

DEPARTMENT OF HOMELAND SECURITY
UNITED STATES COAST GUARD

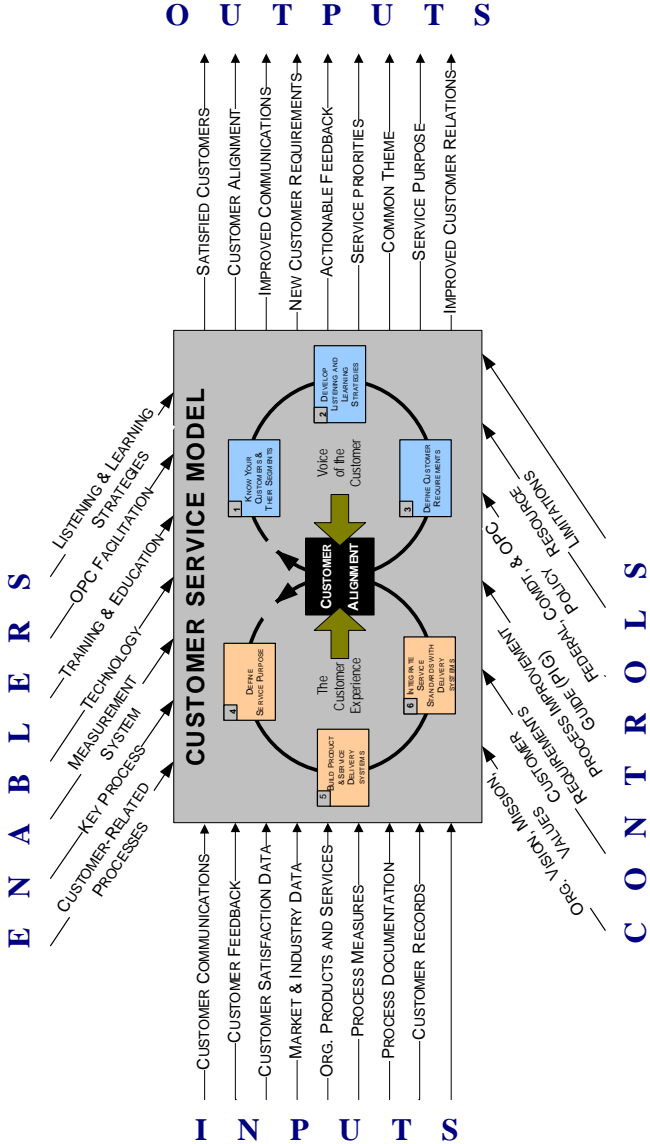
Semper **P**aratus



**Working with
Customers**

WORKING WITH CUSTOMERS

CONTEXT DIAGRAM



WORKING WITH CUSTOMERS

CHECKLIST

1.0 IDENTIFY CUSTOMERS AND THEIR SEGMENTS

- Define Customer
- Determine Products and Services
- Know Who Is Affected
- Identify Segments with Similar Requirements

2.0 DEVELOP LISTENING AND LEARNING STRATEGIES

- Identify Key Access Mechanisms
- Manage Customer Communications
- Follow Up to Obtain Actionable Feedback

3.0 DEFINE CUSTOMER REQUIREMENTS

- Collect and Document Requirements
- Analyze and Prioritize Customer Needs
- Identify Need, Wants, Stereotypes, and Experiences

4.0 DEFINE SERVICE PURPOSE

- Analyze Service Priorities
- Develop a Service Purpose Statement
- Determine Customer Service Standards

5.0 BUILD PRODUCT AND SERVICE DELIVERY SYSTEMS

- Define the Delivery Systems
- Develop Delivery System Tactics

6.0 INTEGRATE SERVICE STANDARDS WITH DELIVERY SYSTEMS

- Complete the Service Excellence Matrix
- Conduct Gap Analysis for Service Delivery
- Close Gaps in Service Delivery
- Measure and Monitor Service Delivery

WORKING WITH CUSTOMERS

DESCRIPTION: The process by which an organization works with – treats, knows, communicates with, listens to, understands, values, relates to, aligns with, and manages its customers.

USE THIS TOOL: Often and at every opportunity to improve customer relations and satisfaction.

DEGREE OF DIFFICULTY: *Beginner to Practitioner Level.*

INTRODUCTION

Customer Satisfaction is a result achieved when product (or service) features respond to customer needs. It is generally synonymous with product (or service) satisfaction.

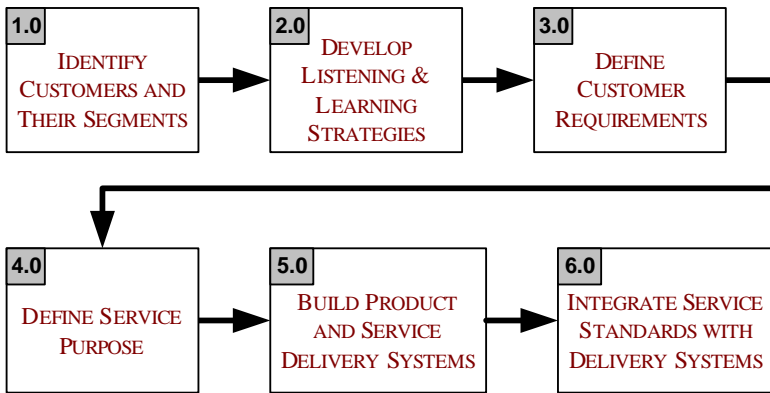
– J. M. Juran, Juran on Quality

Customer Satisfaction is an illusive outcome. It is difficult at times to produce products and services that meet customer expectations, especially as customers continue to evolve their needs. In attempting to satisfy customers, every organization develops its own process for designing and delivering their products and services. Done correctly, this process can give the organization a competitive advantage.

This process, which we call the Customer Service Process, serves to define the customer's needs and to align the organization's capabilities with delivering those needs. This booklet describes this process and guides OPCs as they consult with organizations that are defining their product and service delivery systems. The booklet references many familiar tools from the *Coast Guard Process Improvement Guide* and introduces some new tools created by the Walt Disney Company, a world-class customer service organization.

Because many Coast Guard units are familiar with the Baldrige Criteria or Commandant's Criteria for Performance Excellence (CPEC), the many steps or activities described in this booklet focus on the CPEC principles.

PROCESS STEPS

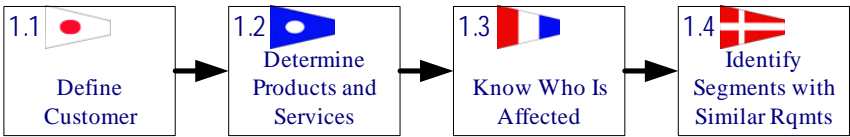


Customer Service Process

1.0 IDENTIFY CUSTOMERS AND THEIR SEGMENTS

The first step in the Customer Service Process is to identify and understand who the customers are. Not all customers are the same – although all are important, some are far more important than others. And there are different types of customers, some more appropriately referred to as stakeholders rather than customers. In addition to internal and external customers, there may be suppliers, parent organizations, or partners that bear consideration. In this regard it is useful to group customers into segments. An OPC’s facilitation skills can be very valuable in assisting units to consider their customer base and define these segments. A detailed task checklist for this step and associated tools are provided below.


D E T A I L E D C H E C K L I S T		T O O L S
1.1	Define Customer	Facilitation Skills
1.2	Determine Products and Services	SIPOC Analysis
1.3	Know Who Is Affected	SIPOC Analysis
1.4	Identify Segments with Similar Requirements	Affinity Diagram



Identify Customers and Their Segments



1.1 DEFINE CUSTOMER

 Refer to the CG PIG: *Facilitation Skills*

How does the organization define a customer? How an organization defines a customer depends a lot on its perspective, products and services, and culture. In its simplest terms, a customer is any person or organization that receives an output from an individual, a process, a group, or another organization. OPCs must help the organization to think through this concept and establish a shared definition and understanding.



1.2 DETERMINE PRODUCTS AND SERVICES


To understand who their customers are, organizations first need to know what their products and services are. Everything an organization *gives to* another person or entity – by building, creating, writing, constructing, etc. – is one of their products. Everything they *do for* another person or entity – such as helping, supporting, advising, repairing, managing, auditing, etc. – is one of their services. The most effective way for

● **Baldrige Note**

Customer-Driven Excellence! Quality and performance are judged by an organization's customers. Thus, the organization must take into account all product and service features and characteristics and all modes of customer access that contribute value to its customers. Such behavior leads to customer acquisition, satisfaction, preference, referral, retention and loyalty, and business expansion. Customer-driven excellence has both current and future components: understanding today's customer desires and anticipating future customer desires and marketplace potential.


OPCs to assist managers in determining the organization's products and services is to:

OPC FACILITATION ACTIVITY

 Refer to the Process Effectiveness Toolset (CD): *SIPOC Chart-Analysis Instruction and Template*

1. Identify the organization's suppliers (i.e., who they receive their inputs from);
2. List the organization's inputs – supplies, materials, resources, products, and services;
3. Consider what they do to add value to their inputs (i.e., how they improve or change them in a positive way);
4. Identify the outputs from the value-adding process.

Also...

 Refer to the CG PIG, *Work as a Process: SIPOC Model*

IDENTIFY PRODUCTS

If the organization receives something (in the form of an *input*), does something to it to add value, and then turns it over to someone else (in the form of an *output*), it is one of the organization's products. Products can be intellectual in nature; for example, an analysis report, with the primary input of data. They can also be physical; for example, a refurbished ship, with the primary input of raw materials.

IDENTIFY SERVICES

If the organization is doing value-adding work, but not on something they will actually give to a customer in the form of a physical output, it is one of their services. Services can be intellectual in nature; for example, helping a customer to think through a problem, with the primary input being one's experience, knowledge, and energy. Or it can be physical; for example, moving material, with the primary input being labor.

A useful add-on to this analysis is to consider the organization's *outcomes*. An outcome is the result of a customer receiving an output. For example, an output might be a repaired helicopter, but the outcome is more flight hours or lives saved. Defining outcomes often gives managers a different perspective on how they, or their organizations, add value.

1.3

KNOW WHO IS AFFECTED

The next step asks an organization to consider, “Who are the recipient(s) of our products and services, and who are affected by them?” This step is integral and inseparable from the previous step. Everyone or every entity that is affected by a product or service in any way is, more or less, a customer. Understanding the affect of an organization’s products and service serves to delineate its design to reduce negative affects or outcomes.

1.4

IDENTIFY SEGMENTS WITH SIMILAR REQUIREMENTS



Refer to the Process Effectiveness Toolset (CD):

Affinity Diagram Instruction to identify like segments

...and the *Functional Matrix Instruction and Template* to group customers into the resulting segments

Customer segments are groups of customers with similar requirements. Their shared requirements usually derive from common socioeconomic or demographic factors, interests, beliefs, values, or needs. For example, small recreational boaters will have different requirements than large commercial shipping companies – just as local officials concerned with port security will have different requirements than fishermen. Obviously, organizations should strive to satisfy all their customers, but this is not always possible, nor is it necessarily efficient or effective.

When organizations divide their customers into segments, they can focus on satisfying groups rather than individuals. Once segmented, an organization can target strategies for specific customers, as well as segment trends and satisfaction levels tracked and addressed.

Note that all customers may also supply inputs or raw material, as well as receive products or services. An example of these inputs may be as concrete as firm product specifications or as nebulous as customer feedback.

2.0 DEVELOP LISTENING AND LEARNING STRATEGIES

Helping organizations to identify and segment their customers is the easy part. The real challenge is to help organizations align with and satisfy their customers. In this regard, the most important thing an organization can do is *communicate with their customers!* – regularly, intimately, meaningfully, and authentically – in every way possible, and as often as possible! OPCs can help facilitate customer communications in a variety of ways. A detailed task checklist for this step and associated tools are provided below.

DETAILED CHECKLIST		TOOLS
2.1	Identify Key Access Mechanisms	Brainstorming Action Planning
2.2	Manage Customer Communications	Facilitation Skills
2.3	Follow-Up to Obtain Actionable Feedback	Facilitation Skills



Develop Listening & Learning Strategies

2.1

IDENTIFY KEY ACCESS MECHANISMS

 Refer to the CG FIG:
Brainstorming

Key access mechanisms are an organization’s most important and productive means of accessing – listening to, learning from, and communicating with – their customers. They are key to an organization’s ability to satisfy their customers.

“Show us an organization with customer satisfaction problems, and we will show you an organization that is not communicating effectively with their customers!”

Leaders shouldn’t assume that they know what their customers want.

Chances are, they’ll be wrong!

Customers must have access to the organization! They must to be able to tell the organization what they want and when they want it or, more importantly, when they are satisfied or dissatisfied. Without this information, leaders are left guessing. Managers often rely on customer satisfaction or complaint data to flag problems. However,

once an organization receives notice of customer dissatisfaction through a typical measure or indicator, it is too late to make any midcourse corrections and customers may have already been upset or, worse, lost.

DEVELOP AN ACCESS PLAN



Refer to the
*Action Planning
Booklet*

Organizations must carefully consider their key access mechanisms. OPCs should facilitate this activity by helping them develop an *Access Plan*. OPCs should try to get managers to brainstorm means to access their customers, and vice versa. These means should then be defined and prioritized.



Refer to the
CG PIG:
Brainstorming

The Access Plan is a set of actionable objectives to establish new mechanisms or improve existing ones. It includes assignments to owners to develop and account for each mechanism. Once in place, owners must maintain and continuously improve access and communications management. The more communications the better – but something must be done with them! Access means more than just a venue into the organization – it also means access to key decision makers.

2.2



MANAGE CUSTOMER COMMUNICATIONS

Receiving a customer communication is the trigger in the customer communications process. The process includes:

Baldrige Note

Listening and learning might include gathering and integrating surveys, focus group findings, Web-based data, and other data and information that bear upon customers' purchasing decisions. Keeping your listening and learning methods current with business needs and directions also might include use of newer technology, such as Web-based data gathering.



Refer to the
CG FIG:
Facilitation Skills

Note: there really are no specific tools to use here – work with managers and teams to develop methods and processes for effectively managing customer communications.

- **Noting, logging, or documenting the communication** in some way – the type of communication, when it was received, and who it was received from.
- **Aggregating and analyzing the communication** with respect to other previously received communications. Data must be turned into information.
- **Portraying and conveying the aggregate data** to decision makers, using charts, boards, e-mail, postings, etc. – whatever means is most efficient and meets decision maker needs.
- **Studying and acting upon the analysis** – evaluated, discussed, corrected, prevented, disseminated, and linked to planning and improvement.
- **Retaining the data** for longitudinal analysis and historical purposes, along with associated corrective and preventive actions. Retained data and information must be easy to access, retrieve, and use.

How an organization manages customer communications says a lot about the organization itself, whether it is customer-centric or just “in it for the money.”

2.3



FOLLOW UP TO OBTAIN ACTIONABLE FEEDBACK

If managers find themselves asking: “*What am we supposed to do with that?*”

They should call the customer to find out!



Refer to the
CG FIG:
Facilitation Skills

Managers can use actionable feedback to take action to improve their processes, products, or services. Customer communications don’t always tell managers what they need to do, or even that they need to do anything. Most customers will not say what they want in specific terms, unless they are pointedly asked. Likewise, most will not explain how to fix a problem or improve the situation to their satisfaction. To get this kind of feedback, managers must follow up and seek out more information.

So, how can managers follow up? A telephone call works wonders in this regard; so does a face-to-face meeting, letter, survey, or even a Web-based solicitation. OPCs should use their analytical skills and knowledge of systems theory to help them develop a more repeatable process.

3.0 DEFINE CUSTOMER REQUIREMENTS


Requirements – needs, wants, and expectations – don’t just show up at the organization’s door or in the mail; organizations must go out and get them. Although customers sometimes convey their unsolicited requirements, they are usually in the form of negative feedback focusing more on what they don’t want than on what they do want. Requirements collection, analysis, and prioritization are part of the larger and broader process of defining customer requirements. A detailed task checklist for this step and associated tools are provided below.

DETAILED CHECKLIST		TOOLS
3.1	Collect and Document Requirements	
3.2	Analyze and Prioritize Customer Needs	Affinity Diagram Pair-wise Ranking Functional Matrix
3.3	Identify Needs, Wants, Stereotypes and Experiences	Facilitation Skills



Define Customer Requirements

3.1 COLLECT AND DOCUMENT REQUIREMENTS

 *Educate and help managers and teams to recognize, collect, document, and use these communications.*

Depending on the organization’s mission, the type of requirements they collect and how they go about collecting them can be very different. Government organizations, and particularly support organizations that receive funding for infrastructure, have a different challenge than do for-profit organizations and those that provide a distinct service.

Organizations usually have multiple ways of collecting customer requirements, each associated with a different customer interaction or access mechanism. Managers should recognize all customer contact communications as opportunities to collect requirements. Examples include:



COMPLAINTS AND COMPLIMENTS – Provide excellent input on what customers do and don’t want.



FORMAL AND INFORMAL CORRESPONDENCE – Sometimes customers come right out and ask for what they want in the form of a formal letter or personal note.



PHONE CALLS – Whenever talking to a customer on the phone, ask about their requirements and satisfaction, and then document the conversation if it proves insightful.



CUSTOMER FOCUS WORKSHOPS – Bringing customers together to discuss their common wants is a very efficient and effective means of collecting requirements.



DEFINED PROCESSES – formalize requirements submission and collection by way of a defined process and forms.



WEB SITE ACCESS AND FEEDBACK – Are customers accessing the organization’s Web site, and if so, which parts, how long, and what are they saying?



PRODUCT AND SERVICE TREND DATA – What products and services are the organization’s customers using (i.e., demanding), and which ones are they ignoring?



INDIRECT INPUT – What is being collected through market/ industry surveys and available statistics and information.

3.2



ANALYZE AND PRIORITIZE CUSTOMER NEEDS

Once an organization recognizes customer requirements, they should be collected and documented. Organizations should then aggregate, analyze, and prioritize the requirements. OPCs can facilitate these activities.

ANALYZE CUSTOMER REQUIREMENTS

Before the organization can analyze requirements, they must aggregate them. Aggregation can be accomplished using the Affinity Diagram tool. Ask, “What are the requirements for a product or service that solve or fulfill a customer need?” Then write each requirement on a sticky note, *affinitize* the notes into related groups, and create header cards for each group. Header cards should describe each requirement concisely. Stand-alone cards are okay.


✦ Refer to the
CG FIG:
Affinity Diagram

*Organizations must establish a formal and dedicated, **Requirements Collection, Analysis, and Prioritization Process** if they want to successfully meet customer needs.*


In conducting the analysis, managers should look for commonalities, trends, understanding, and opportunities (to better satisfy customers), as well as complexities, difficulties, concerns, and limitations to fulfilling them. They should weigh and consider costs against benefits, and understand that many times customer requirements will conflict with one another. When conflicts arise, leaders have to decide which requirements are more important or whose fulfillment can be leveraged to the greatest degree in improving overall satisfaction.

When organizations create a formal, repeatable process for analysis and prioritizing requirements, they reduce the chance that less important requirements will be fulfilled at the expense of more critical ones, simply because the lesser requirement had more urgency or a more adamant proponent. Managers should conduct this analysis logically, considering all inputs, and with the overall interests of the organization and its customers in mind.

PRIORITIZE CUSTOMER REQUIREMENTS

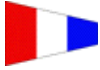
 Refer to the CG FIG: **Nominal Group Technique or Pair-wise Ranking**

Support organizations that receive and distribute infrastructure funding (i.e., have a stewardship responsibility) must pay particular attention to customer requirements prioritization. An example is an Industrial or IT support organization – everyone wants service and there are never enough resources to go around. Support organizations must decide how to allocate their limited resources, and this requires a process.

 Refer to the Process Effectiveness Toolset (CD): **Functional Matrix Instruction and Template**

There are several ways to prioritize requirements. Perhaps the simplest is to take the list of requirements from the Analysis step and use Nominal Group Technique, or Pair-wise Ranking, to put them in order of importance. Another mechanism would be use of the Functional or Prioritization Matrix. Requirements would be assessed against prioritization criteria and assigned a relative weight factor.

3.3



IDENTIFY NEEDS, WANTS, STEREOTYPES, AND EXPERIENCES

★ *Walt Disney World defines customer expectations using four dimensions of a compass: North, South, East, and West – or Needs, Stereotypes, Emotions, and Wants. We’ve substituted Experiences for Emotions.*

Expectations are defined by four dimensions: Needs, Wants, Stereotypes, and Experiences. Customers tend to be much more forgiving with regards to fulfilling their wants than they are with regards to their needs. However, once anyone fulfills a customer’s want, and it quickly becomes a standard product or service feature, it is need. For example, customers expect the Coast Guard to be reachable by VHF radio. Today this is not something they need, they expect it! In earlier days when radios were less capable, this robust service was not always available.

Stereotypes and experiences often shape a customer’s expectations. People have an image of the service provider and how it should interact – good or bad. Sometimes these stereotypes are based upon direct experience with the service provider or like experiences with similar providers. The organization’s job is to reinforce a customer’s positive expectations and overcome the negative.

The table below can be used to record customer needs, wants, stereotypes, and experiences. The unit can then brainstorm ideas for meeting and exceeding expectations.

CUSTOMER	NEEDS	WANTS	STEREOTYPES	EXPERIENCES

What Is a Requirement?

Customers have a tendency to focus on *solutions* to their requirements rather than the requirements themselves. For example, customers may think they *require* a new helicopter to accomplish their mission. However, the requirement is not for a new or specific helicopter, but rather a means to search for survivors of a distress and bring them back to safety. Requirements must be written in specific, precise language that is solution independent.

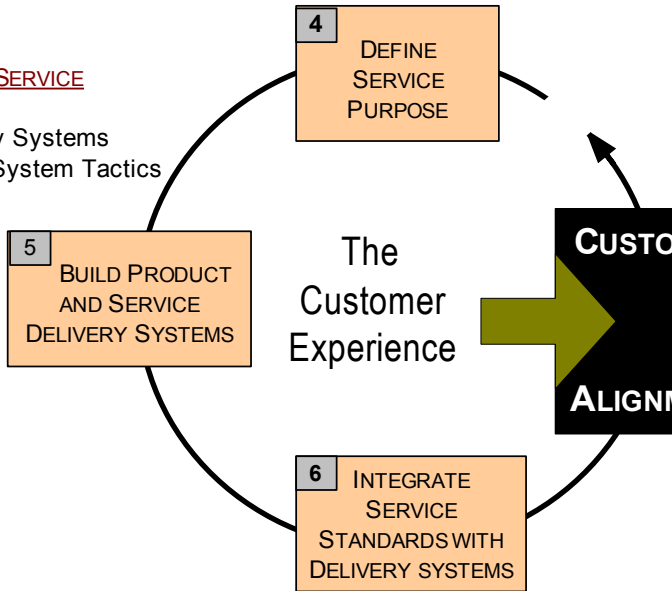
OPC CUSTOMER S

DEFINE SERVICE PURPOSE

- 1) Analyze Service Priorities
- 2) Develop a Service Purpose Statement
- 3) Determine Customer Service Strategy

BUILD PRODUCT AND SERVICE DELIVERY SYSTEMS

- 1) Define the Delivery Systems
- 2) Develop Delivery System Tactics

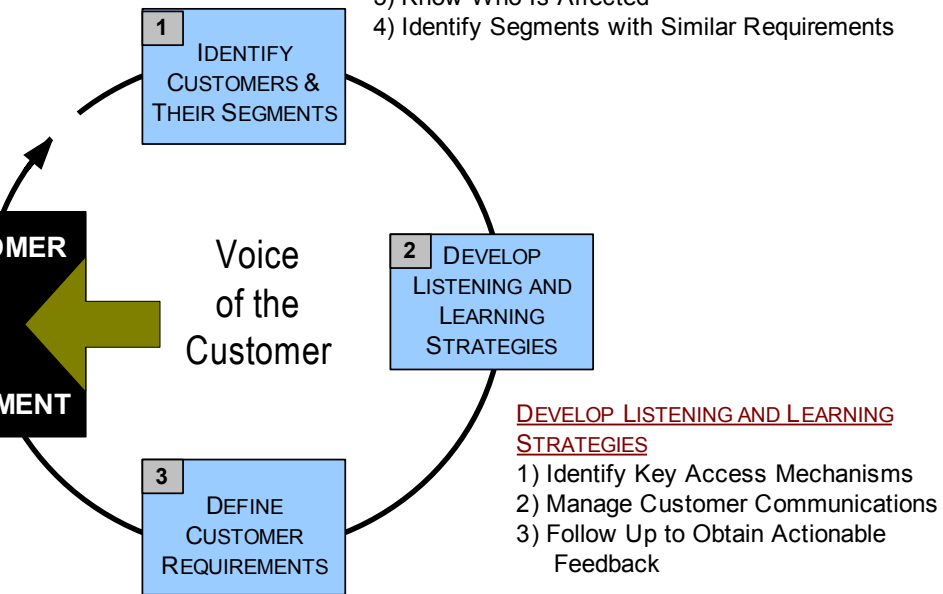


INTEGRATE SERVICE STANDARDS WITH DELIVERY SYSTEMS

- 1) Complete the Service Excellence Matrix
- 2) Conduct Gap Analysis for Service Delivery
- 3) Close Gaps in Service Delivery
- 4) Measure and Monitor Service Delivery

SERVICE PROCESS

ement
standards



SYSTEMS

DEFINE THE CUSTOMER EXPERIENCE

- 1) Collect and Document Requirements
- 2) Analyze and Prioritize Customer Needs
- 3) Identify Needs, Wants, Stereotypes, and Experiences

4.0 DEFINE SERVICE PURPOSE

Like mission, service purpose (also referred to as a policy or theme) is what the organization is about, or believes in, with regards to customer service. A simple service statement might read, “We will provide excellent customer service, no matter what!” The organization’s service purpose tells its stakeholders how they are going to do business. Organizations must do a considerable amount of thinking around what their service purpose is, and how they will state it. It can be a very powerful communication that people can rally around, get excited about, and align to.

DETAILED CHECKLIST		TOOLS
4.1	Analyze Service Priorities	
4.2	Develop a Service Purpose Statement	Escalator Exercise
4.3	Determine Customer Service Standards	



Define Service Purpose

4.1

ANALYZE SERVICE PRIORITIES

What customer experience does the organization want to create?

The first step in establishing a service purpose is to consider the organization’s outcomes – its products, services, and customers – and what they have in common. OPCs should ask the organization’s leaders:

1. What services is the organization known for?
2. Who are the primary customers of these services?
3. What do these services enable customers to do?
4. What makes the organization stand out?

In understanding its services, the organization begins to appreciate why it is in business and what it stands for (or more importantly, what it will be known for). Service priorities might include responsiveness, attention to detail, compassion, quality, or any other number of attributes. Service priorities contribute to the customer experience.

4.2



★ *Disney's Service Purpose Statement is:*

We create happiness by providing the finest in entertainment for people of all ages, everywhere.



Refer to the *Strategic Planning Booklet for the Escalator Exercise*

DEVELOP A SERVICE PURPOSE STATEMENT

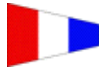
The organization's Service Purpose must be aligned with customer expectations. Leaders should communicate the Service Purpose to all employees to align their performance expectations with customer needs and wants. That is the intent of a Customer Service Statement.

This is critical – misalignments can cause confusion among front-line employees and negatively impact focus and attention throughout the organization. It can also send mixed signals to customers and blur what the organization stands for.

The Service Purpose Statement should contain the following elements and should be written from the customer's perspective. The Escalator Exercise may be used to define customer expected outcomes.

- **What** the customer desires
- The need or product **delivered**
- **To whom** the product is delivered

4.3



★ *Develop standards for each product or service provided.*

DETERMINE CUSTOMER SERVICE STANDARDS

Disney defines *service standards* as the operational priorities or criteria that ensure the consistent delivery of service. These standards are derived from the customer's perspective. Each of these standards is prioritized and deployed throughout the organization. A communications campaign ensures that everyone knows about the standards.

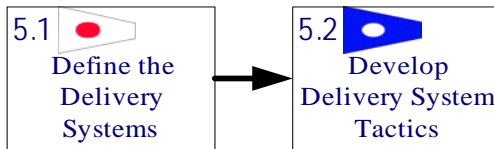
SERVICE STANDARDS

- Translate the service purpose into actions;
- Set organizational and individual parameters for on-the-job decision-making;
- Prioritize the details of service delivery;
- Allow consistent measurement of service delivery.

5.0 BUILD PRODUCT AND SERVICE DELIVERY SYSTEMS

Delivery systems are the means by which products or services are delivered. In most organizations, these systems consist of People, Processes, and Environment. The service purpose, service standards, and delivery systems must be aligned to deliver quality products and services. When an organization is able to align these aspects of customer service, they improve the possibility of creating satisfied customers. A detailed task checklist and associated tools are provided below.

DETAILED CHECKLIST		TOOLS
5.1	Define the Delivery Systems	Process Mapping
5.2	Develop Delivery System Tactics	Action Planning



Build Product and Service Delivery Systems

5.1

DEFINE THE DELIVERY SYSTEMS

 Refer to the CG PIG: Use **Brainstorming**

– Help the managers understand the need for these distinct systems.

There are three primary delivery systems for any given product or service: People, Processes, and Environment. Organizations should determine the details that make up these systems and the characteristics specific to the unit. Each of these systems is defined as follows:

- **People** – The human resources used to staff service delivery teams. People create the service delivery experience that the organization is looking to impart on its customers. To accomplish their task, people must be trained, supported, and rewarded when they accomplish their goals.
- **Processes** – Affect the delivery of services. They must be effectively designed to meet the needs of the customers. Having good people working on poorly developed processes usually ends in frustration for the customer AND the staff. At a minimum, processes



Refer to the
*Process Analysis
Booklet for
Process Mapping*

should be mapped, well-documented, and controlled to ensure a consistent result. Leaders should work daily to remove barriers to process efficiency and effectiveness.

- **Environment** – The equipment, technology, surroundings, and maintenance activities that support this environment. Depending on the service provided, the environment enhances the physical and emotional aspects of the service. For instance, a cutter that appeared in disarray would not instill confidence in the Operational Commander or the public at large. Nor would the cutter reflect well on the crew. In fact, it might lead to false expectations that chaos and disorder will be the norm.

5.2



DEVELOP DELIVERY SYSTEM TACTICS

This step defines the important tactics an organization uses to align the system with the delivery of service. Questions to ask when defining service delivery include:



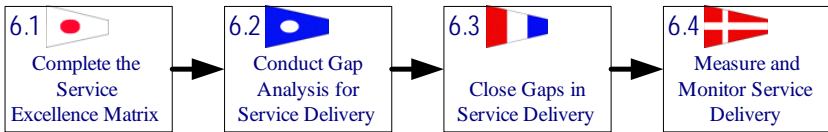
Refer to the
*Action Planning
Booklet*

- **For People** – What do should the crew know about the customer and the command's attitude toward them? How should the crew be treated? How will they be held accountable for performance? To what level should they be involved in service planning and execution? What support systems are in place to ensure they have the capability and are in the right frame of mind?
- **For Processes** – What are the key value-creating processes? Do our processes focus on delivering value to the customer? How are they aligned to meet customer needs? Are all customer segments accounted for by our processes? What flexibility do crew members have to change the process if necessary? Do we practice continuous improvement for all processes?
- **For Environment** – Do the surroundings send the right message or project the right image; e.g., are we professional, competent, and capable of meeting the mission? Does our equipment and technology enable us to deliver better service than our competitors? Do our support activities ensure our continued capability?

6.0 INTEGRATE SERVICE STANDARDS WITH DELIVERY SYSTEMS

This section describes the key step in delivering superior customer service – integrating the service standards with the delivery systems. The integration process brings all elements of Customer Service together. This section introduces the *Service Excellence Matrix* derived from the Disney Quality Service Matrix concept. After filling out the matrix, one will be able to more easily identify the details requiring attention and the expectations that must be met.

DETAILED CHECKLIST		TOOLS
6.1	Complete the Service Excellence Matrix	Service Excellence Matrix
6.2	Conduct Gap Analysis for Service Delivery	Service Excellence Matrix
6.3	Close Gaps in Service Delivery	Action Planning
6.4	Measure and Monitor Service Delivery	Process Measurement



Integrate Service Standards with Delivery Systems

6.1

COMPLETE THE SERVICE EXCELLENCE MATRIX

 Refer to the Stakeholder Alignment Toolset (CD): *Service Excellence Matrix Template*

The Service Excellent Matrix is a simple two-dimensional matrix that helps align the organization’s service delivery tactics with its customer’s expectations. At Disney, the matrix helps the staff (or *cast*) create what they refer to as “magical service moments.”

OPCs should assist their client organizations in creating their own *magic* by facilitating completion of this matrix, using the raw material generated in the preceding steps. After creating the service purpose and service standards, the organization should fill out the matrix by identifying the details that will yield high-quality service using the existing delivery systems.

★ *The Service Excellence Matrix can help units ensure quality service and identify opportunities.*

The facilitator lists the customer service standards along the left-hand side and the service delivery system across the top of the matrix. The organization then maps out a strategy for meeting or exceeding customer expectations by outlining strategies for delivering services. In each matrix block OPCs should list the features that relate to each particular service delivery system and deliver the prescribed customer service standard. The top left block, for instance, would identify how *People* contribute to addressing *Standard #1* for the service being analyzed, and so on. Record these strategies in the appropriate block.

Let’s say an Industrial facility is providing dockside availability support for a ship. If *Standard #1* is “Safety for the workers and crew,” the responses in the *People* block might contain the following strategies:

- Familiarize the contactor with the ship’s layout;
- Brief ship personnel before work begins;
- Ensure everyone wears personal protective equipment.

		Service Delivery System		
		People	Process	Environment
Customer Service Standards	Standard #1			
	Standard #2			
	Standard #3			
	Standard #4			

Service Excellence Matrix

6.2



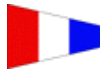
CONDUCT GAP ANALYSIS FOR SERVICE DELIVERY

 Refer to the Stakeholder Alignment Toolset (CD): *Service Excellence Matrix Template*

 Refer to the *Action Planning Booklet*

Once the organization completes the Service Excellence Matrix, the OPC should lead a gap analysis. The Matrix now contains ideal strategies to effectively align delivery systems with customer expectations. Ask the organization to assess how well it has implemented these strategies. If there are implementation gaps they are opportunities for improvement. Even though a strategy may be in place, it may not be working. These, too, are opportunities. Once the organization identifies all opportunities, prioritize them and create a plan of action to close the gaps.

6.3



CLOSE GAPS IN SERVICE DELIVERY


 Refer to the *Action Planning Booklet*

With plan in hand, execute it as one would with any other project. Assign tasks to the appropriate group or individual for execution. Measure and monitor their progress toward implementation as well as the effectiveness of the strategy. Communicate status and effectiveness data to all involved in creating the customer experience.

6.4



MEASURE AND MONITOR SERVICE DELIVERY

 Refer to the *Process Measurement Booklet*


Too often organizations forget that measuring performance is key to managing their service processes. Once the organization starts collecting and analyzing effectiveness data, and using it to make better decisions, alignment gaps will materialize. The organization will again have to develop strategies, establish priorities, and put in place specific action plans to close each and every gap.









Baldrige Note

Determining customer satisfaction and dissatisfaction might include use of any or all of the following: surveys, formal and informal feedback, customer account histories, complaints, win/loss analysis, and transaction completion rates. Information might be gathered on the Internet, through personal contact or a third party, or by mail.



USEFUL TOOLS

The following tools – templates, forms, worksheets, calculators, slide decks, facilitator notes, etc. – are included in the following references or on the accompanying compact disc .

Tool	Reference
Affinity Diagram Instruction	 Process Effectiveness Toolset Also CG PIG (Affinity Diagram)
Brainstorming	CG PIG
Facilitation Skills	CG PIG
SIPOC Chart–Analysis Instruction and Template	 Process Effectiveness Toolset
Nominal Group Technique	CG PIG
Pair-wise Ranking	CG PIG
Process Mapping	 Process Analysis Booklet CG PIG
Functional Matrix Instruction and Template	 Process Effectiveness Toolset Also CG PIG (Matrix Diagram)
SIPOC Chart (<i>Work as a Process</i>)	CG PIG
Service Excellence Matrix	 Stakeholder Alignment Toolset
Action Planning	 Action Planning Booklet  Organizational Effectiveness Toolset
Measurement Planning	 Process Measurement Booklet



REFERENCES

INTERNAL USCG REFERENCES

U.S. Coast Guard. U.S. Coast Guard Process Improvement Guide (U.S. Coast Guard Quality Institute Staff, 2005).

EXTERNAL REFERENCES



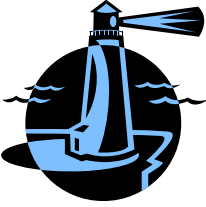
Disney Institute. Be Our Guest (2001).

Yoke, M. M., and Yin, R. “The Wand: Behind the Magical Disney Experience,” Productivity Digest (December 2002).

Brassard, M. The Memory Jogger Plus (GOAL/QPC: Publishers, 1989).

U.S. Department of Commerce. Baldrige National Quality Program, Criteria for Performance Excellence (National Institute of Standards and Technology, 2006).

TERMS AND DEFINITIONS



Alignment begins with understanding customer needs. Get this wrong and the organization will find itself aligned with, and on a path to, failure – rather than success!

Customer: An organization or person that receives a product or service. A down-line business entity.

Customer Alignment: Customer alignment refers to the alignment of customer requirements and expectations with organizational and process performance. When the voice of the customer equals the voice of the process, the organization is in alignment with its customers. It means the organization's view and the customer's view are in line with each other – both know exactly what the other wants and is capable of providing.

Customer Requirement: A customer need, want, desire, or expectation. Customer requirements relate to an organization's products and services and must be fulfilled or addressed in some way by the organization.

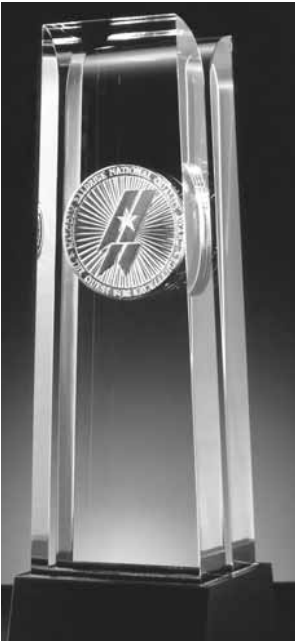
Customer Segment: Groups of customers with similar requirements. Their shared requirements usually derive from common socioeconomic or demographic factors, interests, beliefs, or values.

Key Access Mechanisms: An organization's most important and productive means of accessing – listening to, learning from, and communicating with – its customers.

Outcomes: The result of a customer receiving an output. Observable results that provide evidence an organization is moving toward its vision and achieving its mission. Outcomes are written from the stakeholder's point of view; describe employee, supplier, or customer behavior; and are measurable – they define an organization's lagging measures.

Performance Gap: The difference, or gap, between the voice of the customer and the voice of the process. Between what customers want and what you – your process or the organization – is providing them. You compare performance indicators (voice of the process) to reference points (voice of the customer) to make information and establish performance gaps.

Stakeholder: A person or group having an interest (i.e., an interested party) or a stake in the performance or success of a process. Stakeholders include, for example, customers, employees, suppliers, vendors, partners, and society.



BALDRIGE FOCUS

CUSTOMER & MARKET KNOWLEDGE

How do you identify customer groups and determine which to focus on?

How do you listen and learn to determine requirements and changing expectations?

How do you use information and feedback for planning and process improvement, to become more customer focused, and to better satisfy customers?

CUSTOMER RELATIONSHIP BUILDING

How do you build relationships to acquire customers, meet and exceed their expectations, increase loyalty and repeat business, and gain positive referrals?

What are your key access mechanisms, and how do they enable customers to seek information, conduct business, and make complaints?

How do you determine and deploy to your customer response chain, key customer contact requirements for each access mode?

How do you manage customer complaints, ensure they are resolved effectively and promptly, and analyze them for improvement?

CUSTOMER SATISFACTION DETERMINATION

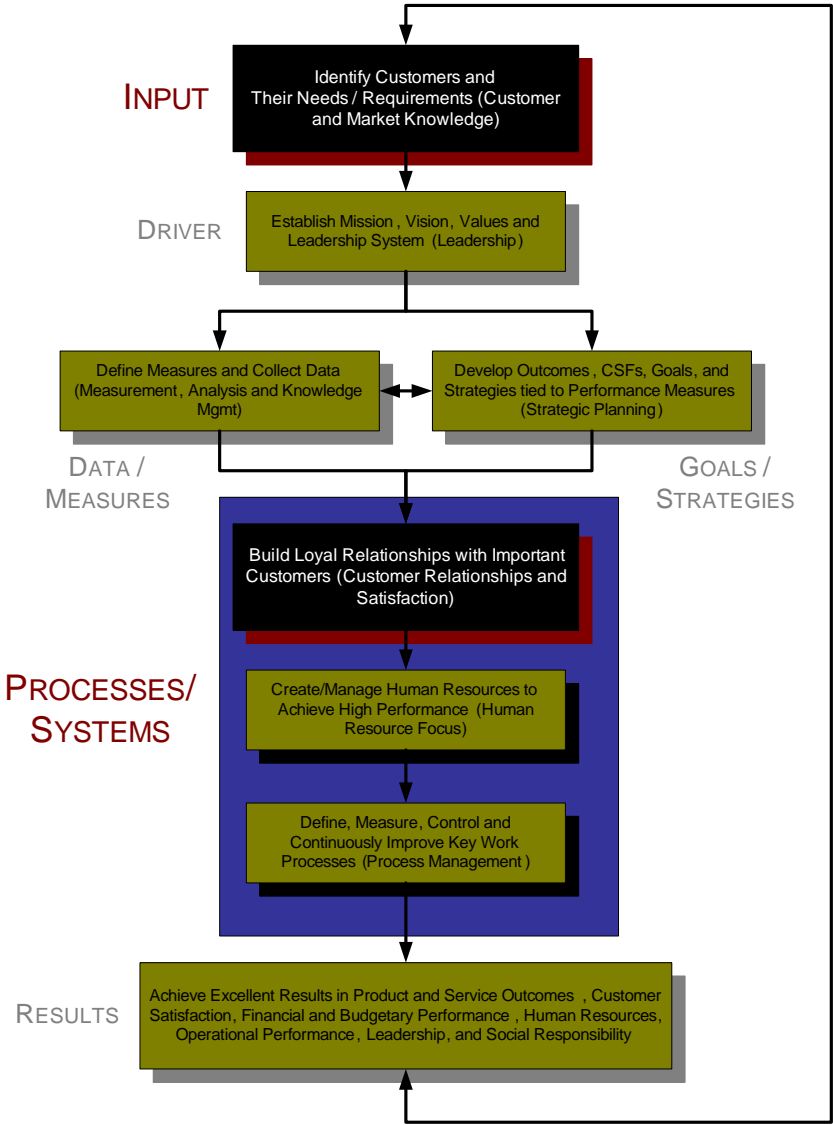
How do you determine customer satisfaction relative to industry and competitor benchmarks, keep your approaches current, and use this information to improve?

How do you ensure your measurements capture actionable information for use in exceeding customer expectations, securing future business, and gaining positive referrals?

How do you follow up with customers on products, services, and transaction quality to receive prompt and actionable feedback?

The Customer and Market Focus Category examines how your organization determines the requirements, expectations, and preferences of customers and markets. Also examined is how your organization builds relationships with customers and determines the key factors that lead to customer acquisition, satisfaction, loyalty and retention, and to business expansion and sustainability

BALDRIGE LINK



AIM Consulting Associates, LLC
5 Shaw's Cove, Suite 204
New London CT 06320