

SUMMARY

Topic: Proven Ways to Sustain GREAT Service – How to keep the MAGIC going
Date: February 13 and 14, 2008

Participants:

There were representatives from the following companies on these calls:

AAA	IDEXX Laboratories Inc.
Avis Budget Group	Johns Hopkins Healthcare
CitiFinancial Univerciti	Kimberly-Clark
Custom Disability Solutions	Stored Value Systems
Detroit Receiving Hospital	UBS Financial Systems
GMAC Insurance	Wyndham Vacation Ownership
IDEXX Computer Systems	

Introduction:

Tom Larkin provided a broad picture on the five elements needed to develop a service culture, with specific attention to two of those elements: service-focused leaders and consistent service delivery and measurement, details provided below. He then introduced Annie O’Neil, business operations consultant of IDEXX Laboratories, and Betsy Yeaton, training administrator for CitiFinancial Univerciti, who added their expertise and provided specific examples.

T. Larkin’s Slides:

The Five Pillars for Building and Sustaining an Effective Service Culture

- Shared Service Vision and Values
- Service-Focused Leaders
- Consistent Service Delivery and Measurement
- Developmental Training and Coaching
- Constant Systemic Improvement and Reinforcement

The Five Pillars for Developing an Effective Service Culture

1. *Shared Vision and Values* - Clear, compelling shared vision and values support and inspire the expression of employee excellence and exceptional service

2. *Service-Focused Leaders* - Leaders at all levels model the service mindset, value the contribution of every employee, and focus on the customer's total experience.
3. *Consistent Service Delivery and Measurement* - The standards for service delivery are clear, consistent and integrated
4. *Developmental Training and Coaching* - Established measures for face-to-face, phone and e-interactions are shared by all. Performance coaching identifies and promotes service contribution and individual
5. *Constant Systemic Improvement and Reinforcement* - Systems and processes throughout the organization are constantly improved and aligned with the service vision and values.

Tom then drilled down to two specific elements.

Service-Focused Leaders

- Create a Guiding Coalition or Champions Committee
 - “Own” the initiative's success
 - Model the vision and demonstrate the service behaviors
 - Drive the communication about the initiative
 - Focus on coaching (developing and growing the initiative), not judging
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Constant Systemic Improvement and Reinforcement

- Identify driving and restraining forces affecting the initiative
 - Create campaigns and activities to reinforce the standard
 - Focus on the positive (what they're doing right vs. wrong)
 - Reorganize individual and team success
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Proven Ways for Sustaining Service Initiatives

What works are: sustaining efforts that improve the organization and drive financial success - that which aligns with the business strategy.

“Research, experience, and common sense all increasingly point to a direct relationship between a company's financial success and its commitment to management practices that treat people as assets.”

“Drawing on extensive empirical research, an irrefutable business case can be made that the culture and capabilities of an organization-derived from the way it manages its people-are the real and enduring sources of competitive advantage.”

J. Pfeffer, Stanford University, Academy of Management

Anne O’Neil, business operations consultant of IDEXX Laboratories, spoke on the first element: Service-focused Leaders and how they put together and utilized a Guiding Coalition.

1. Developed vision
Key thing is to first have strong direction and vision in terms of service and people clear on what that is, what that looks like – then it is easy to create a coalition, committee or team to support that vision. The vision gave context to the coalition.
2. Formulated the team
 - Looked at different roles: Management and front line.
 - Pulled team together of people who touched the customer – wanted a combination of both and wanted collaboration and buy-in.
 - Let them determine metrics and accountability.
 - They weren’t looking for the perfect reps - wanted the most vocal, most resistant, high performers. Get them on board and they would be good advocates going forward.
3. Key measures
 - Brainstormed measures that connect to the vision and ensure it measured the customer experience.
 - Call center environments are not short on metrics – service levels, abandon rate, average speed of answer, etc. They wanted to determine how does it measure customer experience
 - Surveyed customers and identified three attributes: courteous, responsive, and knowledgeable
 - Used MAGIC internally (33 points, listened to calls and coaching)
 - Used external surveys- measuring the three attributes – a partner called customer within 48 hours with a 15 question survey, which was sent quarterly then six months.
 - Also measured first call resolution.
4. Results
 - Over five year period, they were able to sustain overall rating of 90% - very good to excellent in terms of customer experience– attributed to the Coalition and their collaborative approach
 - Guiding Coalition owned the initiative, made it part of the culture and there was quicker implementation
5. Reinforcement
 - Guiding Coalition developed score cards - they created, piloted and got agreement on the measures that took a well rounded view internally and externally

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- Coined “phrase that pays” – used different points and learnings around empathy, using customer’s name
- Caught people doing things right
- Coaching became really important – Coalition kept people committed to ensuring coaching happened – held them accountable to ensure vision became reality.

Question:

How many people can you have on a coalition– optimal number?

IDEXX with 80 reps, had eight people on core coalition. Must guard against a number too low, not enough impact; too high, things don’t get done, hard to collaborate.

Who selects the team?

It was self-nominating with manager support. People were told here’s what we are trying to do and here’s the role. If manager thought someone might be well suited, he would mention it to the person. Management team ultimately made the decision.

Betsy Yeaton, CitiFinancial Univerciti, spoke to the fifth element of the five pillars: Constant Systemic Improvement and Reinforcement

MAGIC was active for five years but they not have buy-in from senior staff - lost momentum.

- Established the Mod Squad – similar to the Coalition. They were available for coaching anytime. Reps shared calls that went great and ones that didn’t go as well and asked how they could improve them
- Started surveying senior leadership to see if they were following the 33 points. They would on occasion call senior leaders to see how they were answering the phone, if they maintained the standard (used cell phones so management wouldn’t know who was calling)
- At their annual meeting they had motivational speaker, Greg Valentine – gave them a visual, referring to them as crabs trying to escape the basket. Crabs on bottom of the bucket are always pulling on others to come down with them – negative. Those getting out of the basket, more positive, more energetic. Greg encouraged them to go out of their way to be the positive folks, to get out of the basket. Being the Baltimore and Chesapeake Bay area, this really resonated with everyone – they started seeing crabs everywhere, on desks, on posters, people promoting it and interested in how they were doing.

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- Met weekly with senior leadership to listen to Wow calls – positive responses from a client or instances the employee went out of their way with customer service. Balloons and certificate were delivered to the person by the senior leadership clapping their hands, total surprise – people would follow them; the reps picture was put in an employee email announcement. Additionally, follow-up calls or letters from clients got posted in a newsletter as MAGIC. Very motivating to the group. Got competitive, permeated organization, positively affected the culture.

They recognized the need to guard against a flavor of the month and keep momentum up. Reinforced not just spreading MAGIC with external customers, but also with internal customers. They made it fun and educational.

Question:

How did the Mod Squad know/learn about good and bad calls?

They had capability to listen in – they had been trained in MAGIC and sat in on classes, had discussions in regular Mod Squad meetings. Employees would let them know, both good and bad.

It was said that the Guiding Coalition wanted to make sure coaching stayed important – made managers accountable to the coalition – how did the coalition get to the position that managers felt accountable to them? Did they have authority or were they just advisory?

No middle manager reported to a member in that capacity but there were some managers on the coalition, so they would be aware of activities. The coalition continued to communicate how much coaching was going on to the senior leadership and there were expected standards to be met.

How long is team kept together? Sometimes being on a group a long time can get dragged out.

A coalition should be associated with the initiative for as long as the initiative is in effect. The coalition is charged with keeping it going, refreshing it, breathing new life into it. How to keep it from getting dry? Team members can be changed, new hires included, someone to change things up and bring new ideas/perspective to it.

The Mod Squad rotated people. They had 12 people total divided into three groups. Four would serve for six months, then that four was replaced and other eight stayed on so each quarter people changed. Kept the team alive, people wanted to join, others left before they burned out.

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How do you get senior leadership to do more than just sponsor the effort but to actively participate and drive it throughout the organization?

- Video or audio taping the leaders stating why the initiative is important and what they hope to achieve – why they are doing the training in the first place and play this before the start of each program.
- Get leader to write a memo or contribute what their goals and visions are – create an alignment document showing the business logic behind their decision to do this initiative.
- Betsy Y: President kicked off every class for first six months and senior leaders participated periodically through the training – people realized everyone was involved.

How do you get them to actually do it?

- Tying the goals of the training to the strategic vision – sell it to management; show articles and VOC research of how when senior management communicates values to the front line in a personal way, it increases their exposure and makes them a more popular and influential leader.

Challenge is in getting them to devote any time to it.

- Involve them in the planning, walk-throughs, celebrations
- Remember to ask them (do not assume they are too busy)
- Be specific in your requests; clear invitation makes it easier to say yes– “would you be available for a five minute taping explaining why this training/behavior is important?” Makes it easier when they know what the expectation is – knowing purpose and time involved

How do you keep people motivated and increase the tenure of the customer advocate when things are stressful due to mandatory overtime and a large volume of calls?

- Add/increase variety – research follow-up, in addition to taking call after call
- Increase morale – healthy food option, compensation – money or time off or flexible time
- Consider if you have created a job that decreases retention
 - Adequate staffing – how much time they are on phone and how many calls taking is direct impact on how long they stay in role – if they are consistently in a high-stress environment over a long period of time (80% of the time), than that is what you have created and the result is they will burn out sooner
- Manager presence during crisis times – being visible, getting them what they need, being there if they need to escalate the calls
- Ways to reinforce people and the initiative –
 - word affirmation
 - peer recognition

- middle manager pitching in and covered the front line person's calls – creates a “we're in this together” mindset - providing service to the front line, adds to community feeling and keeps things going

Some additional tips on senior management involvement, not presented during the MLE follow.

SENIOR MANAGEMENT INVOLVEMENT

- Have one of the VPs (or a senior leader) introduce each class. Coach them first (give them bullet points). Be sure they show how MAGIC ties in to company initiatives and can help change the culture. They can also set expectations for participation and energy level. They will feel more engaged in the process and more likely to follow-through/support the initiative.
- Build relationships with the senior person before they come into the class. Share the material up front. Ask for input/help to get buy-in before the class. Partner with them so that they are part of the process and will help reinforce the importance of the program.
- Management should go through the same training as the associates so they better understand the experience and will be more willing to model/support it. So, how do you get senior management to go to the training? How do you tell them they need to take the class? This is a challenge as well.
- Don't mix audiences. Managers/senior managers should go through the program together. When they do, they are more likely to embrace the material and their leadership role. When the majority of the senior associates in a class buy-in to the MAGIC, the rest are more likely to follow.
- Go to the highest person (major stakeholder or sponsor) and ask for their help to get sr. management buy-in. Ask them to help get others on board. Emphasize that involvement at all management levels needs to be sustained and that MAGIC needs to be measured and reinforced to be maintained (which is in the business's best interest).
- Highlight the benefits of a MAGIC culture to the senior team. Provide research that their role is critical to building this type of culture (can use the white paper on the Communico CD).
- Have the President of the corporation record a message on videotape about the importance of MAGIC to the organization's culture. Play the video at the beginning of each class to show sr. management support. This will also send a signal to other managers that MAGIC is an important initiative that warrants their attention.

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- If you have a manager that sees MAGIC as a “check it off” program, go to his/her boss and find out what is important to him/her. Ask questions and rephrase/link to MAGIC so that the boss feels like it was his/her idea. Tell this sr. manager what managers need to be held accountable for. Training Dept. will provide the course, but it is up to sr. mgmt. to hold people accountable.
- How do you get buy-in from senior managers in IT (no accountability from the top)?
 - Get a Champion from IT to reinforce the behaviors (soon, the sr. managers will notice the difference)
 - Show them how you understand their world and have adapted the program for them/Customize the program to meet their specific needs
 - Emphasize parts of MAGIC that tie in to elements on their performance management system.
- Videotape an interaction of a manager/senior manager handling a tough situation and play it in class.
- Gather feedback from course assessments. If most participants suggest that sr. mgmt. take the course, then you can share this feedback with the sponsor/stakeholder.