



Customer Service

LEADERS

in Tough Times

By Don Hales and David Physick



Effective leadership builds and sustains an environment where everyone understands how excellent service provides sustainable competitive advantage.

Introduction

A little while ago, Don Hales, co-author of this article, dropped and inadvertently stepped on his spectacles. It was an everyday accident but most people who wear spectacles will know the problem of trying to go a few days without them. A return to the optometrist from where they were purchased brought no joy. It would take days to get them fixed and nothing could be done. There was an absence of empathy and no alternative solution offered.

A visit to another optometrist in the same area brought a different story. Yes, they could do a quick repair, which would not look nice or be lasting, and they could also get a new pair made within two days. Since then the author has spent at least £1500 at this helpful practice and recommended it to his wife, two adult married children and friends living in the neighbourhood. How much is a very satisfied customer worth? A great deal in this instance!

You, too, will no doubt be able to recall similar experiences of being superbly served as a customer. Or not. What is it about some enterprises that sees them continually provide excellent service? As a result, even in these straitened times, their tills continue to ring and their margins are maintained. From work conducted by Don and David Physick of Glowinkowski International (GIL), the pivotal issue is leadership. Effective leadership builds and sustains an environment where everyone understands how excellent service provides sustainable competitive advantage.



What drives service quality performance?

All organisations serve someone, be that an end-user consumer, another business or an internal customer. In all situations, leaders set the tone of the workplace, which is achieved through their behaviours, which affect the 'feel' of their

organisation's workplace and its service ethic far more than their other professional and personal attributes.

The old phrase, *'people join organisations but leave managers,'* encapsulates the importance of leaders' engagement with their staff. The cost of poor engagement is huge - high staff turnover plus disengaged staff delivering poor quality service and damaging the reputation of the organisation. As competition intensifies and reduces margins, such costs can no longer be absorbed. Keeping things simple, one can generally say that 20% of an organisation will perform very strongly and 60% will perform acceptably. However, 20% will perform below par. If these staff are paid £12,000 per year, add-on costs could be a further 50%. Their poor performance is also reflected in the mistakes they make, e.g. wrong prescriptions, wrong orders, mistimed appointments, failure to build loyalty. These errors cost sales revenue.

The customer's perspective

Let's shift perspective for a moment to consider what we feel when we are in the position of being the customer. One easy example to consider is when we are taking back a faulty item or complaining about the quality of service we have received. Does the person serving us have a sharp intake of breath followed by a slight gulp and the comment, *'I will have to check with my manager'?* The sen-

tence may be preceded by a terse *'Sir'* or *'Madam'*. Or, does the assistant take charge of proceedings, apologise genuinely and sort things out to the extent that our anger turns to pleasure?

Either situation reflects a dimension of what GIL calls *'Organisational Climate'*, meaning, *'how it feels to work here'*. Climate comprises six dimensions, see Table 1, and the example in the preceding paragraph concerns the dimension of Autonomy. It reflects the extent to which staff in an organisation feel they have the discretion to make decisions, particularly relating to customers, without referring the matter *'up the line'* to their line manager. Autonomy does not mean a free-for-all, with staff *'giving away the entire stock'*.

Autonomy means staff feeling they can make a decision but accepting that those decisions will be reviewed for appropriateness. For example, in one large hotel firm team members are *'empowered'* to sort out issues for guests and may *'spend'* £1,000 to do so. However, what they do is reviewed and discussed with their managers. Such interventions are oriented towards coaching, not reprimands. In another piece of work conducted by GIL with food scientists, practising scientists wanted their managers to manage them, especially in terms of providing development, but from the basis that they were subject matter experts, i.e. they still understood the science. So, as noted

DIMENSIONS	SUB-SCALES	ESSENCE STATEMENT
CLARITY	Long-term direction Integration Co-ordination	Well established long term direction People's/Groups' activities are well integrated Making progress toward long term direction
CHALLENGE	Innovation Achievement	Encouraged to try new approaches Stretched with goals that are challenging/realistic
CHANGE COMMITMENT	Motivation Adaptability Flexibility	Take action before being directed Minimum of unnecessary procedures A readiness/enthusiasm for change
AUTONOMY	Independence Accountability Effort	Does not always have to check/ask permission A feeling that the individual can make a difference Prepared to work beyond job remit
RECOGNITION	Reward Feedback Value & Appreciation	Differential relation between reward and performance Receiving effective feedback Feeling of being valued and appreciated
INVOLVEMENT	Commitment Trust Synergy	Committed to the team's long-term direction Proud to be part of the team Whole is greater than the sum of parts

Table 1. The Glowinkowski International Limited model of Organisational Climate

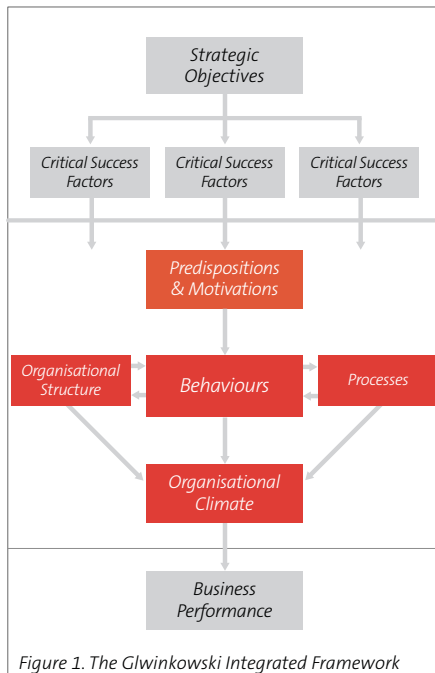


Figure 1. The Glwinkowski Integrated Framework

before, there is the marriage of skills and knowledge with behaviour, with the latter providing the real differential.

Service quality and leadership behaviours

Any two organisations operating in the same sector can deliver markedly different performance outturns, primarily due to the difference in 'climate' in the two enterprises. Climate drives performance, but what drives climate? This is best depicted by a model called the Integrated Framework, (see Figure 1).

The framework clearly positions leadership behaviour as a critical driver of Organisational Climate. The other two factors, Organisational Structure and Processes, are not discussed here, but see 'Further Reading'. It is these behaviours that were codified and defined during the major research study conducted by the two authors. The research, comprising both quantitative and qualitative approaches, set out three major conclusions and then defined 16 behaviours that lay at the heart of being a superior performing leader in a senior managerial role in customer service, e.g. Customer Service Director, Customer Relations Director, Customer Experience Director.

The three conclusions were:

1. They must understand how their organisation operates from 'stem to stern' and demonstrate this in the way they operate
2. They must understand how their organisation's economics work by being able to articulate how good service builds value and poor service destroys value.
3. They need to be exceptional communicators.

These points may seem obvious, but often it's the obvious that's overlooked. When articulated, these factors really do cause people to stop in their tracks and think about how they match up against them. With some prodding to gain an honest response, most will recognise shortcomings in some, if not all three.

GIL's research identified 16 behaviours that differentiate the best performers from those who are merely acceptable. They overlie the manager's skills, knowledge and experience, which should be regarded as the threshold requirements to operate in any sector, and highlight how a good manager can make most difference.

Behaviours vs. personality

Kurt Lewin (1951), who is considered the founder of the school of organisational psychology (and who once remarked, "There is nothing so practical as a good theory"), defined the following 'equation':

$$B = f(P + S)$$

where B is behaviour, f is function, P is personality and S is situation.

This basically means "behaviour is a function of personality and situation".

Personality remains relatively stable through life, but can change when individuals find themselves in situations that require them to act 'out of character'. To excess this can be a primary cause of

work-related stress and some erratic behaviour may be delivered. The consequence for Climate can be considerable, e.g. leaders may be less willing to delegate, which affects the degree to which their team feel a sense of Autonomy. Therefore, leaders who understand their personality are far more likely to deliver the behaviours identified in GIL's research.

To clarify: if you consider yourself to be a more naturally gregarious individual who likes to be engaged with other people, how do you feel at the end of a day spent alone, for instance writing an important report? In contrast, if you are a quieter individual who has been constantly engaged with people throughout the day, how do you feel at the end of the work day? The former may wish to socialise in the evening in order to regain energy, whereas the latter will probably prefer time alone. Leaders have to undertake different activities and learning to do them competently and comfortably, regardless of personality, is a critical hall-mark of leadership calibre.

The leadership behaviours framework for senior customer service leaders

Acting 'out of character' requires conscious effort, firstly by learning, then by practising and receiving feedback. The purpose of GIL's research was to provide a comprehensive description of the behaviours that need to be delivered in order to create an environment or climate where service excellence is regarded as a competitive imperative. The framework is shown in Figure 2. The framework is split into two sections and includes four groups or clusters of behaviours.

The upper section of the framework identifies eight behaviours that, if mastered, will see the customer service leader deliver a proficient level of performance. They represent the threshold of what is needed, i.e. they complement the faculties of skills, knowledge and experience. The eight behaviours in the bottom section of the framework identify those behaviours that, when mastered, will result in outstanding performance being delivered.



Good Performance (Threshold behaviours)

THINKING	INFLUENCING	ACHIEVING	SELF-MANAGING
T1: Customer/ Client Orientation	I1: Engagement style	A1: Getting results	M1: Robustness
T2: Systematic thinking	I2: Customer/client influencing	A2: Investigative	M2: Orientation to excellence

Outstanding Performance (Distinguishing behaviours)

THINKING	INFLUENCING	ACHIEVING	SELF-MANAGING
T3: Organisational awareness	I3: Managing relationships	A3: Developing talent and capability	M3: Perseverance
T4: Strategic thinking	I4: Inspiring change	A4: Innovative	M4: Agility

Figure 2. Framework for leadership behaviours which drive customer service excellence

The four clusters of behaviour are labelled thinking, influencing, achieving and self-managing, which respectively relate to how leaders set out what they want their businesses to achieve, how they engage with others (suppliers, colleagues, owners, employees, customers), how they complete and accomplish plans and activities and how they manage themselves and their emotions.

So what?!

Overall the work conducted by GIL and, in particular, this research led by Hales and Physick, rests or falls on its practicality and rigour. A neat little model shown in Figure 3 suggests research can be considered to fall into one of four domains (see <https://www.glowinkowski.com/img/GRI/Research-for-performance.pdf> for more on this).

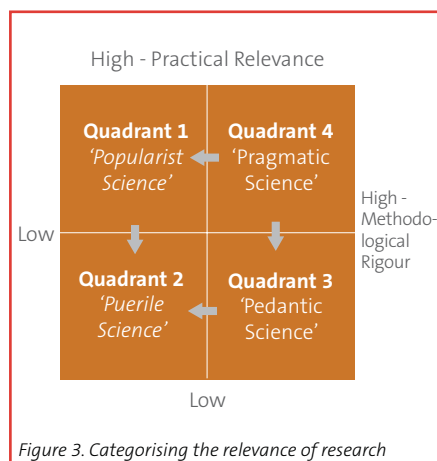


Figure 3. Categorising the relevance of research

Quadrants 1 and 2 possess low methodological rigour yet are often made to sound as if they have substance and will deliver material benefit. Using such research as a guide to action would be as likely to prove successful as making a random, spontaneous choice. Quadrant 3 covers rigorous research with little practi-

cal relevance; although fastidious in design, the research does not address a real issue and can be construed as an answer without a question.

Quadrant 4 is of particular relevance to readers of this article because it concerns using reliable evidence in a useful manner to support real-life decisions and actions. GIL's work reported here falls squarely into quadrant 4.

Service leaders who expend the effort to develop the behaviours described in the framework will see positive results in terms of an enhanced Climate. As a consequence, these enterprises will outgun their competition through quality of service and financial performance. It is difficult to overstate the importance of providing great service to customers so that they genuinely enjoy the experience of dealing with your organisation. It starts with leaders delivering these core behaviours. A virtuous circle is established. When customers and staff are both treated well, both stay with the organisation longer and this leads to lower costs and increased business.

A real-life example

Tower 42 in the City of London has a business model based on charging high rents in what is already a notoriously high-rent area. They provide their tenants with a five-star hotel service from concierge, multi-lingual receptionists, chauffeur service, newspapers delivered to your desk, room service food (from Michelin star to sandwiches) as well as a choice of restaurants, several gyms, swimming pool, full secretarial and office services and a host of other services too numerous to mention. They have proved that you can charge a premium rate for great service but the service has to match the promise. In the 10

years since opening, they have consistently maintained a 95–98% occupancy rate, despite the fluidity of city tenancies in the difficult markets following 9/11 and the London bombings.

Great service is not all about being five-star but it is critical that it is consistent and constant in its quality and this depends upon the organisation's climate, which is set by its leaders' behaviours. The behaviours defined in GIL's research are those, when learnt, that will produce the climate required to keep your service ahead of your competitors and to WOW! your customers. **S**

Further reading

Glowinkowski S. It's behaviour, stupid! What really drives the performance of your organisation. Available online at: www.itsbehaviourstupid.com

Hales D, Williams D (2007) Wow! That's What I Call Service! Penryn: Ecademy Press

About the authors



Don Hales

After heading Sun Life Unit Services, which he and four colleagues launched and later sold to the Sun Life Group, Don launched the National Customer Service Awards in 1999 and remains involved today as founder and chair of judges. He founded the Customer Service Training Association in 2007 and now also heads Awards International, a company that recognises excellence in many activities, including sales, service, marketing and training.



David Physick

With over 25 years' experience in financial services, concluding with a global remit to improve service quality and brand reputation, David's goal is to help leaders appreciate that their organisations are bristling with talent and its release is entirely dependent on their behaviours. Working with Glowinkowski, he has led the research and development of the behavioural competency framework for service leaders.

©Don Hales, World of Customer Service and David Physick, Glowinkowski™ International Limited