

How to Provide Customer



Service Excellence

A guide to help you on the excellence journey, to constantly push the bar to get even better at what you do

Service excellence cannot be achieved in the short-term, nor can you ever truly say that you have 'achieved' excellence because it's a journey not a destination; the quest for excellence will mean that you are constantly pushing the bar to get even better at what you do. This journey clearly requires a great deal of commitment on your behalf, but also from those who work with and for you. That is probably the real challenge in seeking to strive for service excellence: how can you get all your employees to really care, to really want to go that extra mile, to really believe in what you are trying to achieve?

How to Provide Customer Service Excellence

This guide is intended to help you strive for service excellence in your business and is prepared in line with the service excellence model. The content here will help you to reflect upon what you do already, and from that you will find areas where you can enhance your existing approach.

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The guide is based on the service excellence model shown:



1. The External Customer

It is perhaps a cliché today to talk in terms of achieving total customer focus but if you want to strive for service excellence that is precisely what you must attain. A good reflection point as you start to analyse this particular process is to ask yourself some thought-provoking questions such as:

Would your customers miss your business if it were no longer around?

What would they miss about you?

Would they easily find a replacement offering?

Does interacting with your business make a real (and noticeable) difference to their lives?

Why do they choose you over others or others over you?

These questions might seem to be verging on 'navel gazing', but such issues are vital if you really want to set your business apart from others in terms of service quality. There are many average businesses in all sectors of tourism, but the number of truly outstanding companies is few.

Therefore, the journey to excellence requires you to 'think' as much as it does to 'do', and reflecting on what makes (or can make) your business special and unique is not time wasted, but time saved because based on the answers you find to such questions, you will do more of the right things in future.

In terms of practical steps you can take to achieve total customer focus, consider the following points:

1.1 Commitment to Service Excellence

The starting point in any attempt to 'rise above the norm' is to demonstrate a real commitment to that aim. Undoubtedly, you are committed to that end, but are each and every one of your employees equally as determined, no matter how many you have? Of course, commitment levels will vary but you cannot tolerate a

situation where you have some people who are truly committed to service excellence and others who care moderately, or worse still, little at all.

If you find this is a problem in your business, then you need to address that concern urgently. Some things you can practically do here:

- ! Sit with your employees to discuss what your business and service goals are, how they can contribute and what the likely benefits are to all concerned for trying to be better at what you do.
- ! Together with them, develop a 'Service Promise', or similar, which captures a shared vision of what you all want to achieve in terms of service quality. Communicate that promise widely to employees and customers.
- ! Allocate individual responsibilities for elements of the drive towards service excellence. For example, you might appoint an 'ideas team' which would explore things that you could do to enhance service, or you could have another group working on how to reduce complaints in the business. No passengers allowed on the journey.
- ! Set clear service goals (collective and individual) to provide tangible targets related to your Service Promise; for example, you could have a target to reduce complaints, increase repeat business volumes, raise customer satisfaction levels and so on. And yes, by all means reward people when those challenging targets are achieved, but don't fall into the trap of rewarding your employees for what they should be doing anyway – only above the norm performance should be rewarded.
- ! Discuss service quality at every meeting or briefing you ever have, make it the norm to talk about the Service Promise, and don't only focus on service issues when something 'goes wrong'. Talk a lot about the journey, the promise, the goals, the achievements – make it part of everyday life.

Finally on this point, never tolerate individuals who do not share your commitment and that of the wider team. By all means coach and support them to see if they can improve, but do not allow them to tarnish the efforts of others indefinitely.

"Quality in a service or product is not what you put into it. It is what the client or customer gets out of it."
Peter Drucker, management consultant

1.2 Get as close as you can to your customers

This again sounds like an obvious point but service excellence demands that you first know your customers' needs and expectations better than anyone else. Yes, some common needs are obvious, but needs by segment are less so.

Even harder to discern are individual needs, but if you are serious about excellence then at the very least your regular or repeat customers will expect you to remember their likes and dislikes. Practical things you can do here include:

“The more you engage with customers the clearer things become and the easier it is to determine what you should be doing.”
*John Russell,
President,
Harley
Davidson*

- ! Define your key customer segments and attribute an overall value to each in terms of what they generate for the business. Which segments deserve most attention?
- ! Hold regular focus groups with customers from these segments to better understand their needs.
- ! Conduct wider online/email surveys with larger number of customers to get a broader view of needs.
- ! Have effective feedback mechanisms, for capturing complaints, and for gathering general satisfaction data; analyse this information regularly in a meaningful way to identify areas for improvement.
- ! Have systems for capturing and sharing the preferences of existing customers so that you can wow them with your tailored service.

It is only by taking proactive action that you can get closer to your customers and if you don't do so then striving for service excellence is impossible.



1.3 Design your products and services to meet defined needs and expectations

Of course, there can be challenges for small businesses in terms of product development, but even without spending large sums on capital investment you can still enhance your offering. On the product side, at an absolute minimum, you should ensure that whatever facilities

and products you currently have are of the highest quality and not looking jaded or tired. On the service side, it's often the little things that matter, so tailoring your service to different segments doesn't have to be a costly undertaking. Some practical actions here include:

- ! Get staff directly involved in this area. They interact with your customers every day and they can often identify small but meaningful product or service enhancements.
- ! Explore what other businesses are doing, both direct competitors and even those in other industries. However, be careful here that you don't end up being a follower rather than a leader when it comes to new ideas.



1.4 Deliver those products and services in a way that consistently exceeds expectations

No matter what your specific offering entails, it's how you deliver it that really matters. The issue of service standards will be addressed later but for the moment you should reflect on the mindset of your people

when it comes to service delivery; are they truly proactive and anticipative of customer needs, or do they simply react to customer's requests? What might you do to improve on the current situation?

"The first step in exceeding your customer's expectations is to know those expectations."

*Roy H. Williams ,
author and
marketing
consultant*

1.5 Introduce informal and formal feedback systems

As touched upon earlier, achieving service excellence is dependent upon you truly understanding how you are doing in terms of service quality, and acting upon that feedback to resolve problems and enhance what you offer. Some companies pay lip service to this area and use token gestures such as

comment cards, which in reality are never truly analysed. That is not to infer that comment cards cannot be an effective tool, but only as part of a wider feedback system, and certainly only when analysed and acted upon on a daily basis. Some practical points to bear in mind here include:

- ! Employees receive informal feedback on a daily basis, how is that information captured and then actioned in your business?
- ! What information do you want from your customers, what is valuable to you? Whatever combination of feedback mechanisms you use, don't overload your customers with pointless questions, or make it cumbersome for them to help you improve.
- ! Use a mix of feedback mechanisms from telephone follow-up calls, surveys, interviews and comment cards so that you get data from all segments.

As part of your thinking here, do you know about the Net Promoter Score (NPS)? The Net Promoter Score is the result achieved when you survey your customers with the "would you recommend?" question. The concept was first developed by Frederick F. Reichheld from Bain & Company when he was examining the issue of customer satisfaction measurement. He found that many customer satisfaction surveys weren't of much use because they were often too long or cumbersome, with low response rates and so on.

Whilst exploring the issue, he found that one company, Enterprise Rent-A-Car, used two simple questions to measure feedback: one about the quality of their rental experience and the other about the likelihood that the customer would rent from the company

again. Reichheld wondered whether it was possible to get similar results in other industries — including those more complex sectors than car rentals — by focusing only on customers who provided the most enthusiastic responses to a short list of questions designed to assess their loyalty to a company. He wondered whether the list could be reduced to a single question. And if it could be, what would that question be?

It turned out that yes indeed a single survey question could serve as a useful indicator of business growth. But that question wasn't about customer satisfaction or even loyalty, or not in so many words. Instead, it was focused on a customer's willingness to recommend a product or service to someone else. Reichheld found that in most of the industries he studied, the

percentage of customers who were enthusiastic enough to refer a friend or colleague — perhaps the strongest sign of customer loyalty— correlated directly with differences in growth rates among competitors.

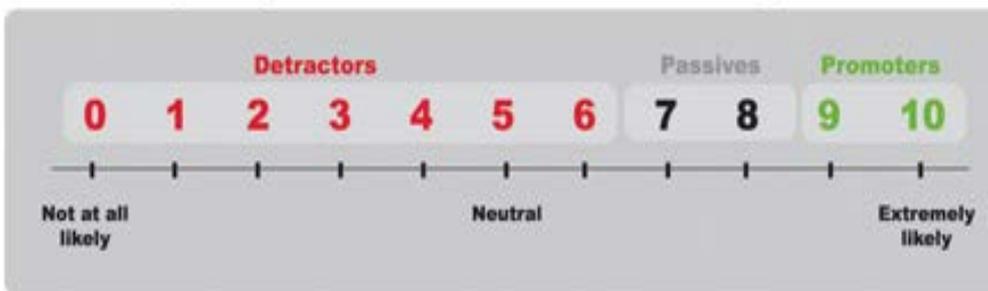
So, that's where the NPS concept came from, and it's easy to calculate. When you ask the question of your customers, *"On a scale 0-10, how likely is it that you would recommend*

our company to a friend or colleague?" you identify three types of customers:

- Scoring 1-6 = Detractors
- Scoring 7-8 = Passives
- Scoring 9-10 = Promoters

Then, when you subtract the percentage of 0s to 6s from the percentage of 9s and 10s, that gives you your NPS score as the diagram below (from netpromoter.com) shows:

How likely are you to recommend to a colleague or friend?



$$\text{NPS} = \% \text{ of PROMOTERS (9s and 10s)} - \% \text{ of DETRACTORS (0 through 6)}$$

Using Customer Satisfaction as a measure is obviously fine, but what Reichheld's research showed was that 'satisfaction' is not necessarily an indicator of 'loyalty' and it's the latter that actually drives business growth. The main reasons that NPS is growing in popularity as an indicator is that:

It's easy to understand and calculate;

It has been shown that 'loyalty' is an indicator of likely future behaviour;

And customer loyalty levels are shown to be correlated to business growth levels.

By addressing the above points you will, over time, increase your customer

focus. You will do so because through your Service Promise they will understand what you are committing to in terms of service.

“ feedback ”

You on the other hand will better understand your customers because you will be closer to them and more able to tailor your offering to suit their needs. And via a meaningful feedback system you will always know how you are performing in relation to the expectations of your customers.

2. The Internal Customer

Naturally, you cannot strive for service excellence without the input of all your employees.

The issue of their commitment was touched upon earlier but additional concerns here include:

“If you’re not serving the customer, your job is to be serving someone who is.”

*Jan Carlzon,
former
president of
SAS,
Scandinavian
Airlines*

2.1 Clearly Define Roles and Responsibilities

It is vital that all employees understand what is expected of them in terms of service delivery so that there are no grey areas as to who does what.

As a rule, every employee should be empowered as much as possible so that your customers never hear something like “I cannot help you with that, you’ll have to speak to...”

Also, in relation to how they contribute to the wider service excellence effort, employees must know what’s expected

of them. For example, if they are expected to participate on service excellence teams of one sort or another, then that must be made clear to them. Equally, if you want new ideas from employees, is that optional or should they be expected to come up with one new idea a month?

Additionally, they should fully understand the internal customer concept whereby they recognise that they are all interdependent upon each other to do their jobs effectively.

2.2 Provide appropriate and continuous training for all employees

It goes without saying that training and development are vital cogs in the wheel when it comes to aiming for service excellence. But, regardless of the numbers of employees you have, as far as is possible, the content of training needs should be tailored to the experience levels and needs of employees.

There is nothing worse for an experienced employee than having to sit through a basic service course with new starters. Too often, little thought is given to the content and delivery of on- and off-the-job training and you should ensure that the investment you make in this area is delivering the highest return possible.

2.3 Create a working environment which engages employees to the fullest extent

It is useful to read the 'How to Recruit and Lead your Team (guide)' to get some insight into how to lead and engage your employees for best effect. Your goal in relation to service excellence is to create a working

environment which encourages employees to see customers as 'theirs' and not just 'yours'. Not easy to achieve in practice but essential if you are to truly deliver excellent service to your customers.

A separate guide on [How to Recruit and Lead your Team](#) is available on the Business Tools page



2.4 Measure employee satisfaction at regular intervals

Just as you measure customer satisfaction levels, so too is it important to gauge how your employees are feeling about their work.

Again this does not have to be a complicated process but it must

provide you with meaningful and actionable feedback in areas such as how they view leadership, communication, teamwork, working conditions and so forth, so that you can identify and address blockages which are reducing engagement levels.

"I insist that we continually ask our staff for any suggestions they might have."
Richard Branson, founder, chairman Virgin Group

3. Standards of Performance

Naturally, the standard of service in any business will fluctuate to some degree on occasion; perfection is a worthy goal but it is impossible to get it right every time because you are, after all, only human.

However, it is the overall pattern of quality which matters and a good way of describing fluctuations in service delivery is to view it as being a quality continuum, based on your ability to respond to customer expectations:



Naturally, you want your service to exceed expectations for as much of the time as possible but even to 'meet expectations' you must have a defined way of doing things and for that you

need Operational Standards/Standards of Performance (SOPs) of some kind. The following is a four part approach to developing, implementing, evaluating and improving operational standards.



3.1 Developing operational standards

At its simplest, a *Standard* is an agreed, repeatable way of doing something: it's a goal if you like. The *Procedure* is then the 'how to' in order to achieve the standard. Operational standards (Standards of Performance) are those standards which are recognised by your business as important enough to be published and monitored for continuous improvement. They relate primarily to service, and contain precise criteria designed to be used consistently as a rule, guideline, or definition.

Operational standards help to make life simpler and to increase the reliability and the effectiveness of many practices that guide you and the services you provide. They are intended to be aspirational - a summary of best practices rather than general practice. Standards are created by bringing together the experience and expertise of all interested parties, within and, where appropriate, outside the

organisation (customers, suppliers, etc.).

Establishing operational standards and making them integral to how your business operates will take time. You need to develop a careful, well-thought-out approach that recognises:

The different types of services and customers you have;

Your knowledge of how your people currently perform; and

Your ability to monitor performance against standards.

However, rather than wait until complete and 'perfect' standards are developed, you should develop your operational standards progressively. Publish standards in areas of greater importance or impact first, i.e. those critical for operational success.

Use the SMART acronym when developing standards:

Specific:	A specific, clear standard has a much greater chance of being accomplished than a general one.
Measurable:	Establish concrete criteria for measuring progress toward the attainment of each standard defined.
Attainable:	When you identify standards that are most important to you, you begin to figure out ways you can make them happen.
Realistic:	To be realistic, a standard must represent an outcome toward which you are both willing and able to work.
Timely:	A standard should be grounded within a time frame, i.e. it must relate to the now with a view to the future.

Initial standards may be incomplete or embryonic in some aspects. As you gain experience, you can improve these standards and extend the range of services they cover.

"The greater danger for most of us lies not in setting our aim too high and falling short; but in setting our aim too low, and achieving our mark."
Michelangelo, Italian sculptor, painter and architect

It is important to recognise that standards of performance are not plucked from thin air but are simply devised directly in response to customer expectations. They are based on key interactions you have with your customers. Let's work through a simple example. Imagine you were planning

a break with your family and you made a call to a self-catering provider in the area you wanted to stay to make an enquiry. The first 'moment of truth' between you and the self-catering staff would be in how the call was handled. What would you expect as a customer? You might look for the following:

Handling a Telephone Enquiry/Reservation	
General Expectation	As part of this, you might expect that:
<p>You might expect that your call will be dealt with in a friendly and positive manner and that your booking will be dealt with professionally and efficiently</p>	<p>→</p> <ul style="list-style-type: none"> • Your call will be answered promptly and an appropriate greeting will be given by the employee. • Your requirements will be clearly established by the employee and options to meet those needs will be explained. • The employee will demonstrate good knowledge of what is on offer at the property/area and that the correct rate will be quoted, with what it includes explained to you. • If you decide to proceed your booking will be taken efficiently by the employee and the method of confirmation will be explained to you. • You will be thanked for your business.

You get the picture at this point. You expect certain things to happen when you call the self-catering operator and none of them are earth-shattering, but they all combine to make that part of the experience memorable for a moment.

Now, let's switch hats for a moment.

If you were the self-catering business owner or manager, how might you set about meeting these particular expectations for that element of the customer's service journey? You might first start by agreeing the standard (goal) with your employee(s) for Handling Enquiries and Reservations which could be as simply put as:

Our Standard Is:

To handle all calls in a friendly and positive manner and deal with customer enquiries and reservations professionally and efficiently which shows them that we value their business

Now, to achieve that standard, you need a 'how to' or a procedure to follow which for simplicity's sake might include the following steps:

How to achieve our Standard:

1. Answer all calls promptly and give an appropriate and warm greeting, providing your name, and the name of our business.
2. Establish the caller's requirements and explain what options we have to meet those needs.
3. Demonstrate that you have good knowledge of what we offer and ensure that you quote the correct rate and explain what it includes.
4. If they wish to proceed, take the booking in an efficient manner and explain the method of confirmation required to them.
5. Explain our cancellation policy and outline any restrictions that may apply to that rate/booking.
6. Repeat the full details of the reservation back to the caller in order to ensure that no mistakes or confusion exist.
7. Explain our main facilities and offer the caller directions to find us, or offer other assistance as required.
8. Make sure that, at all times, you show by your approach to the caller that we really value their custom.
9. Always be friendly, helpful and efficient throughout the call and never rush the caller; if you are very busy, offer to take their number and call them back within 15 minutes. Then, make sure this happens.
10. Always end the call in a friendly way, thank the caller and tell them you are looking forward to their arrival.

This is just one example of how a standard and procedure for a small business may be written but the key point to bear in mind is whatever model you use, keep things simple and build the number of documented standards over time.

The key phases in the standard setting process include:

Identify all key moments of truth/interactions with your customers

from initial contact to end of service.

Identify the customer expectations associated with each of those interactions.

Develop a standard (goal) for each interaction which responds to the expectations.

Agree a procedure to be followed to achieve the standard for each interaction.

3.2 Implementing the standards

Operational standards are intended to let your people know the level of performance expected of them but they will only be fully implemented if you provide on-going training and coaching for employees so that they can consistently apply the standard. Equally, day-to-day supervision must ensure that employees are actually following agreed procedures every time they perform a particular task.

By including your employees in the standard setting process in the first place, you will find that there are fewer problems with implementation because they understand the rationale for the standards and as they essentially developed them, they do not feel they have been imposed upon them.

There is 'ownership' there which facilitates implementation.

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Setting customer-driven standards and measuring how well your business is doing is a continuous process

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3.3 Evaluating the standards

You will need to develop ways to measure your performance against standards, and monitor performance constantly. Setting customer-driven standards and measuring how well your business is doing is a continuous process and it should quickly identify problems with customer service. All parts of the business should be involved in finding solutions to these problems and discussing these solutions with customers, where appropriate.

There are a number of measurement tools you can use. One effective way is

to use a checklist or audit of the standards and track performance over time – often employees can self-assess their own performance and when they don't fear the consequences they can be surprisingly honest and accurate.

Then, action plan any areas for improvement identified to eliminate the problem from recurring.

This can also be done through more formal and independent internal and external quality audits, mystery guest surveys and simply by listening to your customers.

Here is how you can convert the procedures you develop into checklists, based on the example from earlier:

Key Steps	Poor			Excellent	
	1	2	3	4	5
1. Answer all calls promptly and give an appropriate and warm greeting, providing your name, and the name of our business.					
2. Establish the caller's requirements and explain what options we have to meet those needs.					
3. Demonstrate that you have good knowledge of what we offer and ensure that you quote the correct rate and explain what it includes.					
4. If they wish to proceed, take the booking in an efficient manner and explain the method of confirmation required to them.					
5. Explain our cancellation policy and outline any restrictions that may apply to that rate/booking.					
6. Repeat the full details of the reservation back to the caller in order ensure that no mistakes or confusion exist.					
7. Explain our main facilities and offer the caller directions to find us, or offer other assistance as required.					
8. Make sure that, at all times, you show by your approach to the caller that we really value their custom.					
9. Always be friendly, helpful and efficient throughout the call and never rush the caller; if you are very busy, offer to take their number and call them back within 15 minutes. Then, make sure this happens.					
10. Always end the call in a friendly way, thank the caller and tell them you are looking forward to their arrival.					

This simple checklist could be used by employees themselves to rate their own performance, or you could give all your 'moment of truth' checklists to an external mystery guest (a friend perhaps, to save you money) who could rate the guest experience for you. There are many ways you can measure the quality of your service experience without it being overly expensive.

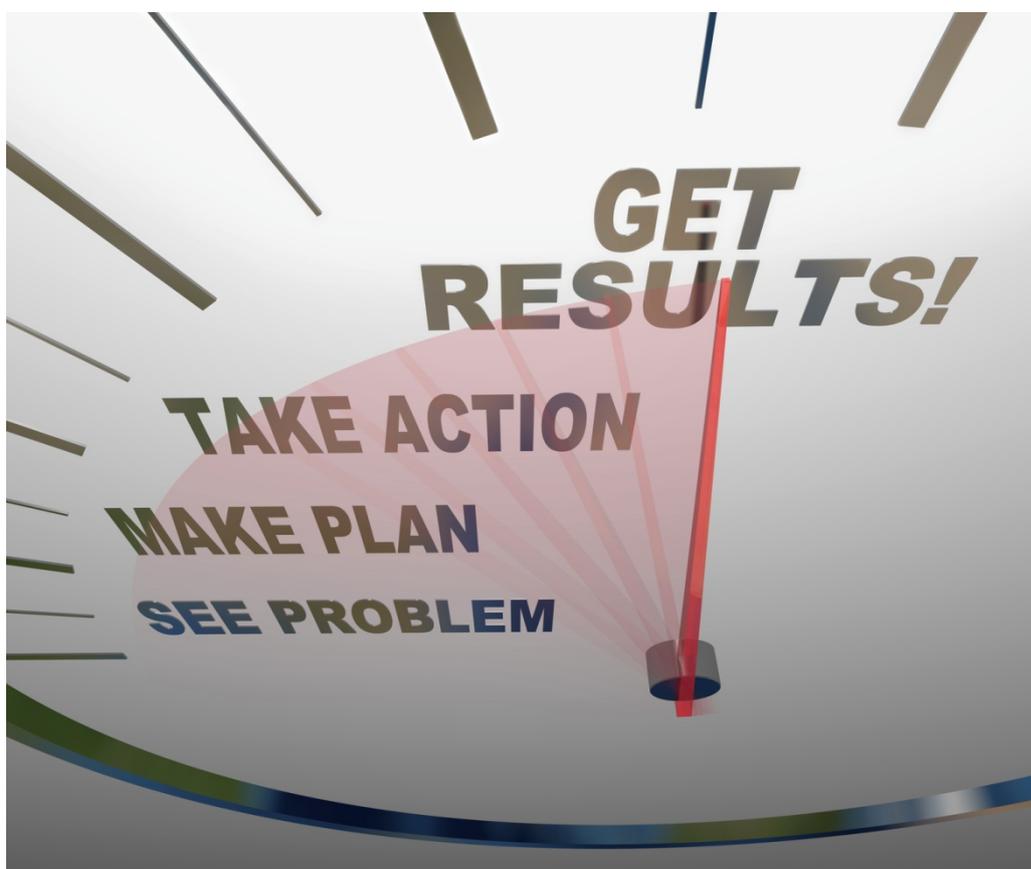
Templates on developing standards are available on the [Business Tools](#) page

3.4 Improving the standards

Based on your ongoing measurements you will identify areas for improvement and these will allow you to address shortcomings, or set higher and higher operational standards designed to maximise customer satisfaction. By consulting customers, monitoring performance and encouraging innovation, you will be able to

deliver better service.

To support you in developing or revising SOPs for your business, Fáilte Ireland has developed Operational Standards Templates for food production and food and beverage service, as part of the suite of Business Tools.



4. Conclusion

There is no pretence that striving for service excellence is easy, but it is possible to excel as many small and large enterprises have shown to be the case. However, it is a longer term journey, one fuelled by passion and

commitment, a structured approach, engaged employees and total customer focus. The principles described here are readily applicable in any business and should help you to revise and enhance your existing approach.



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