



“What we call results are beginnings”

Visa Europe has a commitment to providing excellent customer support for its bank members. This was put to the test in 2004 when they commissioned The Leadership Factor to carry out an ongoing customer satisfaction measurement study on their behalf. The crunch came last summer when a large-scale update survey revealed the extent to which Visa had been able to improve in key areas. The good news was a significant improvement - customers had noticed that service levels were even better than before. This achievement prompted Stakeholder to speak to Graham Parker-Gore, Head of Customer Implementation Services, about the change process that his team went through in order to deliver those improvements.





Background: the cardholder is king

Visa is unquestionably one of the world's leading brands, but not simply in terms of recognition. As Graham is keen to point out it is probably the brand that people most commonly carry with them. He is proud of the fact that this means that Visa has a big impact on people's lives and their ability to do what they want to do. Graham sees Visa's job, and ultimately his own, as being about making life easier for cardholders as well as the customers with whom he deals directly - the banks who own the company. Visa's ultimate aim is to create a partnership with the banks that is geared around serving the cardholder.



We are a business to business organisation. Our first relationship on a day to day basis is with the banks, but I think it's fundamentally important not to forget at any stage that the most important customer is the cardholder. If people are not out there using that card, then the rest of it doesn't matter. The cardholder is absolutely at the forefront of our thinking.



Graham's role in all of this is to head up a team within Visa Europe that has the aim of "supporting the A-Z of Visa". They are responsible for fielding enquiries from members (the banks who are their customers) and supporting them in any way they need. The aim here is to offer members a single point of contact that will take ownership of any enquiry or problem and deal with it on their behalf.

Information gathering: customer satisfaction measurement

Visa survey their members on an ongoing basis to assess how they're performing, with monthly reporting for the latest tracking information. Annually there is a larger scale survey and reporting process that aims to set Priorities for Improvement (PFIs) and provide the baseline for the coming year. This distinction between the purposes of tracking and full surveys is a crucial one. Tracking surveys are tremendously useful in terms of picking up very quickly on changes in customer perceptions:

"...we started to see things really improve. It was just that tangible - as we started to do things the tracking surveys started to show progress."

Clearly this is a very encouraging morale boost, but it is vital to realise, as Visa did, that tracking surveys are prone to the variability that is endemic in survey research. A continuing trend is much



Graham Parker-Gore
Head of Customer Implementation Services
at VISA Europe

more reassuring than a one-off:

"When we first saw them [the improvements] we wondered if it was a blip, but month on month it kept improving."

This is how tracking surveys should be used: as a tool to monitor if changes are being noticed by customers, to provide up to date information and to serve as a useful encouragement to staff that improvements are taking hold and being noticed.



Just having a survey once a year I would miss out on so much information that helps me to manage the business.



Organisations using tracking surveys often fall victim to a fire-fighting approach to customer satisfaction - picking new PFIs every month. The net result is, despite furious activity, a lack of consistency leading to little tangible progress. I put this to Graham - is it a danger?

"Not if you're true to your PFIs, not if you



focus on The Leadership Factor's methodology which is 'these are your PFIs, focus on these'. That was where the entire emphasis was. The tracking surveys picked up on whether we were achieving."

As well as satisfaction scores overall and for a range of key requirements, The Leadership Factor provides detailed verbatim comments supporting any low scores that are given, allowing a qualitative insight into the reasons that a customer is less than satisfied. This helps to point the way towards what changes will lead to higher customer satisfaction. Graham is keen to point out the importance of these in deciding what to do to improve:

"The satisfaction score, in some ways, I would even say can be a distraction. For instance we've had a really good year, we've got a really good satisfaction score, our progress from one year to the next has been very significant. There's a danger that too much emphasis is placed on that, rather than continuing to look at all those comments which tell us how we can improve."

particular country was performing much worse than the others, something which a targeted strategy has now helped to address and turn around.

Action: from survey to service

The implementation process

Visa's baseline customer satisfaction survey revealed an overall satisfaction index placing them just below half way up The Leadership Factor's league table of companies. More importantly it provided them with three Priorities for Improvement (PFIs) recommended as the areas where improvements would lead to most

In order to move forward, Graham divided his team into three groups - one focused on each of the PFIs.

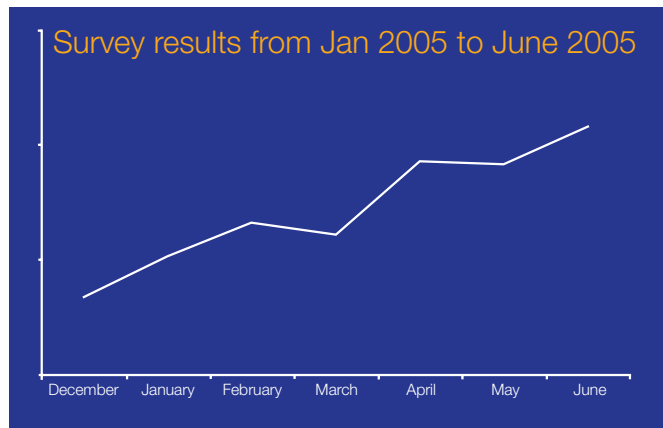
"I wanted the department to break not along traditional line-management structural lines, I wanted it to be groups of people picked from wherever they sat, working with colleagues from different teams."



He decided to make sure that these groups were not dominated and led by managers, but rather that the staff who would actually have to implement the changes were involved.

"I wanted it to be seen as an opportunity for individuals within the teams to seize the moment and actually try to take some ownership for something outside their usual day to

day function, or see an opportunity to get a bit more profile within the business."



The satisfaction improvement timeline

June 2004 Baseline survey	July 2004 Feedback/Reporting	August 2004 First monthly tracking survey	September 2004 PFI Teams/Brainstorming
January 2005 Actions starting to take effect	February - May 2005 Tracking surveys showed progress	June/July 2005 Updated main survey	August 2005 Update Feedback/Reporting

Of course some of these groups were more effective than others, and within all of them there tended to be a nucleus of a few people that were responsible for most of the forward movement and decision making. Graham sees this as a natural part of the dynamics of groups, and not something to worry about too much. Likewise he sees no point in worrying about the people who don't participate at this stage - if for no other reason because there's not enough time if any action is going to be taken. Hopefully those who involved themselves less than others will have another chance next time.

The other immediate benefit of undertaking a formal customer satisfaction survey was detailed information about the performance of Visa in certain markets. For example, the baseline survey showed that one

benefit in terms of overall satisfaction. Crucially it also had the verbatim comments to back these choices up and give a starting point, in customers' words, as to what might need to be done to improve.

First of all the groups brainstormed in order to combine feedback from customers on the PFIs (the verbatim comments again) with their own ideas about how improvements could be made. Next those ideas were filtered down to



three things that they could tangibly do. The rest of the time was spent communicating what the changes were to be (their impact and how they would work) and making them happen. Changes varied from technological innovations to behavioural issues that could be built into training programmes. Graham is clear that it is very important to make things happen quickly:

"I think pace is really important. We're a very successful business, so sometimes you have to create a burning platform to get people to really run with something. Having a very tight window is essential to keep that momentum going."

It is not always clear what the role of a consultant like The Leadership Factor is at this stage of a client's work - perhaps their job finishes at the final presentation of results? Graham asked his Client Manager, Greg Roche, to stay involved by making a nuisance of himself. His job was to be demanding, to ask difficult questions: What are you going to do? What are you doing? Why are the PFIs not moving? Graham also asked his 3 PFI teams to present to Greg, which he sees as a very valuable part of the process, helping to crystallise the importance of improvement and also to narrow their focus down to two or three simple changes that could be implemented relatively quickly.

"We were great at brainstorming and coming up with a list of 20 or 25 different items, but we couldn't do them all, obviously. What we needed to do was just focus on one or two, and do them well."

A common question is how long it takes to make changes, and for customers to notice them. Graham mentions that the 9-10 months between survey feedback and the next annual baseline measure is not a long time, but is it enough?

"Yes. Your big customers, the people that use you most, only need to feel that difference for a month or two and see

some consistency before they start to think that things are improving. And part of the process is also to tell them that you are improving."

This is not to say that Visa are resting on their laurels - he is quick to point out that what he means here is not that the PFIs have been completely "nailed" and are now 100% problem-free, but that significant progress has been made and noticed by customers.

Another crucial insight is that the regular tracking data that Visa gather on customer perceptions has a very valuable role to play in providing ongoing information. A couple of months of positive feedback is very important in boosting morale and enthusing staff about the improvements they're making, engaging them in the process.

Graham recounts an occasion when two of his staff noticed Graham meeting The Leadership Factor, and immediately started to badger him for the scores. Sadly it was a meeting on a different subject, but the point for Graham was that he didn't need to worry

about engaging his staff in the process - they were already there.

Getting buy-in

I asked Graham how he went about getting people to buy in to the survey process, and really get them engaged in making a difference. He had no hesitation here:

"You have to be passionate yourself, you have to be prepared to stand up and articulate how important this is to you and express your own values. You need to get your management team on board in the same way - they need to be prepared to stand up and be counted and become champions in the process."

If there's one thing you can't doubt after spending any time talking to Graham it's that he is passionate about this subject. But what about the others? The important thing, according to Graham, is to get the right people on board in the first place.

'Recruit for attitude' is clearly the motto here, and it's a powerful starting point to get the right kind of managers involved.

Engaging the rest of the team is partly about leadership (the passion) but also about basic management practices like objective-setting. For instance, last year 60% of the weighting for staff objectives was based on customer satisfaction in one way or another. Another important thing was using the three PFI groups, which helped to involve staff in the process of deciding what to do to improve.



One of the things I wanted to do was to say to these guys 'there's no point in me coming up with the ideas; you know what you need to do, here's the feedback that customers are giving us, so over to you - you come up with the answers'. That contributed to getting buy-in because it was their ideas. They were coming up with things then that they could tangibly do; they weren't having ideas foisted on them by some manager somewhere."



This all sounds a bit too rosy doesn't it? Of course there were some cynics, people who were more difficult to get engaged in the process. Graham points out, first of all, that most people are not cynical because they think customer satisfaction isn't important, but because they don't necessarily agree with the approach. The first step to dealing with them is therefore to engage them in a debate, giving them





an opportunity to argue their case. Better for them to challenge the process out loud than sit brooding in silence. If that works, then converted cynics are often the most ardent advocates of the programme. If not, then Graham remains philosophical:

"You can't worry about that, you have to go forward. The ultimate answer is, providing they're delivering and hitting their objectives, then OK - I'll accept there's some cynics out there, but they're still delivering."

So the cynics, those that couldn't be brought on board, are not a real difficulty. Surely something must have gone less than perfectly?

Lessons for the future

The most surprising difficulty that Visa came across was persuading staff of the value of training. The problem is that many people can't see beyond the day to day pile of work sitting on their desk. Long term thinking is necessary in order to appreciate that the world won't end if they're away from their desk for two days.

Training is something that is taken very seriously in Graham's team. Eighteen months ago the department got a training manager of its own, who implemented a new strategy and a very structured induction process. There's also lots of refresher training and additional work on behavioural areas such as connecting with customers, problem-solving skills and so on. Graham sees training as vital in order to give people the tools to respond to the challenges they are faced with.

The other issue that Graham will readily admit to is that they were a little slow to get off the ground, falling into the trap of too much discussion and not enough action:

"We fell for a couple of months into that rut of brainstorming to death. Really you just wanted to scream 'do one thing, I don't care what it is'."

This year it'll be very different, with a limit of one meeting to brainstorm, after which

everything has to be action focused. It's also important to ensure that the ideas that the PFI groups come up with actually get into the day to day action of people's lives. That's why Graham sees it as important to set objectives and very actively communicate all planned changes internally.

Ok, so those were the problems. Was anything easier than anticipated? Graham is clearly very proud of his team and the way they reacted to the challenge he set them:

"One of the things that I love is the people that surprise you - the people in your team who suddenly shine and come forward and start taking such an active interest in what you're trying to do. That makes the job easier to do, and it makes your life really rewarding"

"I'm most proud of the team. There are some people who absolutely worked wonders, who delivered more than could have been asked of them. Frankly, to go from the point we were at to the satisfaction rating we now have in the top quartile was more than I expected, and I'm really proud of the way they delivered that."

Communication

Of course there's no sense making changes unless customers notice them, and a key part of this is letting customers know that you are doing things. As well as general communication through newsletters and meetings, Visa place great emphasis on specific feedback to key customers.

Like many businesses they often focus within countries - for instance targeting the market which received the worst feedback with a specially tailored strategy, which has paid off with immediate benefit in customer perceptions.

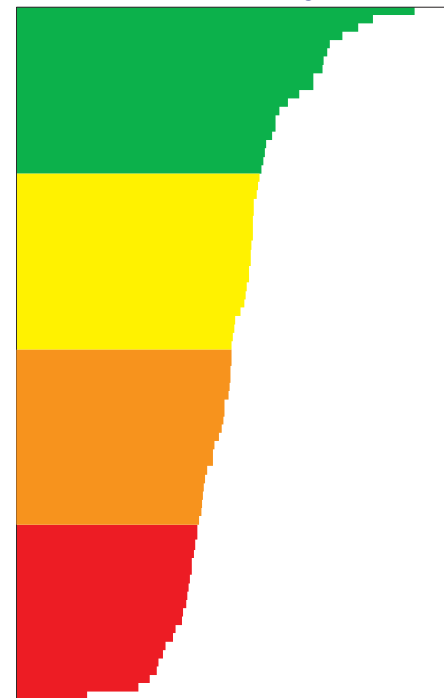
And how do you know if they have noticed? One source is anecdotal evidence and occasional pieces of feedback, for instance in one case the customer support team was cited by a customer as a reason to work with Visa during business development negotiations. In the end, though, the only really reliable

guide is the survey, but not only the score - again verbatim comments are crucial.

Strategic focus

Customer satisfaction has now come to be a key part of Visa's bidding process, a reason to work with Visa rather than their competitors. Recently Visa presented the Satisfaction Index league table during a bidding meeting, and although they acknowledge they've still got things to do to improve, the response was "at least you know where you are, and at least you're trying to improve". Some companies don't even know how satisfied their customers are.

Satisfaction Index- League Table



This strength means that customer service can become a really important part of the organisation, if it is one of the obvious differentiators that leads customers to do business with a company. Seeing customer service as an "aggressive" acquisition tactic as well as about "defensive" retention is unusual and insightful. If customer service is a differentiator, as we all say it is, why aren't more organisations using it in this way? I put this to Graham and he agrees, but is very quick to make sure that I have my priorities right:



Hanging onto the business you've got has got to be the most important part of your strategy. Our fundamental role in the customer service world is protecting the business we have, and making sure the customers we already have working with us see that value.



It is obvious that Graham is sold on customer satisfaction, and sees it as the single most important driver of the success of any business.

"I think it's really important to try to get customer satisfaction as almost your only measure of success. We talk about 60% of your objectives, but if I had my own way it would probably be 100%, because you can make everything fit under that umbrella. What we're trying to do is get it to a point where customer satisfaction, the customers' measure of our business, becomes everything that we trust and believe in. If we trust what customers are saying to us then that will build the levels of loyalty that we're seeking to have as businesses, and that drives the shareholder value that is what the chief execs and the MDs want."

This contrasts strongly with the focus on cost-cutting and short-term, acquisition-focused, marketing initiatives which characterise many organisations. As long-time readers will know, Stakeholder sees the Value Profit Chain as the best strategic management framework for a modern business, and fundamentally this is based on the same insight. Customer satisfaction is the only route to the long-term success of a business, and in the end a focus on customer (and employee) satisfaction will pay off more richly than a short-term obsessive focus on this quarter's profit margin above all else.

Conclusions

Graham is perfectly prepared to admit that the approach he and his team took was at times challenging, and that they have learnt from it and will do some things differently this year. Nonetheless they managed to move the Satisfaction Index by a tremendous amount (an improvement of 8.2) giving them a solid top quartile score. There is no way they could have achieved this kind of movement in the space of year unless they got a lot of things right, so what were their successes?

I believe focus is one of the key themes to emerge from the interview. Starting with a focus on customer satisfaction as a crucial measure of business performance, with a focused strategy for improvement based on a small number of PFIs, and a small number of tangible changes on each. This ability to narrow down what's going to happen is crucial if any improvements are to be made in the small amount of time available.

The second key point, linked to that, is the need for speed. Graham felt that Visa should have done better in this regard, but actually they were pretty good. Many organisations don't even get as far as brainstorming ideas for several months, let alone seeing three months of brainstorming as being in a "rut". Taking action early meant that there was time for the tracking surveys to show progress and encourage staff that changes were having the desired impact. *"Do something now"* still seems to be the key to improving customer satisfaction.

Nonetheless it's important to have a long-term view of what the priorities for improvement are - tracking surveys should be used to monitor performance but never to set priorities, or fire-fighting is inevitable.

In terms of coming up with effective ideas for improvement, the Visa experience highlights two crucial sources of inspiration - the comments customers make about why they're not satisfied with particular areas and the knowledge that front line staff have about the processes they go through and how these could

tangibly be changed.

Engagement in the process is crucial if all these ideas are actually going to filter through to what staff do day to day. This clearly has both top-down and bottom-up dimensions: passionate leadership and the right kind of management is one ingredient, but the other is involving staff in the process of coming up with ideas. The three PFI teams served several important purposes: to engage staff, to get lots of practical ideas for improvement, and to focus narrowly on improving one thing through a small number of changes.

The net result is to cement customer service as a key part of Visa's strategy, something that is seen by customers as one of the main reasons to do business with the company. If they can maintain that focus in the long term then the rewards of customer loyalty are bound to follow. **S**

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