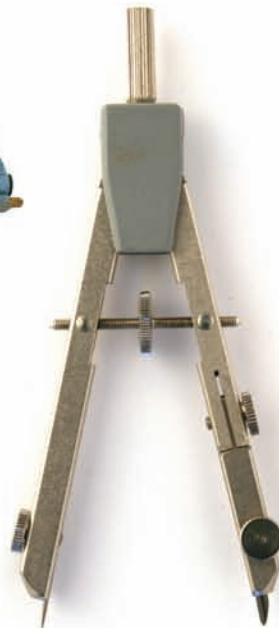
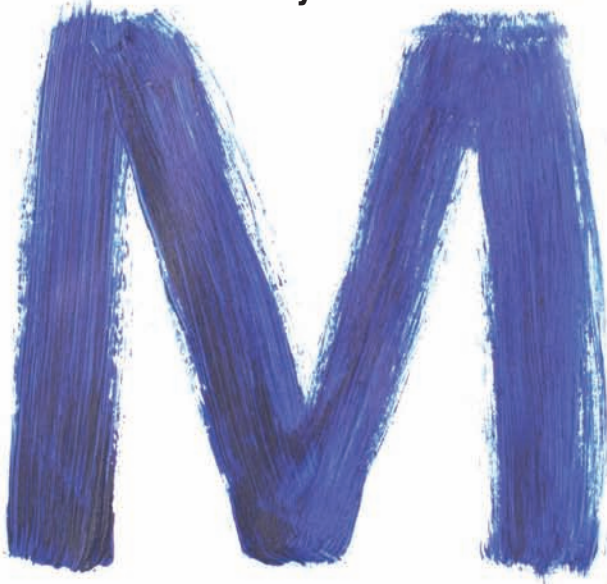




Case Study





City & Guilds

City & Guilds is a household name that strives to stay on top of the game by reacting to and anticipating the needs of its customers. A customer satisfaction survey sits next to other research activity to feed information into ongoing initiatives to improve and make the process easier for customers. A mixture of innovation and concentrating on getting the basics right is paying steady dividends as the organisation works its way up the customer satisfaction league table. Stephen Hampshire spoke to Rose Moore, Marketing Intelligence Manager, about the journey on which City & Guilds has embarked. Two familiar messages emerge—you must have top-level commitment for change to happen, and everyone in the organisation is involved in meeting customer needs.

Background about City & Guilds

City & Guilds is a name everyone is familiar with, but it's probably worth going through exactly what they do. As you probably know, City & Guilds offers vocational qualifications such as NVQs and VRQs. In practical terms this involves accrediting centres to offer their qualifications and issuing certificates to successful students. The centres register students with City & Guilds and look after them through the qualification. A more long-term part of the business consists of developing new qualifications and refining existing ones.

In terms of infrastructure, City & Guilds is based in 12 regional and national offices with a headquarters and main contact

centre in London. Through these they serve 5,700 centres in the UK. The organisation is also international. Nearly 2,000 international centres offer IVQs (International Vocational Qualifications) across the world.

It is these centres, or rather key contacts within them, that are the customers that City & Guilds deals with directly and whose satisfaction levels are measured on a regular basis. Of course, end user perceptions are important too, and have been the subject of separate research efforts.

City & Guilds' main competitors are large awarding bodies that also offer non-vocational qualifications (companies such as Edexcel, OCR and AQA). City & Guilds is





unique in that it offers only vocational qualifications, across a range of industries, and is run as a not for profit organisation. Other competitors are those that focus on a specific sector, such as the motor industry. Their focus on cross-sector vocational qualifications means that City & Guilds has approximately 50% of the market for NVQs.

Customer Satisfaction Measurement at City & Guilds

City & Guilds had been running customer surveys for many years, on a six monthly basis, when a decision was made to refresh the approach and revisit the relationship from the point of view of customers.

This is not a decision that is easy to take. Many organisations become trapped by their history of customer measurement and by the weight of historical information to which comparisons must be made. In the long run, though, it is always worth thinking about the future and making changes now if they need to be made. If nothing else it is likely that customer needs will have evolved in the years since the survey was first established, and meeting those needs is the entire purpose of the research.

City & Guilds commissioned The Leadership Factor to conduct exploratory research (see box) with its customers in order to establish what was most important to them. This phase involved a number of depth interviews with contacts at City & Guilds centres. The result was a refined list of factors that are crucial in the eyes of customers, which was used to design a new questionnaire for the ongoing quantitative research work.

Exploratory research

When the aim of a piece of research is to deepen knowledge or find out more about a subject, it is referred to as exploratory research. This usually happens as a preliminary, but also sometimes as a follow-up, to a normal large scale research project.

There is no hard-and-fast connection between the purpose of the research and the techniques used, but in practice exploratory research is normally qualitative, based on focus groups or depth interviews. In simple terms this means that the emphasis is on building understanding rather than the exact measurement provided by quantitative techniques.

Initially twice yearly surveys were felt to be enough, but around two years ago the process was switched to monthly top line reporting, which Rose believes is a valuable way to "pinpoint any sudden areas of discontent". As for most companies these monthly results tend to involve relatively

small sample sizes, so every six months the results are rolled up into a cumulative report based on a large enough sample to break the results down to lower levels within the organisation.

Moving to a regular tracking survey like this enables an organisation not just to react to any sudden crises, but also to become more in tune with the way its customers think. As an example, City & Guilds soon found that there is a fairly strong seasonal effect on satisfaction—going up in August when demand is low and down in September when demand peaks. The field of qualifications is probably more seasonal than some, but this type of effect is common across most businesses, and needs to be understood if sensible decision-making is to be made.

One of the key lessons from City & Guilds, I think, is to realise that customer research is a product like any other, with "consumers" whose needs must be met. The only way to build engagement within an organisation and motivate colleagues to make changes is to give them the kind of information they want to see. An example was to separate out scores for the regional and national offices and those for the London HQ. Regional managers wanted to be able to see scores reflecting their individual efforts, which is an excellent sign that employees want to take ownership of the results. This analysis has





proved very popular, giving consumers of the research more personal, actionable findings. Best of all it demonstrates to all that the research exists to serve people in the organisation, not vice versa.

Another lesson was that people within the organisation put great value on the transcripts of verbatim comments recorded during interviews with customers. Although these don't have the objectivity of a score out of 10, they do bring the customer's voice to life—something which helps to engage staff with the whole process. They can also provide concrete examples of times when things haven't been quite as they should be, and provide a rich vein of ideas for improvement.

Top-level support and low-level action

Rose sat down with Sue Hill, Director of Sales, Marketing and Customer Relations and Di Walster, the Head of Customer Relations to draw up an action plan based on the survey findings. The starting point was the Priorities for Improvement (PFIs) identified by The Leadership Factor as those areas where change would result in the most benefit to overall satisfaction. These PFIs were addressed by the team and turned into specific actions that could be addressed by appropriate departments. The team met monthly to work through the plan, and review the process of getting departments to implement the actions.

In later waves a customer satisfaction project group was formed, sponsored by the Director. This project team was made up of representatives from across the organisation, making it easier to get buy-in and ownership from other departments, overseen by a project board of top management. Like most projects that accomplish something this had a defined end point, which has now been reached.



THE MAIN LESSON IN TERMS OF MAKING IMPROVEMENTS IS THAT YOU HAVE TO ENGAGE THE WHOLE ORGANISATION. IT'S NO GOOD THINKING THE CUSTOMER RELATIONS DEPARTMENT HAS RESPONSIBILITY FOR DEALING WITH CUSTOMERS, AND EVERYONE ELSE CAN JUST SIT BACK AND HOPE THAT THINGS WILL IMPROVE.



Improvements to the PFIs, and to customer satisfaction in general, usually come about because of a large number of small changes. Recognising this, the improvement team set about collecting ideas for, and implementing, a lot of initiatives.

One example was that customers had been critical of the time taken to get through to the contact centre. An initial target was set to answer 80% of calls within 20 seconds. Specific actions to

bring this about included making sure that the call centre was fully staffed and encouraging customers to be self-serving by improving the clarity and scope of information on the website. More importantly staff were trained to be multi-skilled so that, when there was a high volume of calls, staff could be brought in from other sections to handle the surplus.

Another objective, for the operations department this time, was to reduce time taken to issue certificates. At first the target was to send 90% within six weeks. In practice the changes have been so successful that the current target (which is being achieved) is 99% within three weeks and an even faster turnaround is planned for the future.



WE'RE WORKING VERY HARD TO GET FUNDAMENTAL ISSUES RIGHT. THIS IS THE KEY TO MAKING CUSTOMERS HAPPY.



One project grew up around improving the quality of "publications for qualifications"—the literature designed to support courses. This involved improvements, but also changes to availability such as making them available on the website. Coupling incremental improvements with





innovation in terms of what is available electronically delivers a double pronged attack on customer satisfaction. Many small changes in these areas will soon add up, and customers will notice that efforts are being made on their behalf.

Building engagement

Rose is very clear about who needs to drive forward any process of improving customer satisfaction—"it has to come from the top". Fortunately, Chris Humphries, City & Guilds' Director General is a very vocal supporter of improving customer satisfaction, which is important, but of course the DG can't take action on his own.

This enthusiasm had to filter down the organisation. Senior executives took ownership of the idea that everyone in the organisation has some kind of relationship with customers, directly or indirectly, and then passed that on, down into their departments.

Alongside this direct, cascaded route was a more general effort on internal communications. Again the message was very clear—even if you never see or talk to a customer, everything you do will have some kind of impact on them.

The context of customer satisfaction measurement

Customer satisfaction does not exist in a vacuum, and an effective understanding of the nature of customer satisfaction as well as other crucial concepts to which it relates can only be fully established with an array of measures. As well as its customer satisfaction survey, City & Guilds has also conducted a brand survey, designed by The Leadership Factor to dovetail with the ongoing customer satisfaction study to provide information on perceptions of different awarding bodies in the market and an objective measure of the success with which City & Guilds is liv-

ing up to its brand values. This work on brand follows up extensive work internally on the culture and living the values.

If companies ask us how, in general terms, to improve customer satisfaction, or what sets the top performers apart from the rest, the answer usually comes down to two things. The first is to get the basics right—the sort of nuts and bolts operational issues that City & Guilds has focused on. At the same time it's crucial to realise that good customer service is delivered by people, and meeting the needs of those people is normally the best way to make sure that they are motivated and equipped to deliver for customers.

City & Guilds conducts a regular employee opinion survey addressing the needs of its staff. The next step will be to try to establish a pattern of links between employee satisfaction and customer satisfaction, something which is rarely easy to do in practice. If possible, though, it is a very valuable piece of evidence for the principles of the Value Profit Chain.

Where next?

The customer satisfaction project group may have made a big impact, but that doesn't mean that City & Guilds is resting on its laurels. Rose says "We want to continue to make improvements. We want to be league table leaders: that's our goal!"

This is a very positive attitude. Continuous incremental improvement to customer satisfaction is essential, but it isn't easy to sustain the focus and passion that this demands. Big changes will not happen overnight. In particular it becomes harder and harder to improve as you get closer to the top of the "league table" of companies, but the ambition to succeed is the key to success.

City & Guilds recognises that customer satisfaction is vital to its business. In particular, with NVQs there is no difference technically between the qualifications offered by different awarding bodies. The only differentiator is the customer service offered to the centres and the value centres and learners place on the City & Guilds brand.



WE'VE COME A LONG WAY, BUT OF COURSE AS CUSTOMERS' EXPECTATIONS CONTINUE TO RISE THE PROCESS IS NEVER COMPLETE.



Conclusion

The City & Guilds story is not one of gimmicks or enormous, thrilling, new initiatives. But it is all the more compelling for that. Its approach to improvement has been well thought through and well supported from the top, based on numerous small changes.

Whilst City & Guilds has invested heavily in new technology, online services and training and development of its staff, it is the small practical innovations and incremental improvement outlined in this case study that will increase customer satisfaction in the short and medium term, and perhaps more importantly make customers realise that City & Guilds is serious about improving.

At the other end of the scale, instilling a culture in which everyone understands that they are responsible, in some small way, for customer satisfaction, is neither a quick nor an easy thing to do. But in a market where customer service is the only possible differentiator it will pay rich dividends in the long term. **S**



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