may be: • frightening, loud, threatening or hostile • demanding and abrasive • explosive or unpredictable • intimidating • difficult to work with.
The passive-aggressive communication style
Passive communicators put the rights, opinions and values of others above their own. When dealing with a passive client it can be difficult to solicit accurate information because the client tends to defer to your expertise. While passive communicators appear passive on the surface, they may be acting out their anger indirectly to deal with an underlying feeling of lack of power or resentment. Passive-aggressive communicators may be: • indirectly aggressive or resentful • devious • unreliable • patronising or condescending • two-faced • pessimistic • sarcastic.

The submissive communication style
The submissive communication style is about pleasing others and avoiding conflict. Submissive communicators behave as if other people's needs are more important than their own. Submissive communicators may: • be apologetic • avoid conflict or confrontation • find it difficult to take responsibility or make decisions • yield to the preferences of others • opt out • feel or behave like a victim • blame others • refuse compliments or constructive criticism • not express their feelings or desires.
The manipulative communication style
The manipulative communication style is calculating, shrewd and scheming. Manipulative communicators are skilled at influencing others to their own advantage. Manipulative communicators may: • be cunning • control others in an insidious ways • make others feel sorry for them • use and express artificial feelings • ask indirectly for their own needs to be met.

Four-style model

In *The Platinum Rule* (Alessandra et al., 1996), the authors suggest a second way to categorise communication styles using a cross-cultural, four-style model.

This model focuses on patterns of observable, external clues that give you a sense of what is going on inside the mind of your client. Once you know that, you can decide how best to respond to them.

According to the model, everyone exhibits one of the following communication styles.

Relaters

Relaters are hospitable team players who prefer stability over risk-taking and place the greatest emphasis on maintaining harmonious relationships with others.

Relaters are:

- relationship-oriented
- good listeners but timid about voicing contrary opinions
- easy-going and slow paced
- friendly and sensitive
- empathetic towards others
- slow to make big decisions
- uncomfortable with change.

Thinkers

Thinkers are self-controlled and cautious, preferring analysis over emotion. Thinkers seek order and clarification which can sometimes be limiting. Thinkers:

- are idea-oriented
- carefully assess every situation
- value accuracy, attention to detail, and being right
- conduct thorough planning before deciding to act
- prefer to work alone
- are often introverted and closed about personal matters
- approach tasks with caution, logic and thoughtfulness
- are highly organised and sometimes lack spontaneity.

Socialisers

Socialisers are outgoing, enthusiastic and optimistic people who often place themselves at the centre of things. Socialisers enjoy talking and sharing ideas. Socialisers are:

- celebration-oriented
- effective entertainers and promoters
- creative, intuitive, spontaneous and full of ideas
- impulsive
- flexible and easily bored with routine
- eager to help others enjoy themselves
- optimistic and hopeful
- transparent, talkative and open with their opinions.

Directors

Directors are firm and forceful, competitive, confident and determined risk-takers. Directors are:

- results-oriented
- sometimes controlling and impatient
- decisive risk-takers
- good at delegating work to others
- not shy, but private about personal matters
- fearless and eager to tackle challenges
- enterprising, competitive and efficient in their approach
- likely to take charge and command a situation when it arises.

Communication methods

As a manager, it is important that you establish communication with your clients based on their preferred methods. Failure to meet client communication needs may mean loss of business.

It is important to remain flexible when communicating, as different situations and audiences will demand different responses from you. Some situations will be routine, others more unusual.

Whether the communication occurs online or offline, interpersonal communication helps you manage your professional relationships. While electronic mediated communication (EMC) – email, texting and instant messaging – is perceived as lower quality than face-to-face interactions, it nevertheless plays an important role in maintaining existing relationships.

You should become proficient in using as many communication methods as possible, including any new and emerging technologies embraced by your client.

Commonly used communication methods can include:

- face-to-face communication
- telephone
- email
- mail
- social media
- video conference
- text messages
- instant messages
- discussion forums
- formal and informal communications.

Face-to-face

Face-to-face communication is the preferred channel for clarifying a particular message. Communication in person enables you to interact with your client in a back-and-forth discussion, allowing you to use non-verbal gestures, body language, facial expressions and personal charisma to enhance the message.

There is, however, potential for a conflict situation to escalate during face-to-face communication. Confronting difficult issues between yourself and your client in person is more likely to increase tension or stress for both parties.

Telephone

Telephone communication is ideal where distance and travel prevent face-to-face conversations from taking place. This type of communication allows immediate interaction, access to distant clients, and offers a flexible solution for interacting with busy clients.

However, telephone communication is less personal than face-to-face and lacks non-verbal gestures, body language and facial expressions. This can inhibit your ability to interpret the context or client's emotions.

Email

Email is an important communication channel, particularly when your clients are geographically dispersed or frequently travel. Email allows for more flexible response times. You can send a message and receive a more thoughtful response from the client without them being time-pressured. Email can also support fast turnaround times as it allows for the inclusion of files and documents.

Despite its popularity in business contexts, email communication is less personal than face-to-face or telephone methods. The missing context of an email message may lead to misunderstandings.

Mail

Traditional mail is often regarded as wasteful, expensive and slow when access to digital technologies allows for messages to be sent and received instantaneously.

In some situations, legal requirements necessitate the use of traditional mail (such as when requesting signatures); in others, traditional mail may add great value and validity to your business. Sending your client a greeting or thank you card is a deliberate and meaningful communication method and demonstrates to your client that you took the time to sit down and write your message.

Social media

Social media is a key channel for mobilising client engagement in our interactive economy. Social media sites such as Twitter, Facebook, LinkedIn and Instagram have become important platforms for businesses to engage with existing and prospective clients through online networking. Organisations use social media to reach out to and engage with prospective clients in a more targeted and personal way. It is no longer a matter of who you know, but what you know about them.

You should be careful not to put anything online that could reflect negatively on your business. Pictures of unprofessional conduct, opinions that do not reflect the culture of your organisation or the use of inappropriate language make a poor impression on a prospective client.

Videoconference

In certain circumstances it is necessary to meet with your clients face-to-face rather than communicating via telephone call or email. Fortunately, videoconferencing technology means participants don't have to be physically in the same location. With the business world now operating on a global scale, on-site meetings are often difficult or impossible to arrange.

Videoconferencing is an advanced communications tool involving an interactive set of techniques which connects people in two or more locations through simultaneous audio and video transmissions. Videoconferencing overcomes communication barriers caused by budget constraints or excessive travel requirements. It allows you to host engaging and collaborative meetings with clients around the world without leaving your office. You can meet your clients face-to-face regardless of where they are located.

Text messages

Short Message Service (SMS) texts allow you to communicate quickly and effectively with clients and prospects by sending live text messages. Many businesses find text messages useful for sending appointment reminders and event or discount announcements, or tracking delivery statuses. Text-message marketing is now widely used by many organisations to drive new business and engage with current clients to increase sales and brand loyalty.

Text messaging is a permission-based marketing channel. You must get consent from your clients before sending any sort of marketing text message. It is not an appropriate way to engage your client in a valuable and professional discussion. Rather, it is useful for conducting short, sharp and impersonal communication instantly.

Instant messages

Instant Messaging (IM) is a type of online chat offering real-time text transmission over the internet. Short messages can be transmitted bi-directionally by two parties, and advanced IM applications can also include file transfers, clickable hyperlinks, or video chat.

While the use of IM in the workplace is less intrusive than the use of a phone, more immediate than email and has the added advantage of the ability to detect presence, it may not be an appropriate channel to communicate with your clients. IM is impersonal and can easily lead to miscommunications. IM is also poorly tracked and conversations are not entirely secure. Even though IM encourages direct communication, it can actually be detrimental to your organisation's communications overall.

Discussion forums

Many organisations maintain internal discussion forums through intranet websites. These are sites with files and other resources available only to employees via personal log-in credentials. Because clients cannot usually access discussion forums, employees and managers can engage in organisation-wide discussions about client issues and solutions.

Discussion forums are a low-pressure way to exchange ideas and give feedback. It enables organisations to gain insights in a non-confrontational way. However, the disadvantage of forums is the lack of personal connectivity and potential for anonymous postings. Similarly, delays can occur between comments and responses.

Formal and informal communication

How your client prefers to communicate will depend on the type of client, their personal communication style, organisational policies and procedures, and workplace demands.

Communication channels should be free and open. Clients should feel comfortable approaching you about all sorts of issues, without fear or accusation. You should feel comfortable addressing a range of people – individually and in groups. This may take practice.

You need to decide which channels are best: oral or written communication, group or individual delivery, formal or informal.

Here are some differences between formal and informal communication.

Formal communication

- Structured, thought-out and prepared
- Outlined in organisational procedures
- Carefully monitored
- Readily available and reliable
- Can be time-consuming and cause delays
- Deters free flow of information
- Reflects a higher level of professionalism
- Affects decision-making as the information is only received by intended parties

Informal communication

- Casual, spontaneous and selective
- Outside of formal communication structure
- Not based on any set measures
- Not officially sanctioned and less credible
- Allows quick transmission of information
- Feedback received faster
- Parallel to formal channels of communication
- Informal support system bringing team members closer

Client communication style and methods

You cannot expect your clients to conform to the ways in which you and your organisation prefer to communicate. If you want to successfully grow your business and develop good client relationships, you must find out how your client wants to communicate and adhere to their particular style and methods. Respecting your client's communication preferences is not just a courtesy, it is good business.

Find out how your client wishes to communicate
Talk to your client and ask how they would like to be contacted.
Listen to your client's instructions and follow through on requests.
Adhere to organisational policies and procedures on communication where you are obliged to do so.
Create a communication plan with your client that details both yours and your client's expectations.
Identify your client's needs and try to overcome potential barriers to communication respectfully and efficiently.
Use a communication calendar and identify the type of information you will deliver and when.
Encourage your client to give you regular updates on how they would like to communicate should their preferences change.
Identify whether your client has a physical or mental disability requiring special communication tools, such as Braille or Auslan Signbank resources.

Example: identify and use preferred communication styles

Charlotte is an account manager at a wholesale children's clothing company. The company provides clothing to a number of retail stores across the state. Charlotte's clients include business owners and store managers from at least 10 different retail stores in her region. Her communication style is very casual, and she builds good personal relationships with her clients by communicating in an easy-going and friendly manner. She sometimes drops into her clients' stores with little warning, dresses casually and likes to catch up with a relaxed conversation before discussing business. For most of her clients, Charlotte's communication style is appreciated, as her approach is non-threatening and relational.

One of Charlotte's clients contacts Mason, the operations manager, and explains they are finding Charlotte's casual communication style difficult to work with. Mason agrees to speak to Charlotte about adapting her communication style when dealing with this particular client. Charlotte reluctantly agrees that she may need to change her style and give clearer information to her clients in a more professional, formal way to ensure their needs are being met. While Charlotte takes some time to get used to this new way of communicating, after just a few weeks even she can see how it is benefitting the business and her relationship with the client.

Practice task 1

Read the case study below and answer the following question.

Case study

Naomi is a popular person with a big ego. She gets into many situations where she is the one to confront problems, as she knows how she thinks and feels about many issues. Naomi speaks her mind, but doesn't like to alienate others in the process. So she tries to make them feel good about themselves and her. Naomi has a large closet full of vibrantly coloured clothing. At her desk is a blown-up photo of her and the company president having fun at last year's Christmas party. When you go out to lunch with Naomi and the steak is not cooked to her liking, she calls the waiter over immediately and asks for another plate, then quickly decides to try another dish instead.

Mark is a rather complicated person. He cares a lot about what others think of him, but he is sometimes callous in regards to the feelings of others. He is both sensitive and insensitive at times and this can be confusing for his colleagues. Mark is an excellent planner. He gathers all the data and can foresee potential problems. He researches ways to avoid them, at minimal cost to the company. At his desk, Mark displays his university degree, framed, and a list of company policies. You go out to lunch with Mark, who orders steak, medium to well done. It's a shade too pink for him, so he requests the waiter have the chef cook it for exactly two and a half minutes more.

Using the four-style approach, identify the communication styles of each of the two people described in the case study. The four communication styles include relaters, directors, socialisers and thinkers.

1B Establish rapport with clients using verbal and non-verbal processes to promote two-way communication

To build successful interpersonal relationships with existing or potential clients, you must first establish rapport with them. Rapport is the process of building a relationship of mutual harmony and understanding. People who build rapport have the ability to connect and emotionally bond with other people so that they are on the same wavelength. So much of the client's perception of your sincerity comes not from what you say, but how you say it and how you show an appreciation for the other person's thoughts and feelings.

If you establish rapport with a client, you build a climate of trust and respect. Having rapport does not mean you have to agree with them, but that you understand the other person's perspective.

As a team leader, you can establish rapport with your clients by using effective verbal and non-verbal communication skills, and by asking open-ended questions that promote two-way communication. This will greatly assist you in building long-term relationships of trust and confidence with your clients.

Establish rapport

Rapport is the key to influence. It starts with the acceptance of another person's point of view and their style of communication. In order to influence, you have to be able to appreciate and understand the other person's perspective.

Establishing rapport is vital for building and maintaining positive working relationships with your clients. Rapport can be established on the telephone, using email, through documents and face-to-face.

Good communication skills require a high level of self-awareness. Adjust your own communication style to ensure it continues to be appropriate and effective when dealing with a variety of clients, particularly those from diverse backgrounds.

Here are some qualities necessary for establishing rapport with your clients.

Authenticity

You must be authentic and genuine in your interest in the client. You can demonstrate this by maintaining congruence between your verbal and non-verbal messages; your body language should match what you are saying and thinking. By matching your words with your body language, you can help build trust and communicate clearly.

Positive regard

You respect the client by showing them unconditional positive regard. This means accepting the other person unconditionally, without judgment or disapproval. This helps the client to feel increased self-regard and value their own experiences.

Empathy

Empathic understanding means that you try to understand the client's perspective or internal frame of reference instead of imposing your own views on them. Showing empathy for your clients' emotional states and particular needs facilitates positive, safe and respectful workplace relationships.

Collaboration

Managers should be prepared to work in a collaborative relationship with clients. This demonstrates to the client that you respect their ability to make decisions and choose options that best suit their needs. If you are paternalistic and do not encourage clients to participate in making choices about the services they require, you disempower clients and diminish their self-respect.

Principles of effective communication

Whether you are communicating formally or informally, verbally or in writing, to an individual client or a group of clients in a meeting, the basic principles of communication must be considered to ensure your interaction is effective. Preparation is the key. If you can identify an introduction and plan of action, as well as anticipate outcomes, you enhance your ability to relate to and develop rapport with your clients.

Principles of communication

- Know your audience: plan your communication to suit the listeners' level of understanding.
- Know your purpose: make it clear whether you are delivering specific information, requesting information, or being social.
- Know your topic: be aware and fully informed of all the facts and details.
- Anticipate objections: these may arise due to misunderstandings, so be prepared to answer questions, queries and concerns.
- Present a rounded picture: communicate the benefits to both parties.
- Achieve credibility with your audience: support your statements with evidence (such as statistics or testimonials).
- Follow through on what you say: do not promise what you cannot deliver.
- Communicate one issue at a time: pause, ask questions and provide listeners with an opportunity to ask questions.
- Present information in several ways: ensure each individual understands the information presented.
- Develop a useful way to obtain feedback: obtain feedback to evaluate the effectiveness of your communication.
- Use multiple communication techniques: identify and adhere to your listeners' communication needs and preferences.

Verbal communication

Verbal communication involves the use of spoken words to deliver an intended message. Rapport will be strengthened when a client trusts that your verbal communication is professional, effective and easy to understand.

Here are a range of verbal communication strategies and techniques you can use to establish rapport with your clients.

Choice of words
Your choice of words in delivering a message conveys information both about you and about how you view the person you are communicating with. A formal choice of words demonstrates trust, respect, consideration and sets a professional tone. Less formal word choices show familiarity, comfort and a more conversational tone. It is important for you to recognise the difference between formal and informal word choices to ensure you alter your communication style accordingly. You should also consider the different word choices required when communicating orally or in written formats. Written information can be recorded, passed on, and used for future referencing. Even if your client relationships have reached informal terms, your written words must consistently demonstrate a professional tone that can extend well beyond the intended recipient.
Choice of content
Choice of content is an essential component of effective verbal communication. It is vital that as a team leader, you are able to apply listening skills and exchange feedback regarding the topics at hand. Appropriate use of questioning skills, specifically open questions, can steer a conversation in the right direction. Your communication should state a point of view or specific piece of information as briefly as possible. When you use fewer words, your client is less likely to become confused. Clear and direct verbal communication conveys respect for your client's time. Relevance and impact are improved through succinct phrasing. Choose your content with the intention of making your message as clear as possible. Avoid jargon and colloquial language to increase rapport.
Voice tone
Voice tone refers to the rising or falling of pitch that conveys the meaning of a sentence. We distinguish questions from statements based on tone of voice. Sarcasm, emphasis and surprise are often intoned in our voices. Your intonation has a bearing on your client's understanding of what you are saying. Because the nuances of speech are missing in written language, the use of intoned speech relates to oral communication only.
Voice modulation and projection
Voice projection relates to the adjustment in strength of voice to cover varying distances and remain clear. Voice modulation refers to the adjustment in pitch or tone to be heard by an audience. It is important that the strength and volume of your voice is appropriate for the environment in which you are communicating. If you are too quiet, and speak with a monotonous tone, your client may become disinterested or miss what you are saying. If you speak too loudly, your client may become distracted or feel uncomfortable.

Articulation and pronunciation
Articulation focuses on making individual sounds. Pronunciation focuses on the stress, rhythm and intonation of the syllables in the word. You change the sounds coming from your vocal cords by moving teeth, tongue and lips in recognisable patterns. When communicating with clients, make sure you are not substituting or omitting sounds when you say a word, and pay particular attention to common sound substitutions so that you speak clearly and confidently.
Clarity of speech
Clarity of speech refers to the ability to be heard and understood. Clarity of speech can be achieved by examining the way you speak, how you say things, and what you say. Using correct enunciation to pronounce a word makes you easier to understand when communicating with a diverse range of clients. You should avoid using 'filler' words, for example, 'um', 'like', 'you know', 'actually', or 'basically'. You will gain more clarity when you watch for the words that you repeat often without even realising. Consider whether these words bring value to your communication.

Improve communication skills

The following tips may help you improve your verbal communication skills, specifically for building rapport with your clients.

Tips for improving your verbal communication skills

1. **Know your material**
   If you know your topic thoroughly, you will feel more at ease talking about it and will be able to respond if people ask questions. You will sound more natural in your response, and more interesting to the audience, if you are knowledgeable about and interested in what you are saying.

2. **Know your audience**
   You may have to do some research to find out how much your clients know and what they are hoping to learn. You can then tailor your communication or presentation to the audience. People will switch off quickly if they think they already know what you are talking about.

3. **Prepare**
   Communicating with your clients will be easier if you are well prepared. Nervousness will disappear once you start talking about a topic you have prepared well for. Audiences are very quick to notice if a presentation is poorly prepared.

4

Practise

Be sure to practise any presentations you are going to give to a client. Public speaking becomes easier the more you do it. It can be helpful to practise in front of a mirror, with a supportive friend or colleague, or in the location where your presentation is to take place.

5

Make it interesting

Engage your clients by keeping them interested. Maintaining eye contact during verbal communication (when appropriate) will help focus their attention on you. Make sure your choice of content is interesting, and provides new information. Try not to be repetitive, or to tell the client what they already know.

6

Encourage questions

Encourage your clients to ask questions or offer suggestions. Use your voice; a confident voice encourages people to believe and accept what you say, much more so than the actual words you are saying.

7

Use visual aids

Nearly all client presentations benefit from the use of visual aids. People become bored listening to a voice and looking at the same thing for too long. Visual aids such as slides, handouts, graphs and products must be simple and well placed. Don't let your visual aids do the talking for you.

Non-verbal communication

As you interact with your clients, you constantly give and receive non-verbal signals. The way you sit, the gestures you make, the pace or projection of your voice, your posture and the amount of eye contact you make are all non-verbal signals that send strong messages to your clients.

What you say verbally and what you convey through your body language are two totally different things. Even when you are completely silent, you are still communicating non-verbally. When your verbal output is congruent with your non-verbal signals, you improve the clarity of your messages and establish trust and rapport.

By paying attention to the non-verbal cues of your clients, you can gauge the effectiveness of a presentation, note the approval or disapproval of an idea, and build rapport through mutual understanding.

Examples of non-verbal communication

Here are some examples of non-verbal signals and cues that you can use to communicate your interest in others.

Active listening
Active listening involves an investment on your part to relate to and understand your client, on both an informational and emotional level. Active listening is the fastest way to gain important information from your client. After listening to what your client has to say, attempt to send back the most accurate interpretation of what you think you heard the client say; that is, give feedback in your own words to check you received the information correctly. The client is likely to then correct you, or reiterate what you have said, but while simultaneously underlining the essence of their message. To show you are actively listening to a client use positive reinforcement, smile, make eye contact and use a forward-facing posture.
Eye contact
The way you look at your client can communicate many things, including interest, attraction, hostility or affection. Maintaining eye contact shows honesty and directness about what you are saying. It is not possible to build rapport during face-to-face communication without engaging in eye contact. Eye contact also maintains the flow of conversation and allows you to gauge the client's response. You can decide if the client is actively interested or not. Be aware that In some cultures eye contact is disrespectful.
Facial expressions
Through the intricacies of facial expressions, you are able to express countless emotions without saying a word. The human face can be extremely expressive and in contrast to some types of non-verbal communication, facial expressions are said to be universal. Emotions such as happiness, anger, surprise or sadness are identified by characteristic muscle movements that result in smiles, lowered eyes, raised eyebrows or frowns. To build rapport with your clients, try to pay attention to the signals you are giving, ensuring you do not display any undesirable expressions.
Voice
We communicate with our voices, even when we are not using words. Non-verbal speech sounds such as tone, pitch, volume, rhythm, pace, and inflection provide subtle but powerful clues into our true feelings and what we really mean. In addition to the words actually being spoken, your client is also reading your voice and listening for tones that indicate confidence. When communicating with your clients, ensure you do not use tones that send negative signals such as anger or sarcasm. Your voice should convey confidence, interest and encouragement.

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Gestures
Gestures communicate interest and involvement, ranging from none at all (hands in pockets) to frantic (waving wildly in the air). Gestures are integral to our daily lives. We point, wave, beckon and use our hands unconsciously to articulate ourselves. When speaking with a client, try not to fiddle with your jewellery, a pen, or your hair. Your hands should not be in your pockets. If you clasp your hands together or fold your arms across your chest, your client may read it as closed and defensive, even if you did not intend it to come across as such. It has been suggested that gestures are most effective when your hands are above your waist and below your shoulders. Strong gestures have a beginning and an end; the hands come to rest, and then gesture again, rather than continuous flimsy gestures.
Body language, orientation and posture
Body orientation refers to the positioning of your body in relation to others. When you meet with a client, ensure you do not orient your body away from them, as this could send a message of disinterest or a desire to move away. Orienting your body towards your client indicates you are actively interested and involved. Good body posture is equally important. Your client may read poor posture, such as slouching or leaning against a wall, as apathetic or lazy and feel as though you are not interested in the interaction. Poor posture may stop people from approaching you or seeking to find out more about your products or services. Good posture shows your client that you are aware, alert, approachable and confident.
Touch
Touching relates to physical touch occurring between yourself and another person, and may not always be appropriate in a professional setting. One of the most common types of touch in a business setting is the handshake. A firm handshake communicates confidence and reassurance. However, handshaking is a form of ritualistic touching specifically common in a Western culture. It is critical that you become aware of your client's cultural rituals as they may vary dramatically from yours. What is considered appropriate in one culture may be offensive in another.
Space and distance
It is important that you understand and respect your client's personal space when communicating with them. Standing too close to someone could make them feel uncomfortable. Space can be used to convey many non-verbal messages, such as dominance, aggression, intimacy or affection. To develop rapport with your clients, it is important to be aware of the non-verbal signals that indicate discomfort with invasions of personal space and to distance yourself appropriately.

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Appearance
Your appearance in the business environment will vary depending on your vocation, the nature of your organisation and the types of clients you interact with. Even so, in nearly all business settings your appearance should be neat and professional so that you present yourself as confident and capable. Your appearance sets the tone for your interactions. Clothes should be sensible and well-fitted. Try not to wear distracting accessories. Neat and tidy personal grooming is of utmost importance.

Improve non-verbal communication skills

Continuously try to improve your non-verbal communication skills, specifically for building rapport with your clients.

Tips for improving your non-verbal communication skills
• Mirror the other person's body language • Keep yourself relaxed when sitting or standing • Maintain strong eye contact • Show a genuine smile (not a smirk) • Avoid unnecessary head movements and keep your head straight yet relaxed • Give encouragment by nodding or giving a thumbs up • Think and believe there is already rapport to avoid looking awkward • Use proper body language to leverage your success • Lower the pitch of your voice • Use hand gestures while speaking

Two-way communication

Communication should be a two-way process. When interacting with clients you should ask open-ended questions and actively listen to the answers to help you focus on their goals (as they see them). By doing so, you will be able to uncover obstacles and determine the best strategies that the client views as relevant and useful.

Information gained from asking open-ended questions is more valuable than information received from closed questions, which are typically yes or no answers without further explanation. Using open-ended questions will help you to lead your client into a rapport-building conversation. Use beginnings such as 'Tell me about …'; 'What do you think …'; 'Why is it important …'

In addition, keep your communication succinct, use keywords and support the client through the use of visual aids, products and demonstrations.

Tips for establishing two-way communication
Allow the client time to get their message across.
Observe closely and listen actively.
Avoid jumping to conclusions or taking control.
Assume nothing and ask open-ended questions to gather your information directly from the communication.
Minimise distractions that could interfere with the client's attempts to listen and observe.
Ensure your client has access to any communication tools necessary for their specific needs and individual abilities.
Make use of your client's preferred communication style by using their language or mirroring their body language.

Example: establish rapport

Samantha and Jo are salespeople who work for a conference centre in the Hunter Valley, New South Wales. Part of their job involves presenting to companies on the range of services and facilities they offer (to increase their client base and win new business for the centre). They do so by hosting conferences, meetings and company training sessions. Samantha is very experienced in sales and has given many valuable presentations to companies. Jo is a less experienced presenter and feels more comfortable talking to a small group or one-on-one. Jo knows this is a problem as virtually all of their clients expect an engaging, professional presentation before they make their minds up. She goes to Samantha for advice.

Samantha suggests that Jo sits in on a few of her presentations. Jo does so, and is very impressed: Samantha rarely looks at her notes, has several different types of presentations she uses for different situations, engages her audience, and talks confidently about the conference centre. Afterwards, Jo asks Samantha for help. Samantha advises Jo to: 'Focus on what you know they are going to want to hear about – that way you won't feel like they are getting bored, which can make you really nervous. Ask the key decision-makers questions beforehand and respond to their concerns during the presentation. Make sure your PowerPoint slides are clear and brief and talk to them in more detail about the benefits of coming to us. Make sure your body language is positive and vary your voice to retain their interest. But most of all, practise.'

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Practice task 2

Read the scenario, and then answer the questions that follow.

Scenario

You are giving a sales seminar to prospective clients with a start time of 10.00 am. You arrive at 9.30 am and find a client, Shawn, already there with his laptop open on the table in front of him. He stands, and the two of you shake hands. Shawn manages a minimal smile and puts his hands in his pockets. You ask a few questions about Shawn and his job, and you receive short, polite answers, but very little small talk. You notice that Shawn stands some distance from you.

A few other seminar participants arrive and find their way to the tea and coffee station. At 9.50 am, another client Andrea waltzes in. 'Hey, is this the sales seminar? Or is everybody here because of the free coffee?' she asks with a laugh. Before you can reply, she pours herself a coffee and admits she can't function without it in the mornings. Andrea looks you in the eye and says, 'I'm looking forward to your seminar today, I hope you've got a good ice-breaker to start us off'. Andrea takes a seat at the front of the room and gets a notepad and pen out of her bag. She smiles and sits up straight as she watches you complete your final set-up before beginning your presentation.

1. Describe the non-verbal signals exhibited by Shawn and what they convey about him.

2. Describe how Andrea's verbal and non-verbal communication skills convey confidence and interest.

1C Identify and act on potential barriers to effective client communication

As a manager, it is essential that you identify and act on any potential barriers to effective client communication. Legislative and organisational guidelines must be adhered to whenever you engage in communication processes with your clients.

Your clients may be people from diverse backgrounds and cultures. As a manager, you must embrace the issues, concerns and needs relating to the individual differences of your clients. You must also ensure that any clients coming from diverse backgrounds feel fully integrated into the cultural dynamics, direction and decision-making structures of the professional relationship.

Individual differences

As a team leader, you must adopt new ways of engaging with the changing demographics and diversity needs of your clients. It is not enough to rely on the well-intended organisational approaches to diversity that has had, at best, a limiting impact in the past. You must create new and innovative ways of approaching diversity that are specific to the needs of your clients, creating opportunities to grow the relationship in the future.

Everyone should feel valued regardless of their individual differences and feel confident to work alongside one another in effective workplace relationships.

Here are a number of individual differences.

1. **Ability, aptitude or disability**
   Your clients may have a basic education or be highly qualified. They may have a physical or cognitive disability. Some people may be suited to a particular job role more than others based on their skills, ambition and aptitude.

2. **Age**
   Your clients may be people of all ages, from young people straight from high school to mature-aged people in their sixties or seventies.

3. **Culture**
   Your clients may come from many different countries and may wish to retain their customs and beliefs. They may have a different work ethic to you or others within your organisation.

4. **Ethnicity**
   Your clients may have different languages, cultures, beliefs and ways of dressing.

5

Gender

Some of your clients may come from an organisation with a balanced ratio of male to female staff, while others may have more male or more female staff, depending on the nature of the business.

6

Language

While English is the major language in most Australian workplaces, English may not be the first language of many of your clients.

7

Marital status or family arrangement

Your clients may be married, unmarried, in a de facto relationship or separated. They may be a single parent, have children or have no children.

8

Nationality

Your clients may settle and work in Australia but retain their original nationality. Even when a person is naturalised as an Australian, their original nationality may still affect their actions in the workplace.

9

Race

A person's race is determined by their ancestry and genetic background; for example, Aboriginal and Torres Strait Islander peoples, Caucasian (European or Anglo-Celtic ancestry); Asian.

10

Religion

Your clients may have a specific religion they follow devoutly, have beliefs based on their culture, or have no religious affiliation.

11

Sexuality

Sexuality includes heterosexuality, homosexuality and bisexuality.

12

Personality

A diverse client base will include people with a range of different qualities, such as people who are outgoing, shy, cheerful, quiet, talkative or imaginative.

Potential communication barriers

There are a range of potential barriers to effective client communication. Practical concerns can be overcome by an intuitive and empathic manager adjusting their own interpersonal communication style to meet the individual needs of the client.

However, some potential barriers may relate to legislative requirements and be punishable by law. Organisational policies, procedures and systems must be in place to ensure you meet your legislative obligations when interacting with existing or potential clients.

Educational barriers

Educational barriers include acting on stereotypes or false assumptions, literacy and numeracy deficiencies, or lack of knowledge about the subject. You should clarify your client's level of understanding before furthering your interaction by asking open questions. Communicate with your clients on their level and encourage them to ask questions when they don't understand.

Do not assume your client has a particular level of competency as you may inadvertently discourage further communication if the client does not want to admit their lack of knowledge. Conversely, try not to over-explain concepts that the client has already grasped as this could indicate a lack of respect for their knowledge base.

Psychological and physical

Psychological barriers include fear of rejection or failure, an inability to self-motivate, anxiety, lack of confidence, failure to follow through, or a fear of public speaking. Psychological barriers are often overcome with professional intervention.

You should ensure you have the tools and resources necessary to communicate effectively with clients who have physical disabilities.

Physical barriers may include:

- hearing loss
- stuttering
- blindness.

Neurological disorders may include:

- Tourette Syndrome
- aphasia
- dyslexia
- ADHD
- autism.

Cultural barriers

Cultural barriers may include cognitive, behavioural or emotional constraints. Cognitive constraints may include differences in the way we frame our world or perceive our environment. Role assumptions based on physical, personal, gender or age differences vary between cultures. Unless these assumptions are addressed the professional relationship may suffer.

Here are some barriers to communication that relate to a person's culture.

Behavioural constraints

Behavioural constraints may include differences between verbal and non-verbal approaches to communication.

Different cultures interact in different ways. Make sure you use words and non-verbal cues that are not going to be misunderstood or offensive to your client. Learn what is acceptable and what is not before you begin interacting with a particular person.

Emotional constraints

Emotional constraints may include differences in what we perceive to be acceptable levels of emotional display based on culture.

While some cultures find certain displays of emotion unacceptable, other cultures consider it to be a natural part of their communication process. Again, learn what is acceptable and what is not before you begin interacting with a particular person and make sure you adjust your own communication style accordingly.

Encode the barriers

Encoding relates to the process of selecting and organising symbols to convey meaning. If you are trying to communicate with a client who is preoccupied, emotional or distracted, you must recognise the ineffectiveness of the interaction. You might need to consider changing your approach, or mirroring some of your client's positive behaviours so that they can relate to you, and to what you are saying. When establishing a relationship, it is essential that you build rapport before you start giving out information.

Volume of information

Providing too much or too little information about a subject can lead to difficulties in communicating with your clients. Be well informed and equipped to answer your clients' questions, or at least know where to source the information requested.

Do not try to present information to a client that you do not fully understand yourself. This will be detrimental to the working relationship as your client will be less likely to trust what you say going forward. Confusing your client will cause them to shut down and stop listening.

Physical distractions

Physical distractions relate to the environment in which you and your client are interacting. For example, if the environment is too noisy – either from internal or external sources – the information you are trying to present may be lost, misunderstood or not fully received.

Consider moving to a quieter and more suitable place to ensure you can give the client your full attention, and receive the same from them.

Additional communication barriers

Here are some additional potential barriers to effective communication with clients.

Technological
Technological barriers occur when the equipment necessary for you to successfully interact with your client malfunctions, is not available, is not used properly or is not compatible with other equipment being utilised. Interruptions to information technology can cause information to be lost or distorted. Practise using any electronic equipment and ensure it is available before meeting with your client.
Geographical
Geographical issues such as differing time zones, formations or weather conditions can create misunderstanding of deadlines or meeting times, or discrepancies in anticipated delivery times. Try to anticipate (if possible) any geographical barriers that will impede successful client communication. You should make arrangements to work around these barriers, or reschedule your communication to a time when the issues will not be present.
Logistical
Logistical barriers relate to the management of the flow of goods and services between your organisation and your client. Limited hours of operation, a lack of 'contact us' forms or pages on your website, or not enough reply paid cards or envelopes in mailouts can wreak havoc on your ability to engage in proper communication strategies. Your client may have difficulty providing you with feedback if ineffective mechanisms have been put in place.
Organisational
Organisational barriers relate to communication systems and processes in place within your organisation. You must ensure that all client contact information is gathered and recorded correctly in an electronic database. Calendars should be organised so that appointments with clients do not need to be changed or cancelled. By developing a client management strategy within your organisation, you can avoid confusing your client and causing breakdowns in the working relationship.

Language and communication

The 2011 Australian Census showed that 20 per cent of Australians speak a language other than English at home. In certain areas or workforce sectors, the percentage is much higher. More than 200 languages are spoken in Australia, with 17 languages predominating.

You need to be aware of the English language comprehension levels of the audience you are communicating with, and adjust your method of delivery accordingly. Remember that a person may be able to speak English clearly but may not be able to read complex documents or terminology. Some clients will need time to examine the language used or to have someone translate it for them.

Here are some tips for accommodating language differences.

Tips for accommodating client language differences
• Always check the information you want to convey has been correctly understood. • Make sure the client has the opportunity to ask questions, express concerns or consult an interpreter if necessary. • If you are preparing a message for several clients, write a draft and have a typical audience member read it to check that your meaning is clear. • Written messages may sometimes be inadequate or inappropriate. You may need to telephone rather than email a message to someone who does not read English well. • When speaking with someone for whom English is a second language, speak clearly and slowly and do not shout. Remember that strong accents do not necessarily mean poor English skills. • Be careful when using slang or idioms. Many expressions that are part of our everyday speech do not have a literal meaning, and this can be very confusing to a person unfamiliar with colloquial English. For example, many instructors tell trainees they will 'get the hang of it'. Think about how someone unfamiliar with the phrase might interpret it. • Avoid acronyms, even common ones like 'ASAP', and abbreviations like 'uni' or 'this arvo' unless you are sure the people you are talking to understand.

Example: identify potential communication barriers

Phillip is an Australian-born marketing consultant who has been asked to pitch an investment opportunity to a group of investors visiting from Japan. When Phillip presents projects and opportunities to potential Australian investors he is used to being bombarded with questions and concerns after such a proposal. However, at the conclusion of his presentation to the Japanese investors, a long silence follows. Other members of Phillip's team take the silence as a signal of disapproval and are ready to pack up and leave the meeting. Phillip gestures to them to be patient and wait. Although Phillip is not particularly familiar with Japanese culture, he has read the Japanese investors' facial expressions and posture, and senses interest rather than rejection. Despite the cross-cultural dialogue challenges, Phillip is correct in picking up on these emotional cues. When one of the Japanese investors eventually speaks up and responds, it is to confirm that they will indeed invest in the project.

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Practice task 3

1. One of your clients, Raj, speaks English as his second language. While his knowledge and understanding of the English language is very good, he is not familiar with the jargon or colloquial language characteristics of a Western culture. Describe how you could overcome potential barriers to effective communication with Raj.

2. Peter has complete hearing loss in one ear and only partial hearing in the other. Peter wears a hearing aid and is proficient at lip reading. He does not require communication via Auslan sign language. Describe how you could overcome potential barriers to effective communication with Peter.

3. Maya is a new client who you are meeting for the first time. Maya is new to the industry and this is her first job out of school where she has obtained her high school certificate. Describe how you might overcome potential barriers to effective communication with Maya.

1D Initiate communication processes relating to client needs, preferences and expectations

You should initiate communication processes which relate to client needs, preferences and expectations. Every contact you make with an existing or potential client should be focused on meeting a need or solving a problem. This conveys to your client that you are interested in them and their business, not just interested in how they spend their money.

Your organisation may have policies, procedures and processes in place that are relevant to communicating with clients. It is vital that you interpret this information, as well as information from a range of sources, to determine and adhere to organisational communication requirements.

Understand client needs

Your focus should always be on meeting your client's needs, preferences, values, beliefs and cultural expectations in all of your interactions with them. The way to having your own needs met is to ensure that you meet client's needs first.

You might need to conduct research to discover what your clients' particular needs are, and how best to address them. You should then adapt your own personal communication style to respond to your clients in a way that builds positive working relationships and shows respect for their opinions, values and particular needs.

Here is an explanation of the differences between client needs, preferences, values and beliefs.

Client needs

Identifying and assessing your clients' needs requires a holistic approach. This means exploring the range of concerns and circumstances that clients are experiencing. You should always be aware that clients may present with one issue but have secondary concerns that also need addressing.

You must develop keen observation skills and use appropriate assessment tools and questioning to identify client needs.

Client preferences

Your clients seek effective, personalised services. They want their concerns and issues listened to and resolved as quickly as possible. Because clients have different preferences, some will prefer the convenience of using technology to communicate, such as email, while others will prefer talking face-to-face or on the telephone.

Client values and beliefs

Values and beliefs are the principles, standards or qualities that an individual or group of people hold in high regard. We all have our own values, beliefs and attitudes that we have developed throughout the course of our lives. Our family, friends, community, our cultural background and the experiences we have had all contribute to our sense of who we are and how we view the world. Values and beliefs guide the way we live our lives and the decisions we make.

So too, your clients' values will be influenced by those of their family, culture, religion, education and social group. To communicate in a way that meets the needs of your clients and helps them feel empowered, you must be aware of your own personal values, beliefs and attitudes, and be prepared to adopt the professional values of your industry. You should not try to impose your own ideas on your clients.

Comply with cultural expectations

Culture is a shared and learnt system of values, beliefs and attitudes that shapes and influences an individual's perception and behaviour. You should always take care to be respectful of a client's cultural obligations and traditions.

The increasing cultural diversity of Australia's population has a number of implications for businesses. These include how to best meet the needs of people who come from culturally diverse backgrounds, how to reduce the barriers they face in communicating and how to develop the skills to better understand clients' cultural obligations.

Culturally appropriate styles of communication must be used for specific cultural groups. You should have an understanding of how a person's cultural background is reflected in how they think, feel and act. Managers who understand a client's cultural needs can provide services that best match their beliefs and preferences.

Consider the following elements of cultural diversity.

Religion
A person's religion or spirituality may affect many areas of their life such as their daily practices, dress, relationships and customs. For example, men of Islamic faith need to pray at regular intervals throughout the day; Buddhists consider it offensive for another person to touch them on their head, as the head is sacred. You should ensure that you respect your client's religious needs by ensuring they have the opportunity to pray or carry out other practices, if the client wishes.
Dress
Clothing can be an important part of a person's culture; for example, Moslem women may be required to dress modestly in loose clothing that covers their body and may also cover their face and hair. You should always make sure you are dressed appropriately when working with clients who have strict dress codes.

Customs and etiquette
Most cultures have particular forms of etiquette that are strictly adhered to within their own community. For example, in some cultures touching is not acceptable and would be considered offensive or rude. In Aboriginal and Torres Strait Islander culture people have protocols for referring to an individual who has died. You should make sure you are aware of and respect different customs and etiquette when working with people from other cultures.
Relationships
Some cultures have clearly defined roles for males and females and for different family members. You should ensure you understand the cultural obligations of different cultures and avoid transgressions where possible. To gain an understanding, you should ask someone within the culture or contact an appropriate cultural liaison officer or ethno-specific service that can give you appropriate information and/or training.

Research other cultures

Find out as much as you can about the cultures of the clients you work with by:

- conducting research using the internet
- visiting your local library
- joining a local cultural group
- asking a person from a local culture about their country's traditions and beliefs
- viewing relevant videos.

Follow organisational policies and procedures

Many organisations have formalised policies and procedures in place that operate as guidelines for all staff when interacting with clients.

All staff are obliged to work within certain boundaries and adhere to the standards, policies and procedures set by your organisation. Examples may include policies and procedures on how to greet or approach a client, the method of responding to client enquiries, sales methods and techniques, or the method for handling client complaints.

Organisations formalise client policies and procedures to ensure staff:

- treat clients consistently to a desired standard
- act in a certain manner every time when dealing with clients
- know what steps to take in all situations, particularly when clients are unhappy or have complaints
- deliver service in a manner consistent with the organisation's overall goals and objectives, particularly in knowing who is responsible for certain products or services
- comply with legal policies, guidelines and requirements.

Data collection and reporting

Gather as much relevant information as possible about your clients to provide appropriate products and services for them. By seeking information from a range of appropriate sources, you will gain a better understanding of the range of issues your clients are dealing with.

Your organisation may develop a client database to effectively store and analyse client information, track client interaction, and provide ease of access when searching in the future.

The use of technology is essential in the modern management and collection of information on client service. Outdated paper-based systems are no longer suitable for accessing the right information at the right time. Even though the collection of data may be a manual process, manual data should be entered into IT systems to allow for ease of storage and analysis.

Here are some requirements necessary to effectively manage a client database.

Accuracy

It is imperative that all data collected on clients is accurate. Reliable decisions on client communication strategies can only be made when founded on accurate and reliable information. Hence, the use of technology in collecting and analysing data is preferable; manual systems that are prone to human error should be reduced.

Accessibility

The client data collection and reporting system must provide information for people within the organisation whenever they need it. Information must be easy to obtain 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 that provide staff with ready access to the information they need.

Clarity

The information collected and processed on clients must be clear and easy to understand. Information systems must provide reports and summaries in a format the recipient can interpret, as even the best information on client service performance is useless if the person receiving it cannot understand it.

Storage

Client information must be stored reliably and safely so that it can be referenced in the future to identify trends in client service and compared with other 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. This data can then be easily accessed in the future.

Consistency

When analysing client information, it is important the data collected is recorded, stored and presented in a consistent manner and format. Doing this allows the organisation to compare client information results over time to identify successful service and communication strategies and areas for improvement.

Continuity

Effective systems continually collect client information. What clients want and need, and how they feel, changes over time and information must be continually collected. Data collected during the previous year becomes outdated and irrelevant for decision-making. Your organisation must have systems in place that continually collect client information.

Example: initiate communication processes

Josh is a client liaison manager for a corporate travel management company based in Sydney. He works with businesses that use the company's service for organising and booking airline tickets, accommodation and other travel arrangements. Part of his role is to ensure the organisation's communication processes effectively meet the needs of his clients.

One of Josh's clients, Cassandra, manages the travel arrangements for her boss. Josh liaises with Cassandra daily to ensure the travel arrangements are made efficiently and correctly. However, he often has difficulty contacting Cassandra. It is not possible to meet face-to-face as Cassandra works in Melbourne; however, trying to contact her via telephone or email can be frustrating as she is often on other phone calls and doesn't respond to emails until the end of the day.

Cassandra has requested that Josh contact her via text message. She finds this is a great way to communicate quickly while keeping a record of the conversation. Text messaging allows her to respond immediately while in meetings or on the telephone.

While Cassandra's communication preferences are outside of Josh's workplace communications policy, he agrees to the special arrangements so that the needs of his client are more adequately met. Once Josh and Cassandra begin communicating via text message, their working relationship immediately becomes more productive and efficient.

Practice task 4

Complete this table to describe the policies and procedures in place at your organisation, or an organisation you are familiar with, and how they allow you to adjust your communication style and methods to meet the client's needs, preferences, and expectations.

Area	Policies and procedures	Adjusting communication
Client communication		
Access and equity		
Confidentiality and security of information		
Client data collection and reporting		

1E Investigate and act on opportunities to offer positive feedback to clients

You should investigate and act on opportunities to offer positive feedback to your clients. Feedback can be an effective two-way process, especially with well-established business relationships. Your skills and expertise can become an important asset to your clients. Your clients may regularly seek your expert advice to solve a particular problem.

Educate your existing and potential clients about what you do, what advantages there are for them to use your products or services, and what alternatives are available on the market.

You need to provide feedback to your client on what they are doing well, and how your products or services could improve their business, or solve their problem more effectively.

Positive feedback

Offer your clients assistance, advice and positive feedback when appropriate. Through your actions, you can show your clients that they can depend on you. Learning to work cooperatively with your clients is a major factor in developing trust and confidence in your business relationships.

When you offer positive feedback, your clients will develop confidence in your abilities, trust your opinions and advice, and return to you should they have additional needs or problems to solve. Your clients will feel encouraged and empowered if you affirm their choice of products, services, systems or processes. You can then offer advice or feedback that may improve the productivity, efficiency and cost-effectiveness of their business.

When opportunities arise to offer your clients feedback, ensure that you respond promptly and positively. If your client feels as though you are being critical of their choices, you could lose their business or damage the working relationship.

Here are some examples of opportunities to offer positive feedback to clients.

Positive feedback opportunities
Assist the client to select and purchase the most appropriate products and services.
Advise the client on how to cut costs and save money for the business.
Positively reinforce the client's product or service selection.
Affirm the client's ability to acknowledge their need for assistance or organisational change.
Praise the client's implementation of new products, services, systems or processes.
Thank the client for their business, or for communicating effectively.
Explain to the client how the business relationship has been positive for you.

Example: offer positive feedback

Sana is the manager at an IT solutions company that helps its clients to align business processes and information communication and technology systems with organisational goals.

One of Sana's clients, Bill, is the owner/manager of a small insurance broking business. Bill does not have a good understanding of IT systems and has come to Sana for her advice on updating and improving his current IT system to make the business run more efficiently.

Sana visits Bill at his office and notices that his IT system is very old and running very slow. Bill tells Sana that he is proud of his business and the set-up of his office, but admits the technology might be a little dated. Sana congratulates Bill on his success and affirms his need to update his IT system.

Sana offers a range of solutions for Bill that are appropriate and practical for the size and needs of his business. She also offers a range of prices to ensure Bill's decision is cost-effective. Sana suggests to Bill that he consider doing some free training on using his new IT system by sitting with Sana at her workplace. Bill agrees and thanks Sana for her advice and feedback.

Practice task 5

1. Reflect on your experience working with clients. How do you feel about providing feedback to clients?

2. Describe how you can create opportunities to offer feedback and educate your clients.

Summary

1. Understanding different communication styles allows you to read and respond to your clients more effectively.
2. Communication channels should be free and open. Clients should feel comfortable approaching you about all sorts of issues, without fear or accusation.
3. You can establish rapport with your clients by using effective verbal and non-verbal communication skills, and by asking open-ended questions that promote two-way communication.
4. As a team leader, you must adopt new ways of engaging and communicating with the changing demographics and diversity needs of your clients.
5. Your focus should always be on meeting your client's needs, preferences, values, beliefs and cultural expectations in all of your interactions with them.
6. Feedback can effectively become a two-way process, especially with well-established business relationships. Your skills and expertise can become an important asset to your clients.

Learning checkpoint 1
Initiate interpersonal communication with clients

This learning checkpoint allows you to review your skills and knowledge in initiating interpersonal communication with clients.

Part A

1. Describe three reasons for using preferred client communication styles and methods.

2. Describe two qualities necessary to establish rapport with clients.

3. Explain the difference between verbal and non-verbal communication using examples of techniques used to interact with clients.

4. Explain what is meant by two-way communication.

5. Describe two organisational policies and procedures that relate to client interaction.

6. Describe three opportunities when positive feedback could be offered to clients.

Part B

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

Case study

Eva is a banking specialist at a credit union. It is her responsibility to deal with international finance enquiries and transactions for clients, including documentation for importing and exporting. As part of her role, Eva frequently interacts with clients who are culturally and linguistically diverse. She understands the importance of showing consideration for the cultural factors that influence her client relationships and work practices, and of delivering a culturally appropriate service.

One of Eva's existing clients, Chi Ming, is of Chinese descent and runs a successful retail business in Australia and Malaysia. Chi Ming speaks with a very strong accent which is hard to understand.

During her meeting with Chi Ming, Eva explains a number of international banking concepts using terms and references that she uses to communicate with clients on a daily basis. While she is giving the information, she notices that Chi Ming is shifting uncomfortably in his seat and his facial expression shows confusion. From his non-verbal cues, Eva discovers that Chi Ming is unsure about the information she is trying to convey.

Eva recognises the need to alter her personal communication style in response to Chi Ming's needs and preferences. She identifies that Chi Ming might better understand the information if Eva provides the information in his first language. The credit union has a policy which allows Eva access to a language assistant to facilitate communication between herself and her linguistically diverse clients. Eva arranges another meeting with Chi Ming and invites a language assistant to attend, who speaks the same Chinese dialect as Chi Ming.

Chi Ming thanks Eva for applying communication techniques that show respect for his particular needs as he now fully understands important information relating to his business banking requirements.

1. Explain why it is important for Eva to use Chi Ming's preferred communication style and methods.

2. Describe how Eva uses active listening to gain important information about Chi Ming's communication needs, preferences and expectations.

3. If Eva did not have access to a language assistant, describe three ways she could participate in spoken exchanges with a range of linguistically diverse clients using structure and language to suit her audience.

4. Describe how Eva could interpret information from a range of sources to determine and adhere to the communication techniques required to establish rapport with other culturally diverse clients. Provide one example.

Topic 2
Establish client relationship management strategies

Client relationship management is about the principles, practices and guidelines that an organisation follows when interacting with its clients. It is a management philosophy for best achieving your business objectives through identifying and satisfying your clients' needs, preferences and expectations. Client relationship management encompasses not only direct client interactions, such as sales or service related processes, but also the forecasting and analysis of client behaviours and trends, which ultimately serve to enhance the client's overall experience.

Organisations establish a variety of client relationship management strategies, most of which involve the use of technology to organise, automate and synchronise information relating to its interactions with current and future clients.

In this topic you will learn how to:

2A Develop client loyalty objectives focusing on the development of long-term business partnerships

2B Assess client profile information to determine approach

2C Develop client loyalty strategies to attract and retain clients in accordance with the business strategy

2D Identify and apply client care and client service standards

2A Develop client loyalty objectives to build long-term business partnerships

Many organisations develop client loyalty programs with incentives for clients as a way of retaining their business. It is essential that you first develop client loyalty objectives that meet your organisation's strategic direction and cultivate long-term business partnerships with your clients. Retaining a client is far less expensive than trying to gain a new one. Dissatisfied clients often share their experiences with others and poor organisational performance could translate into a diminished client base.

To gain loyalty from your clients, you must first commit yourself to excellence in all areas of your organisation so that your clients reward you with their repeat business and dedication. You build loyalty through an ongoing process of getting to know your clients better, adding value to their businesses, and developing trusted, personal relationships with them.

Client loyalty levels

Developing client loyalty starts with selecting the right clients to invest in. In the *Handbook of Customer Satisfaction and Loyalty Measurement* (Hill & Alexander, 2006), the authors define a hierarchy of client loyalty levels ranging from suspects to partners. A loyal client becomes a business partnership, which helps you achieve your business objectives.

Hierarchy of client loyalty levels
Suspects: those who are unaware of your product or services, or have no intention to purchase it.
Prospects: those open to doing business who have not yet invested in your products or services.
Customers: those who have purchased your products or services at least once but do not have any active affinity with your company.
Clients: those with a positive affinity for your company as evidenced by repeat purchases, but who do not take an active role to solicit business on your behalf.
Advocates: those who actively recommend and support your business.
Partners: those with whom you retain a mutually beneficial relationship in support of common goals for successful business growth.

Client loyalty objectives

An ultimate goal of many organisations is to build strategic business partnerships. Helping your clients to remain viable in the marketplace contributes to increasing your own sustainability.

You can grow your business through your existing clients or by acquiring new clients. Most businesses try to do a combination of both. You should carefully develop client loyalty objectives that coincide with your business growth strategy before implementing loyalty programs.

Many organisations consider objective measures of client loyalty, such as client retention or profitability, to observe the progress of their business growth strategy, yet these are backward-looking results that do not give much insight into what the client is thinking or how they might behave in the future. As a result, smart organisations measure client loyalty using surveys to gain client insight, predict future client behaviour, and proactively solve client loyalty problems.

Here are some examples of client loyalty objectives.

Client retention
Client loyalty objective: to retain existing clients. Client retention occurs when clients remain with your organisation and do not defect to competitors. Research has shown that clients will continue patronising a business or loyalty program because they focus on the amount of points they may have already accumulated. Clients become locked into loyalty programs and continue the interaction regardless of whether they feel attitudinally loyal.
Client engagement
Client loyalty objective: to engage new clients. When shopping for new products, services or suppliers, potential clients may have difficulty differentiating between one business and the next. The existence of a client loyalty program, such as a rewards system, could be what makes the difference between selecting one business over another.
Profitability
Client loyalty objective: to make a profit or gain ‘wallet share’. Clients are likely to increase their purchasing behaviour because they believe in your organisation, brand, product or service. ‘Wallet share’ is a marketing metric used to calculate the percentage of a specific client’s spend for a type of good or service that goes to a particular company. By providing extra incentives, loyalty programs encourage consumers to direct more of their purchases towards your business and less at competitors. Loyalty programs may also enhance the value of your product or service, or neutralise a competitor’s loyalty program.

Client experience
Client loyalty objective: to enable the business to provide special, differentiated service to its best or preferred clients. Loyalty programs provide a means to reward individual clients differently, according to their value to the business. Value could be determined by your client's investment, acquisition of goods or services, or the length of the business partnership. In addition, when clients receive excellent service from your organisation, they are likely to recommend your business, brand, product or service to others who, in turn, become clients.
Client insight
Client loyalty objective: to gain insight into client behaviour and preferences. Loyalty program client relationship management (CRM) systems provide a tool for collecting client data and tracking behaviour. This allows your organisation to identify what the client is purchasing, how much and how often. Using CRM can improve the efficiency and effectiveness of marketing efforts by determining which clients to focus marketing resources on for maximising returns and reducing overall marketing costs.
Marketing effectiveness
Client loyalty objective: to gain insight into the effectiveness of the marketing efforts of your business. Carefully tracking client behaviour can help to identify profitable clients and assist evaluating specific promotions. Loyalty program data tracking allows marketers to determine which clients respond to targeted advertising and in what way, which clients purchase, what they purchase, and how they can best be influenced into making additional future purchases.
Facilitate communication
Client loyalty objective: to facilitate business communication with clients. Successful organisations can use their loyalty program CRM system to stay in touch with clients, ensure that public awareness of the business stays high, and influence clients to make future purchases. Loyalty members can be sent special offers or other promotional material that recognises the client by name and by their specific needs or preferences.
Cross-branding and promotion
Client loyalty objective: to provide cross-branding recognition, or to use the client loyalty program as a tool for collective advertising and cross-business promotions. A business may opt to capitalise on the brand recognition of a higher profile company through affiliation with a common loyalty program, such as Flybys. A client's automatic brand recognition of a well-known loyalty program may entice them to interact with your organisation. Additionally, a business may choose to form a coalition loyalty program collectively with other businesses, to advertise cost-effectively through the loyalty program.

Long-term business partnerships

A strategic business partnership is a relationship that is mutually beneficial to both parties. When this stage of client loyalty is achieved, an understanding of profitability for the various parties is clearly described.

Business partnerships may be long-term formal legal commitments, or short-term joint ventures to test market concepts. Either way, a good strategic partnership achieves performance outcomes that exceed the result derived from either one of the individual parts, such as an increased profile in the industry, increased marketing opportunities or better market share.

Carefully review your clients to determine which relationships would immediately benefit if developed into a long-term business partnership.

Here are some tips on developing long-term business partnerships.

Vision and mission

Create a shared vision and mission

While each party may have different motives in forming the partnership, the overall objectives and methods need to be the same. Discuss your organisation's vision and mission with your partners. Put them in writing and use this as a reference for all partnership decision-making. Identify what motivates each of you.

Needs and expectations

Ensure each partner's needs and expectations are addressed

Each party to a business partnership has their own reasons for being in the partnership. If the underlying expectations of each partner are not met, the relationship can become tense. Share your expectations and find out what your partner needs and expects in the business relationship. Have a plan for when personal or business circumstances change so that expectations can be readdressed.

Identify strengths

Identify and utilise the strengths of each partner

It is easy to overlook the strengths of each individual in the partnership. While obvious strengths will be quickly realised, there may be some underlying strengths that impact on the long-term commitment, motivation and success of the partnership. Discuss and make note of you and your partner's personal strengths and discuss how these apply to the success of the business.

Support limitations

Support the partnership's limitations

The limitations of the partnership must be identified early on. Limitations may exist in areas such as strategy, product/service development, marketing and sales, financial management, administration, personnel and operations management, or partner expertise. A plan must be in place to manage limitations before they negatively affect the business.

Set goals

Set company and individual goals

Individual goals should support company goals. Goals should measure and support the expectations of each member of the partnership. Review and update the goals together with your partners and then have each individual set goals for themselves, depending on their area of expertise. Clearly identifying goals ensures each individual knows what they are accountable for in the business relationship.

Handle obstacles

Handle obstacles, shortcomings and frustrations quickly

Obstacles, shortcomings and frustrations may occur in any business partnership. Handling partnership disagreements effectively is the key element in maintaining a relationship of trust and confidence. Each partner should feel comfortable to approach the other when issues arise. Schedule partnership meetings to ensure communication is open and issues can be resolved.

Define job roles

Define job roles for each partner, including accountability

Lack of clarity around roles and responsibilities can cause frustration and conflict. Ensure everyone knows their role and has clearly defined tasks they must perform for the partnership's success. This ensures each partner is accountable to each other and to the business. Seek advice where there are skills gaps or uncovered tasks that must be completed for the success of the business.

Example: develop client loyalty objectives

Sandra is the sales team leader at an organisation providing wealth management and insurance solutions to individual clients.

The organisation has been commended for the way in which it values and appreciates its clients, its staff, and the community in which it operates. Sandra and her team are committed to acting with the highest standards to meet the organisation's business growth strategy and corporate responsibilities.

The executive management team has asked Sandra to develop a client loyalty strategy with the combined objective of retaining existing clients and attracting new clients.

Sandra and her team come up with an insurance loyalty program that rewards existing and new clients alike.

- When an individual purchases or renews an insurance policy with the organisation, they will start earning points for every dollar of premium paid.
- As the client's points increase, they can redeem them for a wide range of quality merchandise and shopping vouchers with participating merchants.

Not only does the program meet the organisation's client loyalty objectives, it also provides an opportunity to develop long-term business partnerships with participating merchants through cross-promotion. The business partnerships enable both the insurance organisation and the participating merchants to collectively advertise through the loyalty program.

Practice task 6

1. Describe a client loyalty program you take part in as a consumer, or a program you are familiar with. What do you think the client loyalty objectives of the organisation might be?

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2. According to your organisation's business growth strategy, or that of an organisation you are familiar with, what would be a primary objective in introducing a client loyalty program?

3. Explain the importance of developing long-term business partnerships between organisations.

2B Assess client profile information to determine approach

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

It is important that you assess your organisation's client profile information to determine the best and most relevant approach for establishing client relationship management (CRM) strategies. This involves establishing a target market, and developing communication strategies based on individual client profiles.

By using analytical processes to gather relevant information about your existing and potential clients, you can identify and evaluate suitable options for them, and decide on appropriate systems and strategies to effectively manage the client relationships.

Business client profile

No two clients are the same – they all have different 'profiles'. However, the total pool of all potential clients in a market can be broken down into smaller sub-markets or segments of similar clients. Most organisations focus their resources and efforts on targeting only a few of these segments. Very few organisations seek to target every potential client.

Understanding the client profile of your business is critical for efficiently allocating time and resources to seeking new business. Creating CRM strategies with your ideal client in mind helps you avoid wasting time and resources on ineffective and unsuccessful marketing efforts. Through focused and consistent marketing communications you should be able to reach and engage new clients that will grow your business.

Here are some steps to follow to develop your client profile.

Describe and locate your clients

Understand who your ideal clients are and what similarities they possess. Find the places your clients are attracted to – whether a physical location or on the internet – for gathering or seeking information. This could include what your clients read, both online and offline.

Define your clients using the following criteria:

- Geographic variables – where the client lives or operates, such as continent, country, state, region, city, town or suburb.
- Demographic variables – the personal characteristics of the client, such as age, gender, marital status, family size, income level, occupation, education level, religion, nationality or socio-economic group.
- Psychographic variables – personality type, personal values and attitudes, or lifestyle choices.
- Behavioural variables – factors such as the benefit sought in purchasing a particular product or service, where the client prefers to purchase from, level of brand loyalty, product usage rate, purchase rate, or when the client prefers to purchase.
- Demographics – age, gender, income, education, occupation, geographic location, industry, products or services offered, number of years in business, number of employees, etc.

Client purchasing processes
Review why your clients need and benefit from purchasing your particular product or service. Find out where your clients begin their research, or the type of advice they initially seek. Identify the client's need or problem and consider the benefits to finding a solution. For each client type, approximate the importance of benefits. Combine client types with similar importance levels to identify the market segment with the most buying potential.
Connect with existing clients
Reach out and connect with your existing ideal clients to gain additional insight into what made them select your business over others. Gather formal and informal feedback to find out why the client originally chose your organisation, why they continue to do business with you, and what your business does that your competitors do not do.
Create client profile
Once you have focused on a target market, examine the profiles of individual clients more closely. Ensure that the profiles are tangible so that you can envision this person and what would motivate them to engage with your organisation. You could describe your clients using written profiles, creating a specific persona for each identifiable client group.

Client relationship management

CRM is the ensemble of strategies, processes and systems that help you develop long-term clients and business partnerships. Consider how your clients would like you to manage your relationship with them. You and your team members should be equipped with the appropriate authority and resources to grow client relationships in accordance with business objectives, strategies and processes.

Consult a range of sources and gather relevant information that helps you identify and evaluate the best strategy to manage client relationships within your organisation.

Client profile

Understanding your client assists you to understand the issues and challenges you may face in client interactions.

The needs and preferences of your clients depends on their individual differences. Consulting client data helps you learn what does and does not engage them. Consider enhancing client interaction via new technologies that create a more personal approach to client communications, such as the use of smart devices, video and social media.

Client loyalty objectives

It is critical that you do your research and are very clear from the outset about what your key client loyalty objectives are going to be, both in the short- and long-term. You should know what you want to achieve and ensure objectives are aligned with your organisation's strategic plan. Identifying business growth objectives will greatly assist you in selecting the most appropriate CRM strategy.

Organisational processes

A CRM strategy looks holistically and consistently at the organisational processes and systems that deal with clients, including marketing, sales, ordering, client care, technical support and business intelligence. It should span all interaction channels, including your call centre, retail branches and outlets, web and mobile self-service, and service partners.

Before you implement any CRM strategy, ensure a data collection policy is in place that protects the security of client information.

Client loyalty strategies

The foundation of your CRM strategy should consider the range of capabilities your organisation has. Your business processes, technology, and human resources will all form part of the client experience. Identify critical business dates or milestones. The introduction of new products or services, limited offers or discounts, or the launch of loyalty programs will allow you to determine critical timing when developing CRM strategies.

CRM strategy

Conducting a thorough analysis and evaluation of client data will help you develop the best CRM approach for your organisation. It will also help you decide whether or not you require expert advice in the development of your CRM strategy.

A comprehensive CRM strategy includes business objectives, data strategy and analytics, communications planning, channel strategy, content strategy, technology, continuous improvement and metrics. Once a CRM strategy has been chosen, you should ensure that ongoing processes are in place to monitor, measure and improve the CRM system.

Wider organisational goals should be considered as these will guide you in addressing the components of your CRM strategy. The goals of a client-centric business may be to find, attract and win new clients, or nurture and retain those the business already has. Becoming client-focused and client-driven means running all aspects of the business to satisfy the clients by addressing their requirements for products, and by providing high quality, responsive client service.

Your CRM strategy should address the following components:

- The cultural readiness of your organisation to adopt a client-focused approach to business
- Client relationship objectives
- A clear vision of what good CRM looks like across the organisation
- Clearly documented business client profiles
- A communication plan for sharing CRM strategy information and data within the organisation
- An implementation plan, including a feedback mechanism
- Clear descriptions of roles and responsibilities in terms of managing the CRM strategy
- The selection of appropriate software to support the organisation's unique CRM strategy

Develop a communication strategy

Once you have assessed your client profile, use it to guide all your marketing efforts.

Your communication strategy should maintain client contact, adhere to organisational time lines, and provide mechanisms for receiving client feedback. Develop an action plan that guides you and your team members on how to initiate client contact, and when to follow-up.

A good communication strategy strengthens client relationships and turns referrals into loyal clients. It should outline the types of communication methods to use, based on your clients' needs and preferences.

Here are some examples of client communication strategies.

Phone and face-to-face

There is no substitute for face-to-face contact. With the excessive use of technology in today's marketplace, business communications are becoming less personal. Engaging with your clients face-to-face or via the telephone is the most effective way to initiate interpersonal interactions. Ensure you schedule calls and visits at times that suit the client, and set reminders so that you never miss an appointment.

Email

Sending email messages is an effective way to communicate specific schedules or marketplace conditions that directly relate to your client's business or investment interests. It is useful for quickly reaching a large client base with information that generally affects the interests of all clients.

Information should be succinct, professional and timely. Ensure that your clients are happy to correspond via email. Stay current with legislation relating to electronic marketing.

Social media and mobile communications

Identify the responsiveness of clients to social media and mobile communications. This can be accomplished by incorporating survey questions on social media into CRM strategy planning, evaluations, and client needs assessments.

Identify your client's preferred platform, the type of content to post, the frequency of posting, and the time they are most receptive to communications.

Newsletters

Distributing a newsletter that contains useful information and resources for your clients can add real value to business relationships. Newsletters deliver reminders and new information about your organisation without the client having to request it. Make sure the business contact information contained in the newsletter is up-to-date so that should the newsletter be passed onto a potential client, they can easily contact your organisation.

Personalised cards

Sending personalised cards is a simple but effective way of maximising client relationships. Taking the extra time to celebrate a client's birthday, thank them for their business, or congratulate them on an anniversary demonstrates to your client that your organisation cares for the individual and their business.

Community visibility

Never underestimate the value of getting involved with your community. Participating as a volunteer, tutor, coach, board member or sports competitor demonstrates your desire to give back to the community that rewards you with business opportunities.

In developing your communication strategy, you should allocate time and resources for community participation to develop business and improve your organisation's reputation.

Select CRM software

CRM software allows you to securely and efficiently manage comprehensive client information and sales opportunities, track marketing campaigns and sales activity, and gain important insights into client behaviour.

CRM software consolidates client information and documents into a single CRM database so business users can more easily access and manage it.

CRM software can record client interactions over email, phone calls, social media or other mediums, and automate various workflow processes such as tasks, calendars and alerts. This allows you to track performance and productivity based on the information logged within the system.

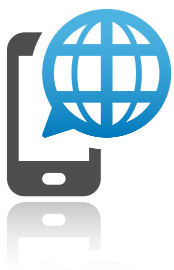
Here are some common features of CRM software.

Marketing automation

CRM software can automate repetitive tasks to improve marketing efforts to clients at different points in the lifecycle. For example, as sales prospects are entered into the system, the system can automatically send these potential clients marketing materials via email or social media, with the objective of turning a sales lead into a client.

Sales force automation

Sales force automation prevents duplicate efforts between a salesperson and a client. A CRM system can automatically track all contact and follow-ups between both the client and the organisation.



Contact centre automation

Contact centre automation may include pre-recorded audio that helps with client problem-solving and distribution. Various software tools that integrate with the agent's desktop tools can handle client requests, cutting down the time of calls and simplifying client service processes.

Location-based services

Some CRM systems include technology that can create geographic marketing campaigns based on your client's physical location. Geolocation technology, or location-based services, can be used as a networking or contact management tool to find sales prospects based on geographical location.

Example: client profile information

Tracey is the sales team leader at a brand new wholesale children's clothing store, 'DesignaKidz'. The business objective is to source designer children's clothing from around the world and supply apparel to boutique retail stores within Australia.

The business owner, Caleb, schedules a meeting with Tracey to discuss a marketing and business development strategy. Caleb wants to generate a reliable client base of boutique retail stores that will eventually transform into long-term business partnerships. Before they begin, Tracey must first develop the business client profile as this will guide the organisation's marketing efforts and CRM strategy.

Tracey uses social media to gather interest from potential clients. She posts an announcement requesting that interested parties provide their email address to receive further information about DesignaKidz.

Once Tracey has gathered the contact details of at least 20 retail boutique stores, she sends personalised emails to each business requesting they complete a short survey to help her identify their needs and preferences. The survey requests the following information:

- Industry
- Number of employees
- Type of business
- Geographic scope of business
- Revenue levels
- How they found out about DesignaKidz
- Why they would consider purchasing from DesignaKidz
- The types of products they would like DesignaKidz to stock
- Any issues they have in obtaining stock from current suppliers

Tracey reviews the responses and writes a profile of an ideal DesignaKidz client. DesignaKidz continues to generate a lot of interest on social media and Tracey gains helpful insight into her target market.

Practice task 7

1. Research your organisation, or an organisation you are familiar with, and describe its client profile.

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2. Describe what a client relationship management (CRM) strategy is and its purpose.

3. List a range of communication strategies to best communicate with clients based on their preferences and accommodating their individual differences.

4. Why is it important to consider wider organisational goals when developing client relationship strategies?

2C Develop client loyalty strategies to attract and retain clients in accordance with the business strategy

Once you have identified your client loyalty objectives and created a business client profile, you can develop a loyalty program that encourages client relationships beyond the initial purchase.

First, develop a set of client loyalty strategies to attract new clients, retain existing clients, and build long-term business partnerships. Client loyalty strategies help organisations stand out from their competitors by showing how their clients are the primary focus of their business.

Once a client has joined a client loyalty program and the relationship is established, you can develop new opportunities to communicate with the client about other products and services and ways to enhance those in existence.

Client loyalty strategies

A client loyalty strategy is a tailored marketing plan that rewards clients for their participation and brand loyalty. Client loyalty strategies are a means of growing your business in a more deliberate way.

However, without proper research or foresight, a loyalty strategy can be cumbersome, costly and ultimately a liability. It is essential that client loyalty strategies align with business objectives and client information to ensure programs are designed and implemented in a way that will capture meaningful data.

Here are steps you could follow to develop a client loyalty strategy.

Build a strategy plan

All components of your client loyalty strategy should be carefully and clearly considered, such as timing, cost, branding, value-proposition, attractive incentives and rewards, loyalty currency and marketing channels.

The development stage is a good time to consider what other information you may want to capture about your client base. Loyalty programs are a great opportunity to gain insight into client behaviour.

Embrace a loyalty mindset

For client loyalty programs to work, senior management must be willing to drive the strategies and train and motivate team members to implement the program effectively. Each department within your organisation must fully understand, support and embrace the loyalty strategy selected.

An organisation-wide loyalty mindset offers the highest possible success rate to impact your company's bottom line.

Select relevant rewards

Whatever loyalty strategy you decide to offer, make sure it represents value to clients and works in your favour. Keep your rewards range as broad as possible to ensure a variety of client preferences are catered for.

Your organisation should be authentic and honest about why you are running the client loyalty program and what your business objectives are. The rewards and program rules should be consistent so that clients do not become confused by the program.

Set up the system

Systems must be put in place to effectively run a client loyalty program. Depending on the sophistication of your loyalty strategy, there may be many tasks to consider, such as the process of registering, identifying and tracking your loyalty clients, as well as planning and implementing the rewards program.

Flexible software should be used to efficiently set up promotions, run client data reports and change program options.

Market and launch the loyalty strategy

After careful planning, research and development, it is time to promote and launch the client loyalty strategy. Make sure you allocate sufficient time to build interest in your program before its launch. This can be achieved through in-store promotion, online marketing, receipt messaging, email, text and social media.

Make sure you display and explain the program rules in a simple and concise message so your clients clearly understand how the program works.

Measure the success of the loyalty program

To gauge the success of your loyalty strategy, think about return on investment (ROI) measurements. Consider the program's goals and benchmarks and how they contribute to ROI. You should develop a client loyalty strategy with measureable objectives in mind and structure it to be ROI positive from the start.

You may consider researching CRM programs, benchmarking against a control group, or experimenting with different key indicators.

Types of client loyalty strategies

Your organisation can use a variety of client loyalty strategies to attract and retain clients. When clients become involved in a business-driven loyalty strategy, they should be able to immediately see the benefits from loyalty incentives.

Not all client loyalty strategies will suit all businesses or suit all clients. Selecting client loyalty strategies that align with business objectives and client profiles will ensure your strategy adds value to both your client and your business.

Here are some examples of client loyalty strategies.

Client loyalty strategies	
 	**Financial incentives** Client loyalty strategies may attract financial incentives for participants. Strategies may include: • credit facilities • discounts. For example, a member of a health insurance fund might receive a discount on their premium for successfully referring friends or family to the same health insurance provider.
 	**Special offers** Client loyalty strategies may provide participants with special offers at the exclusion of non-participating clients. Strategies may include: • added value offers • anniversary offers • offering promotional items • thank you gifts and promotions. For example, a car manufacturer might offer a free roadside assist membership for a limited period with the sale of a particular vehicle model.
	**Premium services** Programs may provide participants with premium services from the issuing organisation. Strategies may include: • private or dedicated facilities • a ranking such as silver, gold and platinum service • access to dedicated staff • formal letters of thanks • a handwritten note thanking the client • a phone call thanking the client for their business • regular contact with best clients through functions only available for these clients. For example, a bank might offer particular clients a personalised service with their own one-on-one relationship manager, in return for a fee.

Rewards

Participants are rewarded when they frequently make purchases, are provided advanced access to new products, or are given special offers or free merchandise. Strategies may include:

- rewards and recognition, such as offering shopping nights only for loyalty club members
- client clubs
- client reward schemes
- frequent purchaser programs.

For example, airlines offer frequent flyer programs that offer rewards and privileges to clients who frequently travel with the airline. Rewards include discounted flights and access to members' airport lounges.

Measure loyalty strategies

As with any initiative your organisation puts in place, you must find a way to measure the success and productivity of your client loyalty strategies. Different companies and programs require different analytics, although there are a few common metrics that organisations watch when rolling out client loyalty programs.

Here are some strategies for analysing the success of a loyalty program.

Metrics to assess the productivity of loyalty strategies
Client retention rate This metric is an indication of how long clients stay with, or continue to do business with, your organisation.
Negative churn Churn refers to the rate at which clients leave your company. Negative churn is a measurement of clients who do the opposite – those who upgrade or purchase additional services.
Net Promoter Score (NPS) NPS is a client satisfaction metric that measures, on a scale of one to 10, the degree to which clients would recommend your business to others.
Client/Customer Effort Score (CES) CES asks clients to measure the amount of effort they personally had to put forward to solve a problem with the organisation. CES measures client experience.

Example: develop client loyalty strategies

Bruce is the owner of a well-established timber and hardware store. His clients include a large number of electrical contractors.

Bruce does not have the time or resources to develop a client loyalty strategy himself. In an attempt to attract new clients and retain existing clients, Bruce partners with a full-service marketing firm to implement a client loyalty program that rewards electrical contractors for their purchase of products, supplies and components distributed by Bruce's store.

The program is geared to engage members for the purpose of increasing Bruce's share of a highly competitive market.

Members earn points which can be redeemed for a huge range of merchandise and travel rewards. Members can also earn a second currency called 'construction bucks' which enables them to engage in online auctions for old stock or merchandise prizes on a regular basis.

After running a pilot version of the program, members report a high level of satisfaction with both the program and the rewards they can easily earn and access. As a result, client retention and sales and profitability objectives have exceeded Bruce's expectations.

Practice task 8

1. Describe the client loyalty strategies used by your organisation, or an organisation you are familiar with, to attract new clients and retain existing clients.

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2. What benefits do you see from participating in a client loyalty program?

3. Explain why it is important to align client loyalty strategies with business objectives and client information.

2D Identify and apply client care and client service standards

Client care and service standards are the procedures relating to technical and service issues that ensure a smooth and satisfying experience for your clients.

Many organisations believe they will be primarily assessed according to their technical expertise rather than how that expertise is delivered. This can often cause a gap between what the client needs and expects, and what the organisation offers. With the wider use of information technology, and the increasing availability of information, many organisations are becoming more focused on client care and service delivery as a catalyst for business growth.

It is important that you identify and apply client care and service standards based on business objectives, organisational objectives and client profiles to establish a successful client relationship management (CRM) strategy.

Identify client care and service objectives

The importance of client care and service cannot be overestimated. The level of service your client receives is just as important as your knowledge of the products and services offered to them.

Excellent client care and service can lead to increased client retention, fewer complaints, client development and cross-selling opportunities, increased referrals, positive brand appeal, and improved morale within the organisation.

A complete client care strategy should involve a mixture of policies, processes, procedures and checklists to facilitate effective client care. Your organisational culture should support team members in their efforts to provide quality service. Client feedback and complaints information, as well as your own observations, should provide you with the information you need to identify the strengths and weaknesses in your service, and to continuously improve.

Effective client care and service is based around a number of overlapping objectives. Some of these objectives are shown here.

Focus on client service needs

You should focus on your client's service needs, not just the product or service they require. Clients need more than just your technical skills; they also need trust, confidence and positive experiences.

Manage expectations

Identify and address any assumptions held by the client, or held by you, which could lead to later misunderstandings or conflict.

Keep the client involved

Keep the client involved and in control. Clients should not feel as though they have handed over all responsibility to you to make a decision for them. Ensure you keep your client regularly informed on the progress of their order, service or business, including any changes to costs or time frames. Even when there are no changes, stay in contact with your client to reassure them that everything is on track.

Make clients feel important

Many clients will leave an organisation, not because of problems with the quality of the products or services received, but because they do not feel valued by your organisation. If your client is not included in making decisions, or not given a reasonable number of options and solutions, they may feel neglected by your organisation.

Develop good communication skills

While not everyone is a natural communicator, we can all learn the skills and techniques necessary to interact with clients on an interpersonal level. Your organisation should have a client communication strategy in place and ensure team members are trained and motivated to develop effective communication skills.

Identify client care and service standards issues

A range of issues will be commonly addressed in client care and service standards in your industry. The consequences of not complying with or adhering to your organisation's client care and service standards could be timely, costly and detrimental to your company's reputation.

Another organisation will almost certainly be providing a similar product or service for savings in either time or cost. So it is essential that you distinguish your organisation in the way you respect, serve, and care for your clients.

Product information

Product accuracy has become increasingly important with the growth in the automated marketplace. To ensure you provide your clients with a high standard of care and service, it is essential that product descriptions, availability time lines and pricing data are calculated and entered correctly. If the information provided to clients is not reliable, they are more likely to find other companies that will meet their expectations.

Your organisation should have protocols in place to deal with situations where product information has been inaccurate. Taking returns, apologising to clients or reissuing correct products can be time consuming and costly to your organisation.

Billing issues

Billing issues are critical in maintaining a positive working relationship with your client. Hours billed for services rendered, the costs of goods and materials, and billing schedules should be clearly outlined in organisational policies and procedures. From a client perspective, there aren't many issues as emotionally charged as billing issues. Overcharging a client or providing an incorrect estimate can be devastating to a client's expectations and may lead them to use an alternative company to fulfil their needs.

Client contact issues

Your organisation should have clearly defined client contact processes in place. Correct contact information must be accessible along with your organisation's contact hours and location. You should respond to client queries or messages as quickly as possible.

When making contact with your clients, you should use interpersonal communication skills. Regardless of the communication methods used, your tone of voice or choice of written words is essential in conveying a positive attitude and building client relationships of trust and confidence.

Order delivery standards

Your organisational delivery standards must be maintained to ensure client satisfaction. Because delivery often involves a third party, your clients are more inclined to show understanding and forgiveness for delays. However, it is your responsibility to inform your clients should delays or other delivery issues arise.

Organisational delivery standards should ensure that:

- the right product or service is delivered
- delivery is made to the right person at the correct address
- delivery is made on time
- delivery staff are polite, helpful and maintain a professional appearance
- delivery vehicles are parked properly
- client delivery instructions are carefully followed
- a delivery tracking service is in place.

Complaints

Each complaint received by your organisation is an opportunity to prove you are service minded and concerned about each client and their particular needs. Standards for client complaints are important to avoid conflict. A complaint may indicate the potential for a larger issue. Addressing and managing client complaints efficiently and graciously gives your organisation an opportunity to improve and is likely to build client loyalty.

Feedback is now readily available on the internet and potential clients will often do their research before they do business with your organisation. It is essential that you distinguish your organisation by gaining a reputation based on exceptional client service. Negative ratings or comments could be detrimental to your organisation's profitability and reputation.

Apply client care and service standards

Make sure all staff are aware of client care and service standards and how they are to be applied. Provide additional training if required and monitor staff performance regularly to ensure procedures are followed and high quality services are maintained.

Here are some examples of client service areas and standards.

Prompt client service
Follow the specific standards expected by the organisation in serving clients and responding to their enquiries. For example: Email enquiries from clients must be forwarded to the relevant person within the organisation and answered within two business days.

Order processing and delivery times
Apply the standards set for the time frame within which client orders must be processed. This defines the total time allowable between when the client places an order until the time the client receives the product or service. For example: All client orders must be delivered within 10 business days from the time the order was placed.
Client accessibility
Make sure clients can contact the organisation by a variety of methods. For example: The organisation may state that it can receive queries from clients via an internet homepage, an email address for client enquiries, a business phone number, a fax number, or a postal address.
Business hours
Make sure clients can contact the organisation during the hours it is open for business, as well as the hours during which clients can contact it. In some organisations, such as banks, the business may only be open to staff from 8.00 am and open for customers from 9.30 am.
Separation of responsibility between departments
Know which person, team or department is responsible for which areas of client service. This is particularly important for larger organisations where collaboration between people or departments is required when serving clients. For example: A customer service charter may state which person, team or department is responsible for processing client orders, or for resolving client complaints and disputes.
Pricing policy
Apply the organisation's overall pricing policy. This is usually done broadly in terms of where the business prices itself in the market (high-end versus low-end) and may include a commitment to guarantee the lowest cost or to match or beat competitors' offerings. Be aware of what staff can and cannot offer a client.
Refunds, returns and exchanges policy
Be aware of the circumstances under which the organisation allows clients to return or exchange items and under what conditions refunds will be issued. Follow the procedures that clearly specify aspects such as: • the time frame in which products can be returned • any purchase amount limits that apply • staff/manager approval requirements • presentation of receipt conditions.

Guarantees and warranties
Abide by the 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 client with an accurate view of any conditions or restrictions that may apply to prevent misunderstandings later on. For example: The organisation may guarantee the exchange of an item because of a manufacturing defect but not damage through normal wear and tear.
Staff
The politeness, helpfulness and presentation of staff leave a lasting impression on clients. Follow the organisation's dress standards (if applicable). Stress to your team that they should always present themselves in a friendly, welcoming manner with neat hair, clean nails and tidy clothes.

Follow organisational requirements

There are several organisational requirements to consider when applying client care and service standards. These are issues that will affect any actions taken to improve client service.

Meet organisational requirements for client care standards by:

- complying with organisational goals and objectives to ensure your work practice contributes to meeting service targets
- knowing each client profile so you meet and exceed client needs, taking into account differences in their backgrounds, abilities and preferences
- following policies and procedures so you know what steps to take in all situations, particularly when clients are unhappy or have complaints
- knowing who is responsible for certain products or services
- applying designated quality assurance procedures
- following procedures set down for client loyalty programs.

Understand ethical requirements

Clients are reluctant to engage in business with organisations possessing a poor ethical image. Honesty and integrity are critical elements of a successful CRM strategy. Ethics provide a set of rules and principles to guide your actions in a general sense, but they do not equip your organisation for responding to the specific needs of different clients.

Try not to over-rely on ethics and technical skills as the most important drivers of service standards. Most client complaints about poor service can be attributed to administration, management and communication failings rather than either ethical or technical incompetence.

Nevertheless, your organisation should implement procedures to ensure all services and responses to clients comply with duty of care, industry codes of conduct and accepted standards of ethical behaviour.

Duty of care

When working with clients, you and your organisation need to be aware of any legal or other responsibilities. These may include statutory requirements relating to consumer law, work health and safety, privacy or anti-discrimination. You should provide inclusive programs that do not discriminate against clients from other cultural backgrounds or who have special requirements because of a disability.

Codes of conduct

An over-reliance on regulatory codes of conduct, as opposed to seeking client feedback, may lead to poorer rather than higher standards of service because codes of conduct can only set minimum standards or benchmarks. In some industries, the market is better equipped to regulate, alongside varying degrees of government intervention. Such client-led regulation is often highly effective; improving service much more efficiently than any code of conduct.

Ethical principles

Your organisation's client care and service standards should align with the ethical principles that generally guide the way your organisation conducts business. You should not engage in any unethical behaviour, such as overcharging, misleading the client, failing to advise appropriately, undertaking work outside your area of expertise, or poor management of any personal or professional conflicts of interest. Doing so would be a considerable breach of your client's trust and may be punishable by law.

Understand legislative requirements

An organisation's operations and products or services are frequently subject to legal requirements. For instance, articles of clothing sold must display washing instructions; children's nightwear must have fire safety labels attached; food hygiene and handling laws mean that staff who prepare or sell food need to be aware of the correct handling, storage and cooking methods.

Organisations must ensure they fulfil their corporate and legislative responsibilities to remain fair and equitable in the marketplace. Your organisation should have embedded legislation into its policies, procedures and practices.

Here is a range of legislative requirements that organisations must comply with.

Australian Consumer Law

The *Competition and Consumer Act 2010* (Cth) is generally known as Australian Consumer Law. Under this law, consumer rights are protected with products and services sold automatically covered by a blanket guarantee requiring items to be fit for their purpose; free from defects and faults; performance is as advertised; are the same as models used, shown or displayed during the sales process; and they comply with promises and descriptions made about them. The law also covers unsolicited consumer agreements with door-to-door and telephone sales; rules for lay-by agreements; and consumer redress options.

Work Health and Safety (WHS)

WHS requirements are enforced rigorously by government and are in place to minimise workplace injuries not only to staff, but also to clients, suppliers and visitors. These guidelines must be considered when implementing client care and service standards.

The Work Health and Safety Act 2011 (Cth) states that all employers and employees must maintain a secure, healthy and safe working environment. Employers must take practicable precautions to prevent harassment of their workers and clients.

Confidentiality and privacy

Client confidentiality and security is an increasing issue of concern given the prevalence of electronic commerce and the collection of client information when purchasing.

Many clients are reluctant to provide details such as surnames, addresses, phone numbers or credit card details, for fear of having their privacy and security violated. It is important to have procedures in place for maintaining client confidentiality and security. More importantly, these procedures need to be enforced, meaning any client care and service standards you devise must consider these requirements.

The Privacy Act 1988 (Cth) regulates the handling of personal information about individuals. This includes the collection, use, storage and disclosure of personal information, and access to and correction of that information.

Anti-discrimination law

- *Age Discrimination Act 2004* (Cth) makes it unlawful to discriminate on the basis of age.
- *Disability Discrimination Act 1992* (Cth) makes it unlawful to discriminate against a person on the grounds of a disability (including a disease).
- *Racial Discrimination Act 1975* (Cth) makes it unlawful to discriminate on the grounds of race, colour, national or ethnic origin.
- *Sex Discrimination Act 1984* (Cth) makes it unlawful to discriminate on the grounds of a person's sex, marital status, pregnancy or potential pregnancy or to sexually harass another person.
- *Australian Human Rights Commission Act 1986* (Cth) provides an avenue of redress for those alleging discrimination and provides for the rights of these persons.

Measure actual performance

In the cycle of continuous improvement, performance measurement plays an important role in identifying and tracking progress against organisational goals, finding opportunities for improvement, and comparing performance against both internal and external service standards.

You can measure and monitor actual performance against service standards by recording and acting on client feedback and complaints; regularly reviewing the terms and effectiveness of your client service charter; and reporting on performance in your organisation's annual report.

Performance measures must be meaningful, unambiguous and widely understood; owned and managed by the terms within the organisation; based on a high level of data integrity such that collection is embedded within normal procedures; be able to drive service improvement; and linked to critical goals and key drivers of the organisation.

Key steps for measuring actual performance against client service standards
1. Establish key client service objectives and convert into the desired standards of performance 2. Develop metrics to compare the desired service performance with the actual achieved standards 3. Design a data collection/reporting process 4. Identify gaps in service performance 5. Initiate improvement actions 6. Perform calculations to determine time frames for taking action

Perform a client service audit

Organisations often keep abreast of client satisfaction with their service performance by conducting regular client service audits that examine and check procedures, practices and records to ensure they meet certain standards.

A client service audit reviews the organisation's client service performance by analysing the business from the client's perspective. It is a holistic process and involves time and resources in gathering information from all aspects of the organisation's client service performance.

Observe staff in action interacting with clients, gathering and analysing information from client feedback and complaint forms, conducting surveys, issuing questionnaires and asking third parties to comment on service levels.

Client service audits review:

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

Example: identify and apply client care and service standards

Rochelle is the owner of a business that sells and delivers gourmet hampers to individual and corporate clients. Rochelle's clients rely on her to ensure hampers are delivered on the day and during the times requested by them. She uses Midline Couriers to deliver her hampers.

Rochelle receives a large order from a corporate client who requests 10 hampers to be delivered between the hours of 9.00 am and 11.00 am the next day. Rochelle confirms this and phones Midline Couriers to organise delivery of the hampers.

The next day the client phones Rochelle at 1.00 pm and tells her the hampers have not yet arrived. Rochelle immediately phones Midline Couriers and is connected with the delivery driver. The driver tells Rochelle that the client is close to where he lives and he plans on delivering the hampers at the end of the day. He tells Rochelle that his manager did not tell him the hampers were to be delivered within a strict time frame.

The hampers are delivered to Rochelle's corporate client at 2.00 pm. The client makes a formal complaint and tells Rochelle he is considering using a company that is more reliable.

Even though the delivery issue was the fault of a third party, it is part of Rochelle's client care and service standards to keep her clients informed about the progress of their order. In addition, procedures were not followed as she did not tell the courier company of the conditions for the delivery.

Practice task 9

1. What are the benefits of having excellent client care and service?

2. List at least five client care and service standards that an organisation should apply.

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3. Describe the process used by your organisation, or an organisation you are familiar with, to measure actual performance against required client service standards.

Summary

1. Retaining a client is far less expensive than trying to gain a new one.
2. A strategic business partnership is a relationship that is mutually beneficial to both parties.
3. Creating client relationship management strategies with your clients in mind helps you avoid wasting time and resources on ineffective and unsuccessful marketing efforts.
4. A good communication strategy strengthens client relationships and turns referrals into loyal clients.
5. Selecting client loyalty strategies that align with business objectives and client profiles ensures your strategy adds value to both your client and your business.
6. Without proper research or foresight, a client loyalty strategy can be cumbersome, costly and ultimately a liability.
7. A complete client care strategy should involve a mixture of policies, processes, procedures and checklists to facilitate effective client care.
8. Providing excellent client care and service standards is crucial for a successful business and includes providing prompt service, being accessible to clients, displaying ethical behaviour, complying with consumer laws, providing clear procedures, and having polite, helpful and groomed staff.
9. Performance measurement plays an important role in identifying and tracking progress against organisational goals, identifying opportunities for improvement, and comparing performance against both internal and external service standards.

Learning checkpoint 2
Establish client relationship management strategies

This learning checkpoint allows you to review your skills and knowledge in establishing client relationship management strategies.

Part A

1. Describe three information sources that will help to identify and evaluate the best strategy for managing client relationships.

2. Outline two issues that are commonly addressed in client care.

3. Explain the key steps involved in measuring actual performance against client service standards.

4. Describe an example of a wider organisational goal to be considered when developing a client relationship strategy.

Part B

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

Case study

Sandeep is the corporate sales team leader at a car rental company. Sandeep's clients include corporate and small business clients who frequently use the company to hire vehicles when travelling on business.

Sandeep meets with his sales team and develops a client loyalty program called 'Platinum Plus Rewards'. The loyalty program includes the following aspects:

- Clients earn one point for every qualifying Australian dollar spent hiring a car from the company.
- It takes 500 points to get a free weekend rental day.
- Points do not expire.
- Points can be used toward a choice of cars for a day, week, or weekend rental.
- Points can be redeemed on the company's website.

In addition to this, the sales team develops a premium-level service option earned by clients with seven vehicle rental bookings or by spending AU$2,000 annually. The premium service is called 'Platinum Premium'. Participating clients also benefit by receiving a one-car-class upgrade subject to availability, 10 per cent on 'Platinum plus Rewards' points, 600 rewards points after every 15 qualifying rentals, plus all the benefits associated with the original program.

1. Describe three business objectives of Sandeep's client loyalty strategy.

2. Briefly describe how Sandeep's client loyalty strategy could develop long-term business partnerships with the company's corporate clients.

3. List and describe three client care and service standards Sandeep and his colleagues must consider when implementing the client loyalty strategy.

Topic 3
Maintain and improve ongoing relationships with clients

Feedback is a critical element in establishing client loyalty and maintaining ongoing client relationships. Feedback allows organisations to gain an understanding of its clients and gauge whether their needs are being met. Feedback may indicate whether client relationships are mutually beneficial or whether modifications should be made to improve outcomes.

As a team leader, you should develop strategies to generate meaningful feedback from your clients that can help to improve ongoing relationships with them.

In this topic you will learn how to:

3A Develop strategies to obtain feedback from clients to monitor satisfaction levels and improve client relationships

3B Obtain feedback to develop and implement strategies which maintain and improve client relationships

3A Develop strategies to obtain feedback from clients to monitor satisfaction levels and improve client relationships

It is important that your organisation implements strategies to obtain ongoing feedback from clients to monitor satisfaction levels. Client feedback should provide information in a form that can be used to improve client relationships.

Carefully analysing and reviewing client feedback may highlight issues of concern to clients and identify particular areas where client service is not being provided at the standard your clients expect.

Monitor client satisfaction levels

Keeping clients satisfied is a major priority for most organisations. Often, it only takes one mistake for a client to take their business elsewhere. Continuous improvement in client service involves seeking client feedback. Regular monitoring and reviewing of client satisfaction levels ensures your organisation understands how to retain existing clients and engage new clients.

Client feedback systems collect information about the way an organisation is perceived by its clients and should be collected in targeted and deliberate ways. You should have a very clear understanding of what is expected from the process. The goals should be quantified and used as a benchmark to measure the success.

Look at the end result to identify:

- What exactly do you want to achieve?
- What areas are you seeking feedback from?
- What techniques will you use to obtain feedback?
- Have these techniques been used before? What were the outcomes?
- What will happen once the information is obtained?
- How will you measure success of improvement?

Improve client relationships

High-quality client service occurs when an organisation treats its clients with respect, provides honest information, advises on appropriate goods and services, and handles complaints fairly, promptly and effectively. By delivering excellent service, an organisation builds an ongoing relationship with its clients, which, in the highly competitive world of business, can mean the difference between success and failure.

Obtaining client feedback identifies gaps or mismatches in service delivery – the gaps between what clients need and what they are being offered by your organisation. Client feedback presents an opportunity for your organisation to improve its client service strategies and standards to improve client relationships.

Remember that every interaction you have with your clients is an opportunity to focus on building client relationships.

Here are some tips for improving client relationships.

Tips for improving client relationships
• Use personalised communication • Build trust and rapport by listening to your clients' needs • Use social networking channels as an opportunity to connect with your clients • Develop organisational materials and content based on your clients' needs and preferences • Welcome client complaints as an opportunity to improve client relationships • Stay in regular contact with your clients

Develop client feedback strategies

Client feedback can provide useful information on the strengths of your organisation, as well as its weaknesses, such as client service areas in need of improvement.

There are many feedback strategies available to determine the service needs and satisfaction levels of your clients. Many of these methods are required as part of an overall and comprehensive client feedback system. An effective feedback strategy may include a variety of different elements aimed at capturing as broad a client base and demographic as possible.

The feedback strategies developed by your organisation need to be clear, brief, easy to complete, easy to understand, relevant to your clients and conducted in a way that elicits meaningful data.

Feedback forms

Feedback forms are used on a continual basis. They may be given to the client at the time of purchase, or the client may seek them online. They do not necessarily target specific clients. Forms are completed voluntarily by clients, which can reduce the number of responses received.

Advantages of feedback forms

The advantage of using feedback forms is that clients typically provide relevant and useful information on client service performance.

Feedback forms are generally submitted by clients when they are dissatisfied or just after they have purchased your organisation's product or service.

Limitations of feedback forms

The limitation of feedback forms is that responses are limited to existing clients of the organisation only. It is useful to seek feedback from potential clients who do not purchase from the organisation, as their responses can provide useful insights into what the organisation needs to do to attract their business. Only a minority of existing clients complete feedback forms.

Surveys

Surveys are used to collect both qualitative and quantitative data for the organisation on its client service performance. Unlike feedback forms, which are used continually, a survey is commissioned as a project to target a defined population of respondents (your existing or potential clients) and obtain their thoughts, opinions and attitudes on a range of issues related to the organisation and client service in general.

Surveys can be used as a once-off or intermittently over a certain period of time, such as annually or every six months. Consider surveying lapsed clients to determine their reasons for ceasing to do business with your organisation.

Survey questions are structured and standardised so every respondent answers questions in the same way. This reduces bias and ensures the feedback the organisation receives is more reliable and valid. Surveys are an efficient way to collect feedback from a large number of existing or potential clients.

Surveys can be:

- research-administered surveys where the questions are administered or read to the respondent by the researcher
- self-administered questionnaires where the respondent administers the questions to themselves in their own time
- online surveys where the client is sent a questionnaire either by email, via a link to the company's website, or after chatting online with a client service representative.

Interviews

An organisation may spend time interviewing an existing client. Client interviews may be performed in person at the organisation's premises or on the telephone. Having a representative of the organisation conduct the interview enables better control over the feedback process, as the interviewer can guide and assist the client through the interview process. Interviews also allow the organisation to drill down on particular issues and explore them in depth.

A disadvantage of using client interviews is that they are narrow in focus as they only elicit feedback from one or a few clients whose responses may not apply to the general client base. Clients may also be led by interviewers in providing responses or be reluctant to provide critical feedback due to the presence of the interviewer.

Focus groups

A focus group brings together a group of clients to seek their attitudes and opinions regarding an organisation and its client service. They are an effective way to obtain feedback from the client's perspective as clients can explore issues the organisation may not have considered.

A facilitator guides the group through a series of questions, keeps them on track, allows them freedom when answering questions and interacting with one another, and writes down or records their responses.

There are, however, drawbacks associated with focus groups, as shown here.

Limitations of focus groups
• Focus groups are time consuming to organise. • Facilitators may lose control of the discussion. • The group may not represent the larger target market. • People may be reluctant to voice their own opinions.

Toll-free numbers

A simple and effective method for obtaining client feedback is by establishing an organisational feedback 'hotline' number for clients to call, free of charge, to register any queries, complaints, or issues they may have.

Toll-free feedback numbers:

- are an effective way to enable clients to voice their concerns and have their issues listened to and resolved
- provide clients with an accessible channel for communicating with the organisation.

Suggestion boxes

Suggestion boxes can be placed within an organisation to elicit comments and questions from existing clients. While 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 clients place their written suggestions, are common. A virtual suggestion box could also be placed on an organisation's website.

Benefits of using suggestion boxes:

- Clients can provide feedback during or immediately after their interactions with the organisation.
- They are an effective way of understanding how the client feels during the client service process.
- They give people a sense of freedom to anonymously express their opinions that they would otherwise feel reluctant to express face-to-face.

Mystery shoppers

Mystery shoppers are professional shoppers, predominantly used by retail organisations, to monitor client service in retail stores. The mystery shopper assesses the organisation by posing as a genuine client seeking to make a purchase. They usually have a list of prearranged questions and issues.

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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.

Client service representatives must address these concerns and respond accordingly.

Third-party feedback

Obtaining feedback from third-parties, such as consultants, suppliers, contractors or industry bodies, is a useful way to measure service performance.

While these groups are not clients of your organisation in the sense that they don't purchase your products or services, they do interact with the organisation and are in a position to provide opinions on your client service performance. They may also be valuable and independent sources of information on how clients perceive the organisation and its reputation in the industry.

Check these areas to canvas satisfaction levels:

- Communication
- Planning
- Conflict resolution
- Negotiations
- Prompt payment
- Fulfilling their needs

Secondary research

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

Examples of organisational data include:

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

Informal client feedback

Often the easiest way to elicit feedback is through casual conversations with your clients. You can obtain this every time you interact with a client. It may be as simple as asking, 'Were you satisfied with the service you received today?' Clients will often be open when asked to comment in an informal, non-threatening manner; you are likely to receive honest responses.

Informal feedback from clients can also be gathered from telephone calls, emails, letters or random interviews.

When seeking informal feedback from clients, adopt interpersonal communication techniques. Ask open questions that allow clients to provide in-depth answers on what their needs are. Actively listen by summarising and paraphrasing client feedback to review what they have said and to confirm you have understood what they have told you. Employee training can provide your workforce with practice in seeking feedback informally.

Handle client complaints

All organisations receive client complaints from time to time. When clients complain, an opportunity arises for the organisation to improve its services.

Clients mostly want to be understood, feel welcome, see a friendly face, be treated with importance, enjoy a comfortable environment, receive satisfaction, and appreciate receiving support, help and assistance. You should endeavour to understand your clients' needs more clearly, and improve your service and product range, to ensure clients remain loyal to your organisation.

Your organisation may have a formal, structured system in place with specific instructions and processes to be followed when handling client complaints. Other organisations may rely on employees' judgment and ability to make decisions. In larger organisations there may be a separate client service or complaints division with specially trained staff.

Here are some tips on handling client complaints in a professional manner.

Listen

Listen without interrupting

When confronted with an upset or angry client, the best approach is to listen fully to the complaint without interrupting. Write down vital information. At the end of each statement, question the client to ensure that important information is not missed. Do not argue or deny anything, just listen.

Remain calm

Remain calm rather than become defensive

The client may become abusive or critical of you and your organisation. The worst thing to do is to become defensive. Let the client verbalise what they are thinking and feeling. Keep listening and you will find the conversation will eventually get back on track.

If the client continues with the attack, when given the opportunity, summarise what you understand the problem is and then try to resolve it quickly.

Empathise

Empathise and acknowledge the client's position

Use statements such as, 'I am really sorry that this has occurred, I can understand how you must feel with this situation', or 'We really appreciate your business. What can we do to fix this problem?'

You may often find that the client will calm down and be more reasonable to solve the problem with you.

Ask questions

Ask questions to understand the problem

Once the client has calmed down, ask questions to ensure you have all the facts. Summarise the information and check it with the client. Keep checking and questioning until you understand the full extent of the complaint. Keep confirming your understanding.

Establish client needs

Establish what the client needs

In many instances clients will clearly verbalise what they believe is the solution to their problem. This can be a sensitive area, particularly if their request is beyond your authority or control. If the request is beyond your control, call a manager. The client will then be assured that the complaint is being handled by the organisation.

If the request is not clear, keep asking the client how they want to resolve the problem. Question them in a manner that is not intrusive. Some clients may not want anything; they just want to let the organisation know about the problem. Always express your appreciation if you receive this type of information.

Stay positive

Demonstrate a 'can do' approach to agree on an action

Never say 'We can't do that', say 'We can do ... '.

Agree on a plan of action and follow through. Be specific: explain to the client when it will occur, by whom and how. This approach instils confidence in the client that something is being done.

Take action

Take immediate action and follow up

It is crucial that you take action immediately. Your priority is to assist the client. If by chance the agreed plan of action changes, contact the client immediately and negotiate a new plan. It is important to remember that in most instances, the client wants to be listened to and supported.

Once the issue is resolved, contact the client to ensure the issue was handled satisfactorily. Thank the client for alerting you to the problem. Perhaps it has provided the organisation with an opportunity to avoid it happening again by improving its systems and processes.

Example: a client satisfaction feedback form

In this example of a client satisfaction feedback form, it is easy to see how data collected can be tracked over time. A corresponding spreadsheet is used to keep track of the average responses from all clients each quarter over a 12-month period.

This spreadsheet shows that several trends emerged during the past year. Many were improvements that occurred after new systems and processes were put in place to improve service levels (such as the time it takes to answer phone calls, problem resolution and sending of information). Using this approach, the effectiveness of new initiatives and programs can be tested.

Client satisfaction feedback form					
Please circle the number that corresponds with how you feel about our service delivery over the past three months. **1 = poor; 5 = excellent**					
My phone calls are answered promptly	1	2	3	4	5
Any problems or queries I have are resolved quickly	1	2	3	4	5
Client services staff have good product and service knowledge	1	2	3	4	5
Information I have requested on products and services was sent quickly	1	2	3	4	5
Invoices were received on time and were accurate	1	2	3	4	5
Client appointments are useful and helpful to my business	1	2	3	4	5

Analysis				
Questions	**Q1**	**Q2**	**Q3**	**Q4**
My phone calls are answered promptly	2	2	3	5
Any problems or queries I have are resolved quickly	3	3	4	4
Client services staff have good product and service knowledge	4	4	4	4
Information I have requested on products and services was sent quickly	2	3	3	4
Invoices were received on time and were accurate	4	4	4	3
Client appointments are useful and helpful to my business	3	3	3	4

Practice task 10

1. Describe how ongoing client feedback is obtained in your organisation, or an organisation you are familiar with.

2. Describe the situations in which you would use a feedback form to review client satisfaction in your organisation.

3. List three questions you would include on a client feedback form that are relevant to the service provided by your organisation or an organisation you are familiar with.

3B Obtain feedback to develop and implement strategies which maintain and improve client relationships

Obtaining feedback is the first step in developing strategies to maintain and improve client relationships. Positive feedback is easy to absorb, but may not be as useful as negative feedback. When your organisation receives negative feedback, use it as an opportunity to address weaknesses in client service performance. If this type of feedback is ignored, client loyalty and retention is likely to decrease.

It is important to regularly monitor and evaluate the effectiveness of decisions affecting service delivery to identify and implement necessary improvements.

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Manage the feedback process

In seeking to collect feedback on your organisation's client service and satisfaction levels, there are several issues to consider. Think about the information you would like to gather and how you are going to do it.

Here are some aspects to consider in managing the client feedback process.

Historical data

Decide whether the information you require has been collected and analysed in the past, so you can compare previous information with the latest service performance results. If there is previous data, 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

When surveying clients or potential clients, decide how many responses you require to obtain enough meaningful data. Remember that some clients will not have the time or inclination to participate, so expect to approach more clients than you need. For instance, if you want 100 surveys completed, you may need to issue up to 300.

Hard copies

If you are going to send information out in hard copy, such as a survey or feedback form, you should also send a letter explaining what it is for. Forms must be developed with clear instructions so that the survey is easy to understand, and quick and easy to complete. You may also need to offer clients something in return for their opinion and time such as a free gift voucher or $20 credit on their account.

Monitoring feedback

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

Formulate 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.

Performance criteria

Decide whether you want clients to rate service performance across criteria that you set, such as courtesy of staff, product knowledge or complaint resolution. If so, consider having clients 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 client service areas.

General feedback

Decide if you want general feedback from clients about whether they think your organisation is 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 client service levels compare to other organisations you do business 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.

Analysis

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 that was received. Consider why the information is being gathered in the first place and then work out how the data should be best stored for analysis and review purposes.

Motivate clients

Motivating clients to respond to your requests for feedback is often difficult, possibly because they do not believe their complaints will be taken seriously. Also, many clients only contact the organisation if they are upset and have a complaint to make, and many clients have not got time to complete a feedback form or survey. Encourage responses by offering a prize or discounts. It is often a good idea to publish results in your newsletter or website and list any improvements you are making.

Identify the need for improvement

As a result of monitoring client satisfaction, you should be able to identify any developing problems with the potential for negative impacts. This information will support new strategies to resolve satisfaction issues and improve client relationships.

Changes you identify might be made immediately or in the future after other processes have been put in place. It may be that you identify several changes, both in the short- and long-term, that need to be implemented in succession and that, together, will address the issues you have identified.

Some changes may be small things that can be implemented quickly and without large expense, while others may take longer to organise and involve several approval steps, including budgetary sign-off, before they can be enacted.

Improvements to client relationships may include:

- decreasing the time taken to respond to client queries
- ensuring staff have sound product and service knowledge
- making the complaints process easier
- being more accessible
- improving the interpersonal skills of staff
- increasing the amount of contact with clients
- making the website more attractive and engaging.

Report on improvement areas

When identifying a need for changes to client service delivery there are several people and groups you may need to report to, such as client service representatives, senior management, other departments within your organisation, committees, clients, suppliers, contractors or external organisations. Once you have identified the changes that need to take place, this must be reported to and discussed with one or more of these groups or individuals, depending on the nature of your organisation.

The methods of reporting to each of these groups or individuals may vary and include formal presentations, staff meetings or training sessions, along with the development of policy and procedures manuals, press releases, client information sessions, updates on the company website, emails, company memos, promotional handouts or other forms specific to your organisation.

You may need to report changes to these people because they may:

- be the ones who need to change the way they are doing things
- have authority to approve the actions you are proposing
- need to know of your intentions so their own actions or processes complement or support the new strategies you are implementing
- need to release or approve funds
- need to communicate your proposed changes to their own teams or other stakeholders
- need to check that your proposed actions are within organisational guidelines and any rules or laws that apply to your industry
- have feedback that is useful in determining implementation plans
- be able to help you train your team or others within the organisation on the proposed changes.

Recommend and advise on future direction

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

What recommendations you make will depend on the nature of your organisation and the results from client service performance analysis.

Detailed, comprehensive data will provide you with a clear picture of the pathways you could take to address client service issues and improve ongoing relationships with clients. The key is to ensure you can verify and support your recommendations with direct evidence.

Recommendations and improvement strategies may include:

- specific training courses for staff
- changes to budget allocations to divert more resources to client service
- role restructuring within the organisation
- changing organisational responsibilities for client service between different roles and departments
- changes and developments to client service policies and procedures
- employing additional team members or moving team members to different areas within the organisation
- purchasing of new equipment and technology for use in client service
- changing or renovating the appearance of the organisation's premises
- developing advertising campaigns
- improving point-of-sale equipment and procedures
- establishing client loyalty programs.

Implement strategies for change

It is important that you develop and enact strategies for change that will maintain and improve client relationships.

A key part of this process is developing a time frame for implementation that outlines each of the steps required and the due dates for completion. The implementation plan must specify the actions that make up each step in the change process. 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 strategy.

Steps to implement client service improvements
Seek approval for the new client service strategy from your managing director or senior management team.
Conduct a team meeting to discuss approval and make final changes to the new strategy. Ensure you provide team members with opportunities to raise concerns or make comments.
Prepare and distribute support materials to team members.
Support your team to start using the new process or system.
Conduct a review meeting to check how well the new strategy is working.
Distribute first client satisfaction survey to gain client feedback.

Maintain systems and records

As part of the process of evaluating and reporting on client service, the organisation should have systems in place for the continual collection of feedback on client service satisfaction, and processes for the analysis and distribution of results to decision-makers.

The systems used to continually collect feedback on client service performance and satisfaction levels must have several characteristics to be effective.

Here are some aspects you should consider to maintain systems and records for client feedback.

Use of technology

The use of technology is essential for the collection of information on client service. Outdated paper-based systems are no longer suitable for having the right information at the right time. While the collection of data can be a manual process (as with collection methods such as client surveys or mystery shoppers), the data should be input into IT systems to allow for ease of storage and analysis. Staff should be trained using the main features and functions of digital tools to record, access and communicate information.

Technology used by your organisation to monitor and report on client service may include:

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

Accuracy
It is imperative that all data collected on client service is accurate. Decisions on client service strategies can only be made when information is reliable. Use colleagues to recheck information when necessary.
Timeliness and accessibility
The feedback collection and reporting system for client service performance must provide information for people within the organisation whenever they need it. While some information must be restricted and protected, information systems should be set up so that staff can easily access the data when they need it.
Clarity
The feedback collected and processed on client service performance must be easy to understand. Information systems must provide reports and summaries in a format that is readable and not too complicated (to avoid misinterpretation).
Storage
Client satisfaction information must be stored reliably and safely so that it can be referenced in the future to identify trends in client service and compared with other 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.
Consistency and comparability
When analysing the organisation's client service performance and client satisfaction levels, it is important the information collected is recorded, stored and presented in a consistent manner and format. Doing this helps your organisation to compare client satisfaction results over time and to identify successful client service strategies and areas in need of improvement.
Continuity
Effective feedback systems continually collect client service information. The concept of client service and satisfaction is not static. What clients want and need, and how they feel, changes over time and information must be obtained on an ongoing basis. Data collected during the previous year may be outdated and irrelevant for future decision-making.

Example: implement strategies to improve client relationships

Here is a table that provides an example of an in-depth implementation strategy.

Change or improvement being made	Implementing the change or improvement
Implementing new software	• Purchase software. • Consult with other managers and specialists. • Organise installation dates and training sessions. • Inform team members as to why new software is being purchased. • Tell team members when it will be implemented and when they will need to attend training. • Install software and run training sessions. • Provide team members with new procedures and documentation. • Assist team members as they adjust to the new system.
Changing the client service budget	• Inform team members of cutbacks to the client services budget and what this will mean; for example, fewer gift vouchers. • Explain why the budget changes are happening. • Invite group discussion so the new budget's impact is understood and any challenges can be discussed and resolved. • Explain any new procedures and rules. • Ask for team member cooperation and thank them. • Explain how performance will be monitored.
Changes to products or services	• Inform team members of new product changes. • Provide team members with training and support materials. • Explain to team members when they are expected to know the new information and why. • Explain the assistance team members will receive. • Review team member knowledge of new product or service specifications within a set time. • Provide follow-up training and assistance if necessary.

Practice task 11

Think of a change to a client service standard you could make in your organisation (or an organisation you are familiar with) to maintain and improve client relationships.

Use this table to prepare an implementation plan showing the steps required to enact the change and calculate the time frame for completing each step.

Change or improvement being made	Steps to implement the change or improvement	Time frame required to complete each step	Person or team responsible

continued …

... continued

Change or improvement being made	Steps to implement the change or improvement	Time frame required to complete each step	Person or team responsible

Summary

1. Client feedback indicates whether client relationships are mutually beneficial or whether modifications are needed to improve outcomes.
2. Carefully analysing and reviewing client feedback highlights issues of concern to clients and identifies particular areas where client service is not being provided at the standard your clients expect.
3. There are many feedback strategies available to determine the service needs and satisfaction levels of your clients, such as surveys, mystery shoppers, focus groups, interviews, toll-free numbers and suggestion boxes.
4. It is important to regularly monitor and evaluate the effectiveness of decisions affecting service delivery to identify and implement necessary improvements.
5. Detailed, comprehensive data provides you with a clear picture of the pathways you could take to address client service issues and improve ongoing relationships with clients.
6. Your organisation should have an effective system to obtain ongoing feedback from your clients, and to analyse and distribute data to the relevant people within the organisation to support decision-making.

Learning checkpoint 3 Maintain and improve ongoing relationships with clients

This learning checkpoint allows you to review your skills and knowledge in maintaining and improving ongoing relationships with clients.

Part A

1. Describe three examples of strategies to obtain ongoing feedback from clients.

2. Explain how feedback can be used to improve client relationships and satisfaction levels.

3. As a result of receiving negative client feedback, describe two client service strategies that could be implemented to maintain and improve client relationships.

4. Describe three examples of how digital tools could be used to record, access or communicate client feedback information.

Part B

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

Case study

Mason and his business partner, Will, own an events management business. They have worked in the industry for 10 years and have experience organising large events for top corporate clients. Their business has comprehensive processes to follow that are specifically concerned with client service delivery, but they are always so busy they do not seem to have time to check how effective they are.

Mason and Will would now like to find a way to obtain and capture meaningful data about the effectiveness of their client service delivery.

1. Select two strategies that Mason and Will could use to elicit client feedback which provides information in a form able to be used to monitor satisfaction levels and improve client relationships.

2. Develop a list of four questions Mason and Will could include on an event planning satisfaction survey to gain meaningful data from their clients.

Case study … continued

Six months after Mason and Will implement their client feedback strategy, a client contacts them to lodge a complaint. The client, Jacqueline, claims they have failed to respond to three phone messages she has left regarding a corporate event they are managing in a month's time. She has left two phone messages on the office landline and sent an email directly to Mason. Due to the nature of their business, Mason and Will are often off-site or meeting with clients during business hours. They apologise to Jacqueline and on receipt of her feedback, identify the need to improve their client communication processes and response times, as their current service delivery is having a negative impact on client satisfaction.

3. Develop a strategy for Mason and Will to implement for improving their communication processes and maintaining client relationships.

Topic 4
Build and maintain networks

Organisations cannot exist in isolation; they need to interact with other businesses, individuals and groups to conduct their activities. An important aspect of such interaction is networking. Networking refers to the development of contacts within your organisation, outside your organisation and in the community.

Business networks can be informal or formal and provide you and your organisation with direct and indirect benefits.

Networking involves developing practical ways of making connections with the aim of achieving the best for you and your organisation. To network effectively, you need to make the best possible use of all the resources at your disposal and, of course, once networks are established, you must maintain them.

In this topic you will learn how to:

4A Allocate time to establish and maintain business contacts

4B Participate in associations and activities to maintain a network of support and market knowledge

4C Establish communication channels to provide and exchange information and ideas with the network

4A Allocate time to establish and maintain business contacts

It is essential that you allocate time to establish and maintain your business contacts. To gain the greatest benefits from networking, it should be something you do all the time and just be part of the way you work and do business.

Contacts can:

- provide you with important market information
- assist you to manage your team in a more efficient and cost-effective manner
- introduce your organisation to new suppliers, clients, investors, staff and advocates
- help you plan future business activities more efficiently
- help your own job and promotion prospects.

Understand the value of business contacts

Making the most of your business contacts is an essential part of any job. Such contacts can bring significant benefits both to the organisation you work for and to you personally.

The success or failure of an organisation can be directly related to how well its employees manage business relationships. Businesses need to develop and maintain key relationships with a variety of groups and individuals to ensure business success. This means fostering a complex network of beneficial relationships with clients, suppliers and other business contacts.

How business networks can help you and your organisation
Keep you informed about developments in the industry, general business world and wider community, nationally or globally.
Provide the organisation with greater opportunities to do business with a wider circle of clients, in new regions and in new ways.
You may meet new suppliers who can provide you with raw materials at a lower cost of production or assist you to negotiate or otherwise lower your cost of production.
You may meet new clients who require the products or services you produce and whose purchases would increase your organisation's revenue.
Keep you up-to-date with key information about new products, services, competitors, industry trends and other external influences that could affect your business.
Provide you with support, helping you gain a job or promotion, or introducing you to other important contacts.

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Develop a list of business contacts

Begin the networking process by compiling a list of the people you already know.

All these people have their own range of contacts, similar to yours but including a lot of people you do not already know. These other people also have their individual lists of contacts, and so on. Whenever you ask one of your contacts to help you, your request may reach more people than you imagine. Once you make contact with one of these people, you may gain access to their list and can make yourself valuable by providing access to yours.

Your list of contacts might include:

- people within your workplace
- clients, suppliers, contractors and other business contacts
- previous work contacts, colleagues and supervisors
- people you know within the local community
- family, friends and acquaintances
- members of any club or special interest group you belong to
- current or former students, tutors, trainers and teachers
- service providers such as your accountant, lawyer, doctor or tradesperson.

Establish business contacts

The first part of the networking process involves communicating with people, finding out about them, their interests and activities. The second part is deciding how the person, their skills or their information can benefit you or your organisation now or sometime in the future. The third part of the process is maintaining these contacts so that you can use them when you need them.

Allocate a considerable amount of time to establishing and maintaining your business contacts by taking advantage of networking opportunities. There are many different ways that you can cultivate beneficial business networks. The strategies you use will be influenced by the type of people you are contacting (either internal or external to your organisation), the resources available to you, your expectations and the benefits you hope to gain from the process.

Conferences and trade fairs

Conferences and trade fairs are an opportunity for people working in similar or related fields to come together and share information about their current work, findings and ideas. The format of each conference varies. A small conference may last one day and consist of papers presented by different people, with breaks where people can talk informally. A large conference may comprise a whole week of organised activities.

You can find out about upcoming conferences and trade fairs by:

- researching on the internet
- looking for advertisements in trade journals, newspapers and business magazines
- hearing about them from colleagues
- receiving conference promotional material.

Seminars and functions

Seminars are smaller meetings, generally lasting from an hour to a day. One or more speakers present their work and/or ideas and usually invite the audience to ask questions.

Business functions can be any events that have a business connection; for example, a key supplier invites you and other major clients to a sporting function, or your organisation may hold an annual dinner where outstanding sales staff are honoured.

Here are some tips to use when attending a seminar or business function.

Tips when attending seminars or functions
Functions can be daunting, but approach them with an open mind and flexible expectations; you never know who you will meet or what you will find out.
Always carry some of your business cards with you in case an opportunity arises to exchange cards with other people unexpectedly.
Follow up new contacts by keeping in touch with them after the function.

Professional associations

Professional and trade groups are formed to promote the particular profession and represent the interests of members.

Individuals pay a membership fee and in return receive benefits including journals, access to industry information, opportunities to attend seminars, receive training and add contact names to their networking lists.

Professional associations provide an ideal forum for networking so it pays to become a member if there is an association in your field. Alternatively, your organisation may become a member which allows you to attend association events as a guest.

Research the associations in your field. Here are some examples of professional associations.

Examples of professional associations in Australia

- Society of Automotive Engineers
- Australian Human Resources Institute
- Australian Library and Information Association
- Australian Institute of Office Professionals
- Association of Australia Rural Nurses
- The Institute of Chartered Accountants
- Master Builders Association

Partnerships

Some organisations seek to establish organised and productive relationships or alliances with other organisations and groups, in order to achieve common goals. Partnerships or alliances may be with other organisations, suppliers or community groups.

Developing partnerships with other stakeholders may provide more accessible services for mutual clients or help you share facilities, expertise or knowledge.

Strengthen links with community sectors or cultural groups
Deal with particular clients in different ways
Establish cooperative buying or supply arrangements
Obtain access to overseas markets
Work in a business partnership for mutual benefit
Provide for people with special needs
Support the local community
Provide assistance to others for philanthropic or social development reasons.

Regular contact

One of the most effective networking strategies is to maintain regular contact with people you have met both professionally and personally. If you make a conscious effort to remember people, ideas and resources, you can draw on this information and use it when you need to.

The types of contacts you may choose to maintain include both personal and business friends and acquaintances. If you take a genuine interest in people and their ideas, then your contact list will quickly grow.

To grow and maintain your network:

- collect business cards and write key information about the person on the reverse of the card
- enter contact details into an electronic database or handheld device
- keep in touch with contacts in structured ways such as setting yourself reminders to contact certain people
- keep in touch by arranging a lunch meeting every three months
- chat to a friend at a social event about mutual acquaintances and their activities.

Target individuals

An effective networking strategy is to target individuals you believe may be able to assist you and your organisation.

If you come across the name of someone who has the potential to become a valued client or help you with a particular project, you might like to approach them 'cold'. This means contacting them without prior introduction or warning.

Think carefully about the reason you are approaching them, how they can help you and how you can help them.

Consider the most appropriate way of approaching them, such as at a function, by email or telephoning to arrange a short meeting at a convenient time. Be sure to plan what you are going to say and prepare some questions.

Distribute information

Distribute information about your organisation that will be remembered by people who could recommend you to others. For example, you may wish to expand your circle of contacts by sending information about your organisation to a group of people. Your organisation may want to attract new clients by alerting them to your latest products and services

You could send brochures to a group of businesses and then follow up the contact with phone calls, visits or an invitation to visit your showroom or office. Tailor your information for a specific audience according to organisational standards.

Online opportunities

Online networks include newsgroups, email discussion lists, online forums and social media sites. Online networking can provide you with a lot of new contacts. However, you need to be aware of the authenticity of these contacts, as well as the etiquette that dictates how you should communicate within the group. Check the frequently asked questions (FAQs) to determine what is appropriate within the site. Be very careful also about confidentiality. Never reveal private information or speak about your organisation's confidential operations online.

The Our Community website offers practical resources and links between community networks and the general public, business and government.

You can read more about community networks at: www.ourcommunity.com.au

Social networking

Social networking sites provide an open service on the internet where anyone with a valid email address can register. Users create personal profiles describing where they are from, where they work, where they have studied, and any other information they choose to share.

Social media sites provide good opportunities to share information, educational resources, ideas and opinions. 'Facebook', 'Twitter' and 'LinkedIn' are all popular social media sites used by people from all over the world to connect with each other. Most relevant to the commercial world is LinkedIn, which incorporates social activity, but is mainly used for professional networking.

Advantages of social networking	Disadvantages of social networking
• Users stay up-to-date with industry news • Users discover upcoming trends or new ideas • Users share experiences and advice • Free access to valuable resources • Provides major data about particular organisations • Allows users to find potential partners or recruit new employees • Saves users time, energy and resources • Users can demonstrate their knowledge and skills • Users can create and invite others to professional networking events and activities • Positions users as experts and improves the organisation's credibility	• Exposure to excessive advertising and spam • Requires personal time to set up and learn how to use • Users are required to constantly update their profiles and connections • Users are required to pay for premium use • Risk of associating with 'fake' profiles • Users may not know when you have viewed their profile • Users may exaggerate their skills and experience • Impersonal means of communicating • Resources and information accessed may not be credible

Maintain business contacts

All staff should be committed to effectively maintaining business contacts to ensure the organisation remains profitable and reputable in the marketplace. The strategies you choose to maintain your business contacts depend on what you hope to achieve and who you are targeting. Different strategies require different resources such as time, money and equipment.

It is important that you understand your own qualities, behaviours and motivations. A lack of self-awareness could make it difficult for you to maintain strong business relationships.

Everyone exhibits behaviours that impact on the effectiveness of an organisation. If you behave positively, you encourage others to do the same. An organisation full of positive people is likely to be successful at maintaining important business contacts and building strong business networks.

Here are a range of positive strategies for fostering good business relationships, and a list of common behaviours that encourage poor business relationships.

Positive behaviours

- Communicate openly and constructively
- Listen actively
- Practise self-awareness
- Display empathy
- Be supportive
- Explore the needs of others
- Create opportunities for feedback
- Be flexible
- Be consistent
- Be reliable
- Remain positive and practical

Negative behaviours

- Poor communication
- Not listening to others
- Lack of self-awareness
- Competitiveness
- Confusion about expectations
- Lack of trust
- Lack of feedback
- Lack of flexibility
- Inequality
- Inaccessibility
- Being reactive rather than proactive

Example: allocate time to develop business contacts

Riley is one of three project managers at a building and construction company. The company has recently been struggling to gain any new business. With a downturn in the economy, many commercial building and construction projects have been cancelled or postponed. Riley's company is suffering financially and, as a result, he has had to let a number of staff go, including the two other project managers.

Riley is now the sole project manager and has been busy supervising the company's remaining projects.

Riley is invited to a one-day construction industry networking function. He doesn't want to go but is persuaded by a colleague to attend the function to reconnect with some of the company's important business contacts who will also be attending.

Riley allocates time in his work schedule to prepare for and attend the networking function.

On the day of the function, Riley talks with some other building and construction consultants during morning tea time. Through the informal chat he finds out about a number of upcoming tenders for new projects that haven't yet been formally announced or advertised. This information gives Riley and his company an advantage over their competitors as they can anticipate and be well-prepared for upcoming project opportunities that could bring significant financial benefits to the organisation.

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Practice task 12

1. Describe three ways you could establish business contacts for your organisation.

2. Describe two benefits of allocating time to establishing and maintaining your business contacts.

4B Participate in associations and activities to maintain a network of support and market knowledge

Rather than leaving the development of business networks to chance, you should be aware of the various business associations and professional development activities that exist. You can use these associations and activities to both establish and maintain a network of support for your organisation and to enhance personal knowledge of the market.

Some networking strategies may yield immediate results while others take longer to produce real benefits for you or your organisation.

Choosing the appropriate business associations and professional development activities for your purposes becomes easier as you become a more experienced networker.

Understand professional development activities

Business or professional associations are groups set up to represent the common views and interests of their members. Business associations can include organisations that are exclusive to one industry, those that are set up to benefit a particular group of people, or those that are geographically based. Chapters or subgroups within a larger organisation also cater to the needs or interests of a specific group of people.

Professional development activities include demonstrations, exhibitions, fairs, seminars, industry training, pre-launch activities, technical information briefings and trade shows. Participating in these activities gives you an opportunity to meet potential clients and maintain business acumen by increasing your knowledge base, and may even help to establish you as an expert in the field when you conduct your own demonstration or run a trade show booth.

Business or professional associations may offer the following:

- Association publications, such as magazines, journals or websites
- Access to, and updates on, regulatory and legislative information
- Notification of upcoming networking events
- The right to use the association's member logo for promotional purposes
- Staff training at reduced rates
- Membership of special interest groups
- Access to research reports
- Business advice
- Access to other business contacts

Types of business associations and activities

There are a range of business associations that you can join, or professional development activities that you can take part in, depending on your organisation or industry. For example, there may be suppliers, manufacturers, marketers, purchasers, supporters, advocates and regulators who would each have their own industry organisation. Networking with associated organisations and those along the supply chain in your industry can be very useful, as you can learn more about issues and trends affecting your business sector, including potential threats and opportunities, and create networks that may lead to positive outcomes for your organisation.

Networking opportunities may be formal or informal, with groups, individuals or businesses, and be professional or personal in nature.

Here are four types of business associations useful for networking purposes.

Work teams

Work teams are the people you work with on a daily basis. Be sure to get to know your colleagues and take the time to introduce yourself to new team members.

A work team can also be a group of people from different departments who have different skills and experience but who have been asked to work together on a project or in a specific area of responsibility.

Work teams can also be formed from members of an industry or diverse organisations who come together to work on a project for the common good.

Hold a formal networking session when the team is formed.

- Ask everyone to introduce themselves and give some background on what they do, and what their role in the project is.
- Swap business cards or record people's details.
- Circulate a summary of team members with their name, skills, background and even a photograph to ensure networking is effective.

Committees and project groups

Committees or project groups are made up of representatives who have been given the task of performing a particular function. Your workplace may have specific committees that include people from all levels of the organisation with skills or experience that are relevant and complementary.

Members of committees or reference groups should understand each other's skills, backgrounds and experience because these are often the very reason why these individuals have been selected for inclusion on the committee.

Network to ensure that everyone is clear on the issues that the committee is debating. The views and preferences of their constituents can then be expressed and acted on.

Professional networks

Professional associations are groups set up to represent the common views and interests of their members. You may need to pay a fee to become a member of the association and, in return, you receive a range of benefits.

Associations that represent professional groups are excellent forums in which to network. Being among a group of like-minded, similarly qualified people is a great way to identify potential new employees, suppliers and clients. Smaller subgroups with an interest in a specific region, project or industry area can also be formed, which may be more useful to you and your organisation's goals. Find out about professional networks you could join, ask them what benefits they offer and if there are special interest groups or chapters that will closely match your needs.

Suppliers

Working closely and effectively with suppliers of products and services to your organisation is important to ensure you receive high-quality materials or assistance. Networking with suppliers involves developing good relationships where your underlying needs are understood. It can also mean introductions to other providers who may be more cost-effective or better at what they do than your current providers.

For example, a publishing company uses a designer to lay out all of their publications. They are dissatisfied with their current printer and mention this to their designer, who immediately refers them to a printer she has worked with for many years. Through this recommendation, the publisher finds a printer that is cheaper and more professional than their current provider.

Other business associations

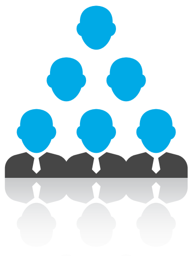
Here are three other types of associations you could foster.

Clients

Networking with your clients helps you understand their needs, deliver a better level of service and, potentially, meet new clients.

Networking is one way of going beyond the role of 'supplier' and 'buyer' to forge a deeper and more complex relationship that is not easily broken.

Find out about your clients' needs and the issues they are facing, so you can develop new products that better meet their needs or refer them to others who may be able to assist them.



Lobby groups

Lobby groups can be formally organised professional associations or informal groups of people with a common cause or interest.

Your own industry may have an association that also acts as a lobby group, protecting the interests of its members, and the industry at large, from negative influences and problems.

Examples include Women in Insurance and the Newcomers Network (for migrants and other visitors to Australia)

Government agencies

Government agencies such as Austrade or AusIndustry, as well as other inter-agency groups, may be able to provide you with useful contacts, networking opportunities, money (in the form of grants), information, support and advice for helping your business grow.

Government agencies may support organisations in a particular industry or region and, as a result, often have excellent networks of their own – which you can tap into.

Professional development activities

There are a range of professional development activities that you can take part in, depending on your organisation or industry. Professional development is the process of obtaining the skills, qualifications and experience that allow you to make progress in your career.

There is a range of activities that can contribute to your continuing professional development, available either within or external to your organisation. While these activities go towards developing your own professional acumen, they also provide a unique opportunity to network with business contacts that have similar professional goals to yours.

Professional development activities could include:

- attendance and involvement in department, division, staff or other specially designated meetings
- on-the-job coaching or mentoring
- serving as a conference leader or trainer
- accepting formal presentation opportunities
- extending professional experience by transferring to another office or a different role for a specified period
- taking part in internal or external training programs
- working one-on-one with a specialist or expert staff member
- planned reading in specialised fields, such as technical books, trade journals, or management literature
- participating in personal development workshops
- personal counselling by a trained professional.

Participate in business associations and professional development activities

Participating means attending, actively listening, interacting, learning and sharing. By participating in business associations and professional development activities you can increase your skills and knowledge, obtain key information for others in your organisation or find out about the latest developments in your field. Business associations and professional development activities allow you to meet people with common business interests and gain access to useful resources you can call on when you need to.

Joining new groups can be daunting at first. You can adopt a range of strategies to ensure you actively participate in business associations; these will enable you to establish and maintain a network of support for your business and enhance your personal knowledge of the market.

Here are 10 tips for successful networking.

Tips for participating in business associations or professional development activities

1

Listen

Take time to listen and absorb what people are saying. The ability to remember what others say and value is critical to fostering good relationships. Listening is just as important as talking when it comes to establishing good relationships with others.

2

Remain calm

Do not get flustered. Focus on an aspect of your industry or field that interests you. What is your passion? What current events have captured your attention? What new products or developments fascinate you? When you talk about topics you know and like, you will speak with conviction and insight.

3

Use positive body language

Be aware of how you come across to others. If you feel comfortable about yourself you will project confidence. Try to maintain some eye contact. However, do not do anything that seems artificial or contrived. Be yourself.

4

Overcome uncomfortable situations

Recognise and try to resolve the aspects of networking you are most uncomfortable with. For example, if you are nervous about meeting people, begin by practising with trusted friends. Talk to them about your interests, or even role-play conversations until you feel confident about what to say.

5

Small talk

There is nothing wrong with a simple 'small talk' comment to start a conversation, such as, 'This is a great venue, isn't it?' or, 'What did you think of Jenny's presentation?' Asking a question is often a good way to start a conversation.

6

Group interaction

If you find group interaction difficult, look for other people who are on their own and may be feeling the same way, rather than trying to approach groups of people who are obviously already familiar with each other. But do not stay with one person too long, move around to others.

7

Use your knowledge

What you know can be just as important as who you know. Let people know that they can contact you for the latest information on whatever is relevant to your field. Take the initiative to pick up the phone and share your findings with others.

8

Share information

Do not keep information to yourself. Try to get into the habit of interacting with people over small things, not just the things that worry or excite you. This will help you develop ongoing relationships and ensure that your contacts are there when you need to discuss more important issues.

9

Be positive

You may think talking to a particular person or attending a particular event will be a waste of time. It might just be that you are nervous. Almost all interactions are worthwhile. If they do not produce instant or spectacular results, you will at least have practised your networking skills.

10

Be prepared

Always keep a supply of your business cards handy to pass around to others and a pen for recording names, contact details, and important information about a person if they don't have a card. It is always useful to jot down on their card important facts you want to remember, such as 'Very interested in our new product line'.

Organisational requirements

All staff are obliged to work within certain boundaries and adhere to the standards, policies and procedures your organisation has set. When you participate in business associations, professional development activities, or any other networking opportunities, you must conduct yourself in an ethical and professional manner, as you are effectively representing your organisation.

You may also be expected to report back to your supervisor, a committee or others within the organisation on your activities, including information about who you met at networking functions (such as conferences, conventions or industry dinners) that you attended.

Organisational requirements may include:

- quality assurance, for example, reporting on the quality of networking opportunities
- a code of conduct, for example, the behaviours necessary when participating in networking activities that reflect positively on the organisation
- organisational goals, for example, the impact of networking on client retention or client-driven service
- policies and procedures, for example, a social networking policy
- legal requirements, for example, maintaining security of information received through networks
- equity principles and practices, for example, making networking opportunities accessible by employees with individual differences
- ethical standards, for example, respecting the privacy of others participating in networking activities
- work health and safety requirements, for example, networking to improve work health and safety culture and performance
- continuous improvement initiatives, for example, networking to increase the effectiveness or efficiency of an organisational process
- resource limitations, for example, participating in networking activities that are cost-effective and can produce tangible results for the business
- marketing plan, for example, participating in networking activities that reach the organisation's target market.

Example: participate in business associations

Ella works in the human resources department of a national manufacturing company. She perceives her role as just getting her work done well and on time. When her manager asks her to attend a seminar run by a business association for people working in human resources, Ella is sceptical and can't see how it is relevant to her job.

At the seminar, Ella is interested to learn about new global developments in human resources, which could mean that her role may become a lot more interesting in the next few years. She also chats to Samira who is sitting next to her. They are about the same age and have similar jobs. They are pleased to discover that they work in the same city block and arrange to meet for coffee the next week.

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After that positive experience, Ella decides to join a special interest group for people with job roles similar to her own, organised by the business association. The group meets once a month. At each meeting they listen to an invited speaker, and then stay for dinner. Samira has also joined the group and the two of them have made many further friends and acquaintances with similar work and personal interests. They have exchanged email addresses and Ella finds the group is a valuable resource when she needs advice or information.

Ella's manager is so impressed with Ella's newfound confidence, growing expertise in her field and the new ideas she is bringing into the organisation, that she has offered her a promotion.

Practice task 13

Use the internet to conduct research on the business associations you could make contact with that are relevant to your organisation or industry.

Use this table to make a list of three business associations that may be able to assist your business to grow and develop. Who are they? How do you contact them? Are they members of any associations you are already involved in? What organisational requirements do you need to comply with?

Business association or group	Contact details	Purpose of association	Organisational requirements to comply with

4C Establish communication channels to provide and exchange information and ideas with the network

Exchanging information and ideas about new networks is an important part of the networking process and should be included in workplace discussion and planning. Work colleagues can provide feedback and ideas for how your contacts can offer support. Combine the information you have collected with material others have gathered to create a resource used for a range of purposes to benefit the team and the organisation.

Establish clear communication channels to effectively exchange information and ideas about new networks and provide, seek and verify information to existing networks.

Use appropriate communication strategies when developing new business contacts and networks and tailor any presentations to the needs of your intended audience.

Exchange information and ideas

By sharing network information you are making yourself available to receive new ideas, connections and information that you perhaps didn't directly seek out – one of the beneficial by-products of networking.

The type of information exchanged through networking may include changes or trends in your industry, changing client requirements, information on competitors' activities, or professional or personal support.

Here are some examples of the ways information can be shared.

Information can be shared:

- in a short written report
- informally, at a meeting
- as part of an oral presentation
- by entering details into an electronic database
- in conversation at a function.

Provide, seek and verify information

Networking can provide you with information about changes or trends in your industry, changing client requirements, competitors' activities, other useful business contacts and professional or personal support.

Be proactive when networking by meeting individuals in the group who can offer you access to potential clients and by seeking further networking opportunities. You also have the opportunity to distribute information that motivates others to seek your products or services.

Act quickly and efficiently on any referrals you are given. Remember, when people give you the names of others to contact, your actions are a reflection on them. Make sure you do not act in a way that reflects negatively on the person referring you.

Here are some aspects to consider when providing, seeking and verifying information within the network.

Strategy

Choose an appropriate strategy

When seeking or verifying information, choose an appropriate strategy depending on the needs of the people you are contacting, the resources available to you, and your expectations from the process. For example, if you want to contact a large number of people at once, a group email is appropriate as long as people do not prefer to receive individual attention.

Communication

Select a communication process

For individuals, you need to decide whether to communicate by telephone, email, letter, or in person through an informal chat or a more formal meeting. A face-to-face meeting is often more productive because there are fewer distractions and you can plan more carefully what you would like to discuss.

It's important to pick a time and place that suits the person you are approaching, and respect their time by being well-prepared for the discussion. However, your contact may be very busy or at a distant location. If you are unsure of how to approach them send a polite email enquiring about their preferences.

Time

Consider time to achieve results

Some strategies may yield immediate results while others may take longer to produce real benefits for you and your organisation. It may take months or years for your relationship to turn into a valuable two-way partnership. Do not expect immediate results and work on maintaining your networks for their possible future benefits.

Verify

Verify information

It is important to make sure the information you receive is accurate, current and unbiased. Verify information by checking authenticity and currency before acting on it.

Establish communication channels

Once a business contact has been made through networking, it is important to set up communication processes to exchange information and ideas, in accordance with organisational policies and procedures.

Communication channels should be free and open. Employees, managers, clients and suppliers should all feel comfortable approaching each other about networking information. Communication should be frequent and consistent to ensure the information remains current and therefore accurate.

Internal communication channels are a means of creating a communication process between you and group members. External communication channels extend the information outside the group. Cross channels combine internal and external communication strategies in an effort to bring new clients to multiple groups.

Here are examples of internal and external communication channels.

Internal communication channels:	External communication channels:
• Meetings • Emails • Newsletters • Memos	• Press releases • Public relations statements • Commercials • Books and other written resources

Networking techniques

Regardless of the strategy you choose when pursuing networking opportunities, you need to have a range of skills and techniques. The most effective networkers have excellent communication skills. Initiating interpersonal interactions with your business contacts will allow you to build useful and meaningful professional relationships.

Here are some examples of networking techniques.

Active listening

Active listening means paying attention to what the other person is saying, focusing on them, making eye contact and acknowledging what they are saying by nodding or using 'verbal nods', such as 'I see'. It also means clarifying, paraphrasing and confirming what they are saying by restating it and writing notes if appropriate.

Questioning

Open-ended questions are most effective for learning about the other party during networking. Open-ended questions are those that cannot be answered by 'yes' or 'no'. For example: 'What sort of outcomes are you hoping to achieve?' as opposed to 'Have you made a decision?'

Clarifying involves confirming that you have the same understanding of the information as the other party. You can ask questions to confirm your mutual understanding, rephrase what has been said or summarise things up to the current time. This gives the other party the opportunity to correct you if there has been some misunderstanding.

Openness

Communicating openly and positively means being sensitive to cultural differences, speaking clearly, and avoiding jargon and slang. Avoid negative language, such as 'can't', 'won't' and 'but'.

Instead of saying, 'I would love to meet again but I don't have any time', you could say, 'I would love to meet again. I don't have any time just now'. The first response might encourage the other party to give up, while the second response might encourage the other party to help you with another task so you could find the time.

Assertiveness

Being assertive means being confident enough to state how you feel and asking for what you want. Being assertive is not about getting your own way, bullying, threatening or harassing people. Such behaviour is aggressive and unproductive.

If you behave assertively, you can:

- regard yourself and others as equal
- express your thoughts, emotions and feelings clearly
- encourage others to be open with you and trust you
- behave and communicate confidently
- act appropriately and positively to the situation.

Collaboration

You may need to be prepared with options and counter offers if your contacts want different things from the relationship. Never dismiss someone's opinion or requirements immediately.

Work closely with your business contacts to resolve common problems, even if you desire different outcomes. Try to help others achieve their outcomes and, if the relationship is strong and built on trust, you will find that they will do the same.

Conflict resolution

Avoid arguments and unproductive discussions that may harm your relationship. If you find yourself in a situation where others are becoming aggressive or stirring up conflict, react by stating that you do not want to argue with them, just to work out a solution that helps everyone.

Empathy

Show empathy towards the needs and feelings of your business contacts. Try to understand what motivates them and how you can reduce any stress they are experiencing.

Empathising with your business contacts means that you are letting them know that you understand the seriousness of the situation and are keen to work with them.

Manage network information

The information you gather will be useless if you do not manage it effectively. Recording contact details accurately and making them accessible to others is just as important as obtaining the information in the first place.

Information technology has made it easy to record, store, sort, retrieve and analyse information. You can record the details of a casual meeting, a snippet of information about a competitor's product, market intelligence or other network information in a database. When the information is sorted and reviewed with other data in the database, important new information may be revealed.

Make sure others in the organisation are aware of the information. Share at meetings, remind people in an email and discuss during planning or brainstorming sessions to ensure valuable information is not lost and can be used by others.

Example: share network information

Kato is an Australian agent for a company that sells specialists holidays in South Africa. His job is to sell and promote holiday packages to travel agents in Australia.

One day Kato attends a travel industry talk and luncheon. At the table, he introduces himself to the people next to him and chats to them about what they do. Kato finds out he is sitting next to a South African hotelier named Markus who is in Australia for a few weeks on business. They swap business cards, talk and say goodbye at the end of the function. Afterwards, Kato enters the information from the business card into his contacts database, as he always does whenever he meets new people.

A fortnight later, Kato is talking with Lisped, the sales manager of the company, and she tells him they are having difficulties with a hotel they have recently used.

Kato mentions that he has just met someone who owns a hotel in Cape Town and that they might be interested in new business. He logs into his database and calls up Markus' details. Lisped takes down the details and passes them on to the company's product managers who are seeking a replacement hotel.

A few weeks later, Kato is surprised to receive a gift voucher from Markus, who has just won the lucrative hotel business in Cape Town. He remembered their meeting and was keen to thank Kato for passing on his details to the specialist holiday company's head office.

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Practice task 14

1. List a range of communication channels you could use to exchange information within a network.

2. How can you be proactive when networking?

3. Describe how you use effective communication and networking techniques to build client relationships and networks.

4. Why is it important to record contact details accurately and make them accessible?

Summary

1. Businesses need to develop and maintain key relationships with a variety of groups and individuals to ensure business success.
2. Allocate a considerable amount of time to establishing and maintaining your business contacts and taking advantage of networking opportunities.
3. Business or professional associations are groups set up to represent the common views and interests of their members.
4. Networking opportunities may be formal or informal; with groups, individuals or businesses; and be professional or personal in nature.
5. When you participate in business associations, professional development activities, or any other networking opportunities, you must conduct yourself in an ethical and professional manner, as you are effectively representing your organisation.
6. Exchanging information and ideas about new networks is an important part of the networking process and should be included in workplace discussion and planning.
7. Communication channels should be free and open. Employees, managers, clients and suppliers should all feel comfortable approaching each other about networking information.

Learning checkpoint 4
Build and maintain networks

This learning checkpoint allows you to review your skills and knowledge in building and maintaining networks.

Part A

1. Explain why it is important to allocate time for establishing and maintaining business contacts.

2. Describe three strategies for effectively networking with your business contacts.

3. Outline aspects of organisational policies, procedures and processes that are relevant to participating in business associations.

4. Describe two types of information that could be exchanged, provided, sought or verified within a professional network.

5. Explain the difference between internal communication channels and external communication channels and provide one example for each.

6. Explain the importance of assertiveness as a technique for effective communication and networking.

Part B

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

Case study

Marta is a specialist consultant in the Vocational Education and Training sector. She works for a Group Training Organisation which recruits Australian apprentices under an apprenticeship training contract and places them with host employers while they undertake their training.

Marta's organisation specialises in servicing the building and construction industry. As part of her role, it is essential she remains up-to-date with important legislative and industry changes that affect the way her organisation operates and the way she manages and interacts with her clients. Marta is very busy and is having trouble allocating time to developing business contacts that would help her stay abreast of market trends and developments.

1. List three external business associations that Marta could participate in that would help her maintain a network of support for the business and to enhance her personal knowledge of the market.

2. Explain how Marta could take responsibility for planning, sequencing and implementing networking activities and her own workload to achieve business outcomes.

3. Explain why Marta should record notes from research and discussions with her business network for future reference.