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INSTITUTE OF BUSINESS LEADERSHIP

BAD LEADERSHIP BREEDS BAD CUSTOMER SERVICE

See Which Companies are the Worst Offenders

By Dr. Fred Johnson

MSN Money recently announced its “2009 Customer Hall of Shame”, which lists the companies with the most mediocre customer service delivery. It’s not a good day for any company learning it has met the membership requirements for this not-so-esteemed list. Furthermore, the various company responses of what they were doing to improve these areas were particularly interesting. More than anything, their prescribed methods for improving their horrible results demonstrated that they simply did not get it.

For instance, one company said its method for improvement was to invest in social technology (Twitter, Facebook) so that customers could write them directly about complaints. That was it! This is similar to an expensive restaurant with apathetic chefs who could care less that they keep burning customers’ steaks. The restaurant’s proposed solution would be to put a phone at every table, allowing customers to complain to the kitchen directly. Despite a marked increase in the number of customers who are now directly screaming at the chefs, the problem will not be fixed. More likely, the complaining customers are probably going to get a steak returned to their table that resembles a piece of charcoal. The core problem – the chefs’ attitudes and way of thinking – has still not been impacted. The restaurant, therefore, has a leadership problem. Its customer service issue is only a symptom of its deeper core problem.

Great companies are obsessed with excellent customer service. If you study the 10 companies who have the most outstanding customer service reputations (also released by MSN), you will notice a link between them. They understand that great customer service is a direct outcome of strong leadership. Providing fanatical customer service has become part of their cultures, and not something they simply do. Instead, it’s how they think.

One hospital determined the best way to fix its customer service problem was to say that nurses were to be the primary providers of outstanding customer service since they were on the frontline of patient delivery. They even gave them courses in providing good customer service. However, not included in this effort were all of the other employees who contributed to a customer’s experience, such as the phone operators, department receptionists, janitorial staff, maintenance staff, cashiers, clerical assistants and senior administrators. The hospital failed to understand that outstanding customer service is a result of driving an attitude of care by every employee in every department without exception. It is the product of a relentless effort to change the way people think in seeing the customer as the end all. Merely assigning customer service police or beefing up a customer service department would not solve the problem.



Below are observations within our experience that are essential for the seeds of great customer service to grow and flourish in an organization:

Excellent customer service requires consensus leadership environments.

Great customer service demands creativity and problem solving. Organizations that have built a culture of top-down decision making will struggle with customer service because this type of culture breeds compliance – not creative thinking. Employees in high-service cultures routinely state that their leaders expect them to give input and to participate in decision making. They are expected to think and not just do. They are also expected to take initiative to solve problems and not wait to be directed to solve problems. Consensus-driven organizations practice the very skills that are needed in excellent customer service.

High-service companies place equal commitment to serving both internal and external customers.

It is unrealistic to expect that an employee will treat external customers well when they do not feel valued or appreciated by their own leaders. Genuine customer service does not result from company demand. It is byproduct of one’s own sense of appreciation and fair treatment from the company. You can bet that an employee who feels resentment toward their leaders will transfer it to the customer. Remember, people do not pass along what they are not receiving.

High-service companies talk their values, and walk them!

I recall a conversation with a group of employees who felt their company lacked integrity. While that value was stated boldly on the plaque in the lobby, employees felt that leadership decisions, particularly in high-stress situations, were often unethical but justified as a necessity to be profitable. “How can I give passionate service on behalf of my company when I don’t believe in my company?” one employee said. “I feel like I am being a phony when I am trying to entice customer loyalty through my service. How can I ask them to believe in my company when I don’t?”

To view MSN Money’s complete article and see which companies made the list, visit <http://articles.moneycentral.msn.com/SavingandDebt/ConsumerActionGuide/the-customer-service-hall-of-shame-2009.aspx?ucpg=8>. Please notice that most of the companies mentioned are repeat offenders, which supports the point that customer service isn’t a quick fix – it’s an investment in leadership training and a culture that must be cultivated from the top down.