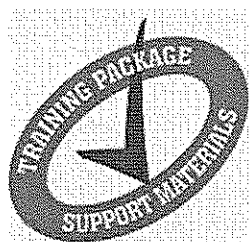


Nationally accredited training

BSBCUS501A
Manage quality customer service

Learner guide



Development

smallPRINT adopts a professional approach to ensure that its learning and assessment resources are current, accurately relate to competency standards and provide comprehensive, flexible assessment strategies.

We either employ or contract qualified workplace assessors and trainers with industry experience as writers to develop and upgrade our resources.

Feedback is regularly sought from our clients who are from both Registered Training Organisations and industry to validate the ongoing currency and accuracy of our resources. This feedback is acted upon to ensure that our resources meet ongoing industry and VET standards and requirements.

smallPRINT ensures that all its resources are in line with the appropriate training packages, according to information provided by the National Training and Information System.

We have procedures in place to ensure that we are aware of the ongoing review process for training packages. Our procedures ensure that we remain up to date with changes to packages/ new packages as they are approved and implemented.

Our resources are subject to regular review and continuous improvement processes. All resources are reviewed every 12 months.

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Introduction

Purpose of the learning resource

This resource provides a theory and assessment framework to support the learning and assessment of competency based training within a collaborative relationship.

It supports and motivates self directed learning via a learning partnership between:

- the learner
- the trainer/ assessor
- workplace training supporters such as:
 - supervisors
 - peers
 - mentors

It can be used to support learners who are experienced workers seeking to gain formal qualifications, newly employed workers aiming to develop skills and obtain formal qualifications and those seeking training and/ or qualifications to gain employment.

The resource is designed for self-paced learning and is also suitable for delivery in a workshop or classroom. Depending on the category of learner and the delivery method, these materials should be used differently.

For example:

- an experienced worker might use this resource to refresh their skills and knowledge, and as a tool for preparing to have their competency assessed
- a learner currently employed should be able to practise the skills in their workplace; this resource provides background information and a framework for assessment of competence
- for learners who are not currently in employment – where this resource is used in face-to-face delivery or in a distance mode – trainers should provide opportunities for learners to develop and practise their skills in a simulated workplace

Learners should be encouraged by their trainer/ assessor to undertake additional learning tasks.

This might include:

- research
- reading
- reflection
- drawing upon their knowledge in practice situations beyond what has been facilitated by the trainer

Trainers/ assessors should also provide supplementary information including interpretation of the contents of this resource. They should initiate with the learners discussion about the subject matter and should encourage learners to contribute their own experiences and interpretations of the material. It is not necessary to work through the guides in the order in which they are written; however this is at the discretion of the trainer/ assessor.

Structure of the learning resource

This resource consists of 4 parts:

1. Part 1 - Learning support materials
2. Part 2 - Assessment information
3. Part 3 - Assessment tools
4. Appendix - Competency review tool

Part 1 – Learning support materials

This part is organised so learners can, with the support of their trainer/ assessor, plan their learning and engage in activities. It is divided into sections which relate directly to the learning elements for each unit.

Part 1 contains:

- theory (information)
- learning prompts
- assessment activities
- resources and references

**Theory is identified by this icon.**

Theory provides information about the elements, performance criteria and essential knowledge that apply to this unit. This information will assist the learner to complete the assessment tasks required to achieve competency in this unit.

**Learning prompts are identified by this icon.**

Learning prompts are designed to encourage the learner to build upon the underpinning knowledge which they have acquired by reading and reflecting upon the theory provided. They may also encourage the learner to research additional information and to expand their practicing of skills.

**Assessment activities are identified by this icon.**

The activities should become part of a formative assessment. Trainers/ assessors should have processes in place to provide feedback and reinforcement to learners as they progress through the activities and the assessment processes. This is pivotal to the learning experience. Assessment activities are also part of the learning process, particularly interactive activities such as demonstrations, group work or case studies.

**Resources and references are identified by this icon.**

Provides a list of resources from which this learner guide was developed. This list can also be used as additional reading material that can be accessed for further information.

Part 2 – Assessment information

This part provides the following:

- introduction to competency assessment
- unit information

Part 3 – Assessment tools

The assessment tools provided in this resource are:

- the assessment activities in the workbook
- the written/oral questions in the final assessment section of the workbook
- the project(s) in the final assessment section of the workbook
- supervisor/ third party or assessor demonstration report

Please refer to the introduction to Part 3 - Assessment tools for more detailed information on competency assessment and the assessment tools included in this resource.

Appendix – Competency review tool

This appendix consists of review tools for:

- range statement
- elements and performance criteria
- critical aspects for assessments
- required skills
- required knowledge
- employability skills

These tools can be used for:

- assessment mapping and validation
- assisting the trainer to devise and facilitate learning activities and/or assessment activities which build upon the underpinning knowledge acquired by reading through, and reflecting upon, the text
- recognition of Prior Learning (RPL)
- evidence gathering and recording at any stage of the training
- the **Appendix - Competency review tool** can be used for collecting, recording and submitting a **portfolio of evidence** for RPL

Please refer to the introduction to Appendix - Competency review tool for more detailed information.

Recognition of Prior Learning (RPL)

The tools in this resource can be used by learners to identify their current competency and the evidence they have to support formal Recognition of Prior Learning (RPL). Learners might already have some or all of the skills required for this unit. If they believe they can demonstrate these skills, they should speak with their trainer/ assessor about applying for skills recognition.

BSBCUS501A: Manage quality customer service

Part 1: Learning support material

Section 1: Plan to meet internal and external customer requirements

This section addresses the following performance criteria:

- Investigate, identify, assess, and include the needs of customers in planning processes
- Ensure plans achieve the quality, time and cost specifications agreed with customers

Learning prompt

Read through the material and look at the assessment activities.

After learners have read and understood the information provided they should take the opportunity to practise the skills referred to within this section prior to undertaking the assessment activities. Trainers/ assessors should give guidance in this regard.

This will enable learners to build and improve their skills.

Investigate, identify, assess, and include the needs of customers in planning processes

Successful organisations are customer driven. They spend time and effort finding out who their customers are and what the needs, wants and expectations of their customers are. Once customer needs and expectations are identified, products/ services can be designed and marketed – presented to the customers – to meet those needs. The market now determines what the manufacturer produces or the retailer sells and information collected from customers provides the basis for the focus for all organisational activities.

Do not make assumptions about clients/ customers and their needs. Ensure that you identify just who your customers are and what their needs are. Communicate with them often and regularly.

Go directly to your customers for the information you need – for up-to-date information on customer priorities, likes and dislikes, purchasing intentions, value you should offer to customers. Identify and plan to meet desired customer outcomes.

Communicate customer needs to all employees and develop, throughout the organisation, at all levels, a customer focus. Develop, within the organisation, a flow-through customer service ethic that supports excellence – internal to external customer service.

Everyone in the organisation is a customer. Internal customer service must be of high quality so that service to external customers reflects the internal working of the organisation. This applies whether your external customers are end-users/ consumers or on-sellers (retailers).

Needs

Organisations which do not interview or communicate with their clients/ customers with a view to identifying needs might, for instance, focus on cost cutting measures rather than client/ customer needs. For example, an office service group for small business owners might decide to improve work efficiency by firing their dedicated word processing specialist and hiring an individual who will do administrative work as well as word processing. Clients/ customers could, however, be angered because this means delays in the receipt of word processing. The clients/ customers want a dedicated person to handle their word processing needs. So although the office staffing decision has made the workplace more efficient in terms of the fact that one person is doing 2 jobs, clients/ customers will be lost. The wages saved by having only one staff member instead of 2 will be well and truly lost if clients/ customers are dissatisfied. They will not only remove their business but will influence others to do the same. It should also be noted that the quality of the work produced for customers might not be as high as previously – the person doing the work will not have the time to spend checking work. This too will lead to dissatisfaction and cause customers to take business elsewhere. Internal dissatisfaction might also result. If the workload is badly distributed or is too high for one person, service levels between internal customers will be affected; internal customers will be dissatisfied and employee morale might suffer. This will, in turn, be reflected in the service provided to external customers.

Identifying customer needs is a continuous process. Do not assume that customer needs will stay the same. They will change and those changes will be influenced by social, economic, political, market and psychographic trends and movements. Be aware also that multiple customers have conflicting and competing needs. Current and emerging needs must be identified. Conversations, with clients/ customers, about immediate needs and services let you know what is happening now and what the current levels of satisfaction are, but you must also know about emerging needs. For example, a state agency wanting to improve the quality of a report that they produce for the legislature might interview their clients/ customers and discover that the requirements of the legislature will not be supported, in future, by this report. A more detailed and extensive report format will need to be applied. By interviewing the clients they are able to determine the future need and adapt their service provision so they continue to be the preferred provider of the necessary information.

Internal and external client/ customer data helps the organisation discover new opportunities, verify the extent of a problem, better understand how products and services are used, prevent problems that impact the client/ customer, and prioritise work. Understanding customer needs helps define new market opportunities and drive innovation and revenue growth in every aspect of the organisation.

Plan to meet customer needs

Customers/ clients and their needs must be identified before plans are made and before products/ services are designed. Products/ services must be designed to meet identified customer and market needs. Consumers are more aware, better educated and better informed than ever before. They know that if you cannot or will not meet their needs, your competitors will. It is, therefore, no longer possible to design and develop products/ services without first ensuring, through market research, that there is a market for a product/ service and that it will meet specific consumer needs.

Customer needs must be properly identified, assessed, planned for and catered for. This means that when developing business, strategic and operational plans, the focus must be on the client/ customer and meeting client/ customer needs. If the organisation is able to develop a true customer focus, then organisational (business) goals can be achieved. A business plan is a formal statement of a set of business goals, the reasons why they are believed attainable, and the plan for reaching those goals. Business plans can also target changes in perception and branding by the customer/ client or community, that is, the marketing focus of the plan.

Strategic planning is the process whereby an organisation defines the strategies or directions it will pursue and allocates resources, including capital and people, so that goals can be achieved.

Operational plans describe the goals of an internal organisation, working group or department and outline the day-to-day activities that will lead to goal achievement.

Planning for appropriate product development and customer service processes and procedures must be integral to all organisational plans.

Plans, therefore, need to address:

- identification of target markets – market research – market segmentation, sampling, profiling etc to determine needs
- collection and analysis of information via surveys, records relating to sales and customer complaints, returns etc
- methods of identifying specific customers – both current and prospective – who they are, where they come from
- methods of understanding current and prospective customers:
 - their needs, wants and expectations
 - their levels of satisfaction
 - demographics, psychographics and buying intentions
 - their perceptions of the organisation and its products/ services – quality, value etc

Changing customer needs

In the new and rapidly changing economy customer predictability is impossible. Whatever a customer wants today might not be what they want tomorrow. Alternately, they might want more of it. If, for instance, you offer low prices, customers will want those prices slashed further or at the least, maintained indefinitely. If you offer state-of-the art products, they will want them to be even more cutting edge.

While organisations cannot always accurately predict the future, they must establish effective change management practices in order to pre-empt changes wherever possible and also to be ready for changes that are imposed upon them.

If a company wishes to develop a new product/ service or to move into new markets and/or increase product/ service reach, exploratory market and customer research is an essential and continuous component of the process. Market research provides the foundation and platform for effective idea generation and creativity management, while underscoring all developments with a clear understanding of customer demographics and psychographics – their needs, wants and expectations – market information and competitor information. Market research not only helps to anticipate emerging needs, it serves to identify current needs and satisfaction levels, complaints and problems about the performance of a certain activity, function, process, life event, product or service.

To sell successfully it is necessary to analyse the products/ services on offer to ensure that they:

- are attractive to the target group
- meet the needs and expectations of customers
- meet customer perceptions of value
- are priced correctly
- are distributed where they are most needed
- are perceived as competitive
- meet the cost and quality requirements of the organisation and of the client/ customer

When investigating, identifying, assessing, and including the needs of customers in planning processes, consider:

1. Who currently purchases your products/ services?
2. Who will be or is interested in purchasing your products or services?
3. How current and potential customers are grouped and what their specific needs, wants, expectations and buying intentions are?

Review your current sales figures. Do they demonstrate appropriate uptake of your products/ services or do they indicate a need for better market research?

- Consider products/ services in terms of:
- quality
- specifications
- range
- packaging design
- materials
- size and quantities
- features and benefits
- pre- and after sales service

Customer needs change over time. Markets change also. Keep abreast of changes, trends and developments in the marketplace. Adapt, innovate and stay ahead of your competitors.

To ensure that the organisation and its offerings are meeting customer needs (now and those that are forecast), it is necessary to do the following.

1. Identify what customers are buying and what benefits they purchase

Customers insist on a level of quality appropriate to their needs, reliable delivery, safe operation and durability commensurate with the price paid. They purchase product benefits – the things that a product/ service will do for them. Identify the benefits associated with your products/ services and determine the ways in which these will or can be made to meet customer needs.

2. Understand why customers will or do purchase

The reasons why customers buy are usually logical from their point of view, and might, on the surface, not make much sense to you. Most buying decisions are multi-causal and sometimes the decisions seem trivial. Pay attention to details which could be very important to the customer. Market research, both formal and informal, and customer feedback will supply valuable information about customers' purchasing decisions and this information will enable you to supply what customers want – not what you want or what you think customers might want. You are not the customer and your tastes and needs are not the same as those of your customer.

3. Know when customers are likely to buy

Customers buy when they want to, not necessarily when you want them to. Analysing customers and their purchases can sometimes allow you to determine buying patterns that you can use to provide opportunities for sales.

For instance, sales might relate to:

- start of the school year
- half-yearly sales
- introduction of new models and clearance of old ones
- special price concessions
- improvement in economic conditions or buyer's confidence
- recurring holidays (long weekends, Christmas, and Easter)
- customers' budgetary cycles
- pay days

Knowing your customers helps you:

- design your offerings to meet the exact needs of the buyers
- influence decisions at crucial steps of the buying process
- lay the groundwork for repeat business

Making sales is actually a problem-solving process. In assisting customers to purchase what they believe they need you are helping to solve a problem.

Remember that every consumer is different, and operates under a different set of buying rules or processes. There are, however, several common steps in each buying process. Perhaps a change in lifestyle or a demonstration at a friend's house has caused a consumer to recognise the need for an item. Perhaps an advertising campaign has convinced the consumer of the product/ service benefits and they have chosen to act. They might have made comparisons between brands and prices then made a decision to purchase.

Demographic and psychographic factors

Understanding the psychology that drives current and prospective purchasing behaviour and brand or service perceptions will make it easier to accurately target your market and design product/ service offerings.

Psychology can be loosely described as the mental filter through which our individual and collective experiences are interpreted.

It relates to the concepts of identity, belief and context which will significantly influence customer/ client:

- experiences
- expectations
- interpretations
- aspirations
- perceived needs
- behaviours

These factors will also affect the way in which the providing organisation is perceived and its:

- strength
- credibility
- product/ service quality

Psychographic factors can, therefore, be identified and analysed in order to compare and contrast different customer/ client groups and establish areas of common ground across niche groups as part of the market research process.

Psychographic data collected will include factors relating to consumer:

- self-esteem factors
- relationships
- backgrounds
- education
- socio-economic status and perceptions of the same
- trends
- behaviour and lifestyle choices
- buying styles or preferences
- buying resistance

By identifying the psychographic characteristics of customers and potential customers it is possible to ensure relevance of new products/ services, marketing ideas and messages and establish a platform for credible dialogue (ie appropriate language, issues and style) between the marketing organisation and its customers.

Collect this information from your customers and prospective customers through formal surveys, questionnaires, discussions, observation, focus group activities, product design processes, testing or by systematically asking key questions when serving current customers.

Demographics is the term used to describe customer characteristics such as age, gender, ethnic origin and family status. Demographics also relate to statistics like income, marital status, employment area, number of children, area in which customers live, type of housing, etc. Much of this information can be accessed via national and census statistics and can be used to help focus cost, time and effort in effective product/ service design and marketing activities.

Markets

Market research is the process used to identify customers, and determine their needs and expectations. It utilises psychographic and demographic information to clearly identify customers and their buying patterns and/or intentions. Profiling a target market for an organisation's products/ services involves combining demographic and psychographic information with data collected about markets, market trends and the internal culture of a company. From analysis of this information it is possible to predict future buying patterns and intentions of customers and accurately and successfully promote products/ services to the target buying audience. Expert marketers have noted that people do not respond to generalities. Businesses need to reach the heart of their potential audience and to target specific products/ services to specific purchasing groups.

Competition, technology and global communication systems mean that if the consumer does not have their needs fulfilled, they can and will choose to go elsewhere for that product. Thus, the need to determine, from the total market, an accurately qualified target market and to map information about the organisation's total market against take-up of the offered products/ services.

The total market is the population which an organisation could possibly tap to market a product/ service.

Take-up/ usage can be defined in terms of sales figures and the total number of customers an organisation has.

Take-up/ usage data will relate to:

- units sold
- dollars earned
- number of users/ purchasers
- number of return customers/ clients
- value of individual purchases
- returns
- complaints
- levels of satisfaction

This information will be used to assess current performance and to forecast future performance. Forecasting, predicting or projecting the total market demand, guides an organisation's marketing and provides clues about future product/ service performance.

There are 5 steps in the forecasting process:

1. Define the total market.
2. Divide the total market into segments.
3. Identify what drives demand in each segment.
4. Project the ways in which these factors might change over time.
5. Assess the risks to the forecast and select assumptions most critical to success.

Investigating, identifying, assessing, and including the needs of customers and determining the potential market/s for their product/ service organisations can determine where their product/ service is or is most likely to be successful. Identify the most profitable sections of the total market and use your understanding of customer/ client needs, wants and expectations when planning product/ service design, operations processes, marketing strategies and customer service techniques.

Target markets

To make sense of market research it is necessary to divide the total market into accessible and potentially profitable groups – the target market – or possibly, depending on the product/ service offered, the niche market. A target market is a specific consumer group identified as having a need, want, problem or interest which could be filled by an organisation's product/ service. These are the potential purchasers of that product/ service.

When identifying customers and determining customer needs, ask:

1. What customers form your market?
2. Where are they found?
3. Why will they purchase your product or service rather than another?
4. Is there a large enough target market to support your product/ service and generate a profit?
5. Will that profit justify product/ service development and promotion?

To identify target markets, typical customers will be identified through, as already mentioned, their psychographic and demographic characteristics:

- age
- gender
- family structure
- housing
- socio-economic background
- income levels
- geography
- psychographic analysis
- buying patterns
- consumer habits
- lifestyle preferences etc

The more specific the categories are, the more accurately target markets are identified and enables very specific product/ service design, marketing and acceptance. For instance, Sportsgirl stores offer, to the general market, clothing. Their main target market is women. However, this description is not sufficiently specific as it refers to total market. Their real target market is young women aged between 15-35, who follow the latest fashion trends and have a moderate amount of disposable income. This provides for explicit types of product and store presentation, along with expressly coordinated service styles that will be acceptable to the target market and will draw the purchasing dollar of this market.

The target market for an organisation's products/ services must be sufficiently large enough to tap into – must be large enough to generate sufficient sales volume, turnover and profit.

Successful organisations are able, as a result of accurate product/ service design and marketing thrust, to develop organisational profiles that uniquely qualify them as the preferred provider of solutions and products to their target or niche markets. Once an organisation is known to be the expert provider of solutions or products for a specific group, consumers who have not previously purchased will also be attracted.

Market research

Market research is vital in helping businesses determine their ability to provide a product/ service in relation to consumer needs/ wants and to the organisation's own resources and business plans. It enables investigation, identification and assessment of the needs of customers for inclusion in planning processes.

Market research should be used regularly by all organisations as a means of gaining feedback about current products/ services and planning future activities.

It is a tool which can also be used to:

- reveal the approaching end of a product or service life cycle
- detect changes in customers' quality standard expectations
- identify new opportunities and new markets
- point to the need for organisational, system or operational change
- indicate the need to move away from certain products or develop new ones
- discover useful value-adding propositions
- keep you and your organisation in touch with changing markets and customer needs

Customer focus does not end with the market research results. Feedback and input from customers should be a constant part of organisational planning, monitoring and evaluation systems. Continue to analyse marketplace dynamics, trends and geographic viability. Continue to analyse current and potential customers and the competition. Know how well your product actually meets customer needs. You need information, not assumptions. Therefore, regularly ask the customer.

The idea that the customer will purchase whatever the producer (manufacturer or retailer) chooses to sell no longer works. In the 1970s the Japanese shocked the established American motor vehicle manufacturing industry by producing and very successfully marketing motor vehicles of a better quality, with better warranties, higher durability and more inbuilt features, for a lower price. They beat the Americans on their home ground and took a huge percentage of what the Americans had assumed was a secure market.

How did they do this?

They identified a potential market and found out what it was that customers in that target market wanted. They responded by designing and manufacturing a product to meet those needs.

Japanese research had shown that the American market, at the time, was critical of, and dissatisfied with, the standard of vehicle being manufactured in the US. Customers perceived that the cars they were being offered were of poor quality, with limited warranties, low comfort and with what they perceived as built-in obsolescence. They felt that their choices were severely limited. They were also frustrated by the huge difference between the base price and the price they had to pay after options were added.

Instead of assuming that the customer would purchase whatever they were offered, the Japanese found out where the market was, who their customers were and what those customers required, before they manufactured their product.

This customer focus shocked the American motor vehicle industry and gave Japanese companies similar successes in Australia and Europe.

You and your organisation can do the same, provided you collect, collate and analyse data relating to target markets. Without this information you will be marketing blindly and wasting your marketing allocations.

Market segments

A proper market analysis will involve dividing consumers into groups – segmenting the market – to accurately focus the research and produce relevant and useable results. It is both a physical and cost impossibility to survey the whole market, therefore, segmentation is necessary.

For instance, if you wanted to project the likely acceptance of a new brand of washing powder, you would not survey a whole population. From that population you would not, for instance, survey schoolchildren, as they are not the main users of such products. You would identify, group and survey the potential users of the product – the most likely segment of the target market. This gives the research focus and ensures marketing dollars are not wasted by surveying non-qualified users.

A market segment, therefore, is a group of consumers who respond in a similar way to a given set of marketing efforts. Segments divide the market into distinct groups of buyers on the basis of needs, characteristics, or behaviour – commonly shared characteristics – to determine what types of consumers will be most receptive to a particular product or marketing message.

They might have the following in common:

- geography – local, state, national, international, virtual
- demography – age, gender, family size, income, occupation, nationality etc
- sociology – social class, education, experiences, interests
- psychographic characteristics – lifestyle needs and preferences

Segmentation identifies and groups clients/ customers so their common interests can be addressed effectively and efficiently.

For example:

- dividing potential customers into age groups might reveal that an organisation's products appeal to people aged 18 to 34
- a division based on family size might show that they mostly appeal to married couples with young children
- a division based on economic status might indicate that the products will sell best to people with an annual income of about \$50,000 to \$100,000
- a division of geographic locations might indicate that it will be best to market to people living within 2 specific area codes

It is also not possible to survey every single user. Population **samples** – a small part of the population that is representative of the whole – are used to test hypotheses about the whole population. A hypothesis is a proposal or tentative theory intended to explain certain facts, observations or, in this case, purchasing theories.

Data

Market research generally utilises a number of data gathering methods. Both qualitative and quantitative data is combined to indicate purchasing intentions. Whilst statistics is based on numbers of purchases or purchasing intentions, qualitative data which consists of customer's opinions and ideas also contributes to the market analysis.

Quantifiable information is anything that can be added up, for example, the number of sales made in a month, the number of cars manufactured this year, the number of people in a sample who have expressed interest in a new product etc. Quantifiable information allows analysis of the strength of a trend. It provides a common vehicle for communication and a sound and reasonable exploration of issues, problems, improvements or feasibility projections. Quantified data can be used to measure the potential of alternative marketing strategies and to determine relationships between situations or events, based on comparisons of sets of figures.

Qualitative information is not based on numbers, although it is possible to convert some qualitative information to numbers or percentages. Generally, qualitative information consists of descriptive statements about events that have happened or subjective descriptions of beliefs, values, needs, expectations and concepts such as value and quality. It includes opinions or comments by customers on a product or service provided, future plans or even visions of what an organisation might become. Although these things are not always easily measurable, the data is valid and combines with quantitative information to give a full picture of a situation. To make good decisions both qualitative and quantitative information are necessary.

Factor and cluster analysis

Once data that is relevant to the organisation's needs and intentions and to those of their customer's needs and purchasing intentions is collected and collated, researchers will conduct factor and cluster analysis.

Factor and cluster analysis are used to show correlations between product purchases and other factors. Such correlations become the basis for identifying actionable consumer target clusters, or niche markets, where there are identifiable numbers of buyers or users who share the same characteristics and can be reached by adept advertising and promotion (as described in relation to, for instance, Sportsgirl stores). Researchers then determine whether clusters are large enough and viable enough to spend marketing funds on them and whether potential marketing niche clusters fit strategic company objectives; that is, does marketing to this group fit the organisation's existing image and long-term goals and can the ends of this group be met by the providing organisation?

The objective of data gathering and analysis is to predict consumers' purchasing power, motivation, self-orientation, and resources and to forecast marketplace acceptance of products and services. Good market research mixes data from primary and secondary sources with commonsense and experience. It is an ongoing activity, not just something that happens if an organisation sees an opening to launch a new product.

Data collection

The data collected as a result of market research must be relevant, valid, timely, accurate, reliable and verifiable. Any decision based on invalid, incorrect or unreliable data is, necessarily, an unsound decision. Timely data is that which is collected and analysed at times which make it useful. The information developed as a result of analysis must also be timely – available when required – accessible and presented in ways which make it understandable. It can be used to show correlations, relationships, trends and to make inferences about one set of data based on its interaction with another set.

Processes used to collect customer information can include:

- questionnaire surveys – face-to-face, written, electronic or telephone survey methods
- observational surveys
- focus groups
- product test results
- retail audits (to determine brand share)

Data that will help identify customer needs can also be collected from government organisations such as the Bureau of Statistics, the Census Bureau, from media companies, chambers of commerce, other research organisations or from university databases.

Secondary data sources, for example, interviews with key trade buyers and consumers or end-users of products and services can also be used as a source for both qualitative and quantitative data.

Information that helps identify customer needs might include:

- number and timing of brand purchases
- reasons for purchases
- consumer's attitudes about various product attributes
- importance of the product/ service to the lifestyle of consumer
- benefit perceptions
- category user information (demographics, psychographics, media habits, etc)
-

External trends and developments that affect a company could include:

- economic trends (local, regional, national, international)
- ecological/ environmental trends
- government activities (interest rates, deregulation, elections)
- social and cultural factors
- demographic trends
- changes in technology
- industrial trends

To understand the questions that market research should address it is also necessary to understand the marketing organisation, its intentions and objectives and the ways in which customer needs can be incorporated into planning processes. The inherent culture of a company will determine where to aim research and might explain some of the conclusions drawn from the market research. For example, if a company's workforce is mainly young people, the company itself might be perceived as a youthful and progressive enterprise by the general marketplace. It will attract a certain type of customer. Alternately, if an organisation produces a product that is environmentally friendly and complies with specific ethical standards, for example, The Body Shop, it will attract customers with like beliefs. Thus company image will influence customer buying decisions and is directly related to the identification of target markets. This will impact on the type of market research conducted, the types of questions asked of customers and potential customers and the incorporation, into plans, of specified customer needs. Internal data about the organisation combines with data from the external environment to indicate trends and developments so that concrete conclusions can be drawn for preparing business and marketing plans for the organisation.



Assessment activity 1

1. What is a **customer** and who are the customers for your organisation?

BSBCUS501A: Manage quality customer service

2. Why is it necessary for organisations to investigate, identify, assess, and include the needs of clients/ customers in planning processes, and how can they do this?

BSBCUS501A: Manage quality customer service

3. Develop and document, on behalf of an organisation for which you do or might work, a detailed process whereby it will be possible to investigate, identify, assess, and include the needs of customers in planning processes.



Ensure plans achieve the quality, time and cost specifications agreed with customer

Client/ customer needs will relate to product features and benefits which will in turn relate to quality, time, and cost specifications of products and/or services. The organisation's plans must, therefore, take these things into consideration.

When determining how to meet customer needs the organisation must be aware that customers do not purchase products alone – they purchase product/ service bundles. That is, when a customer enters, for instance, a retail outlet they will expect to be able to purchase the product they require **and** to receive an appropriate level of service to go with the purchase. The required level of service will relate to attention, timeliness, information provision, friendliness and the competence of the sales personnel. This is called **bundling**. If an organisation cannot provide an appropriate product/ service bundle then customers will choose to purchase elsewhere. Even though your organisation might have the product required by the customer, poor service levels will mean that customers will turn to your competitors – who can provide both the product and high levels of service. This applies whether you offer self-service (eg supermarkets), face-to-face service (eg hospitality outlets, department stores), phone sales service (eg call centres), online sales (e-commerce), direct sales etc.

Other considerations that will affect the purchasing decision and which form part of the product/ service bundle include:

- location
- availability
- timeliness of product availability
- facilities
- access
- support – help desk or online
- delivery options
- presentation
- packaging – appearance/ environmental
- quantity
- after sales service
- warranties/ maintenance/ repairs

All of these conditions become part of the bundle because they affect the consumer's choices. Customers look, either consciously, or unconsciously, for something that distinguishes one product from another and adds to the perceived benefits of purchasing the product/ service. In this way the customer forms their own **value proposition**.

They ask:

1. Does this product meet my needs?
2. Am I receiving a proper level of accompanying service?
3. Am I happy with the overall product/ service offering?
4. Does this meet my perception of value for money on the basis of product, service or **bundle**?

Sellers are able to distinguish their products from other similar offerings by varying the mix of product and service. Increasing the level of service accompanying the product sale can in itself provide the point of difference that ensures customers will purchase from you, not from your competitors.

The easiest way to lose customers is **not** to provide an inferior product or to price yourself higher than your competition; the easiest way to lose customers/ clientele is to provide poor customer service. Research shows that almost 70% of customers move on to another company because of poor customer service. This can be costly for the selling/ providing organisation because it has been estimated that replacing an existing customer costs an organisation as much as 5 times what that customer might have spent in an entire year of doing business with them – because each customer lost will influence their associates, friends and family, so it is likely that they also will not deal with the organisation.

With the increase in e-commerce and the decrease in face-to-face business transactions, customer service is still rising in importance. Many customers/ consumers choose not to conduct business online, because they want the support of real humans in a timely and attentive manner. Customers/ consumers who do choose to shop online still require contact with the selling organisation and response on a personal basis – even if that contact/ response occurs via electronic media.

For both online and in face-to-face selling situations, superior customer service is likely to be the deciding factor in who gets the lion's share of the business.

You might consider that you have a unique product or that because of circumstance (ie remoteness of locality), you have a point of difference that will ensure a sale. You might think that it is too inconvenient for customers to go elsewhere to purchase. However, if the bundle being offered does not meet with the customer's value proposition, they will choose not to purchase at all, will accept the inconvenience of having to shop elsewhere or will purchase, from someone else, a product that is similar but not the same. You must also remember that with access to the internet your customers have access to a very wide range of product/ service bundles and the internet (e-commerce) removes many of the inconvenience obstacles.

You can ensure that plans achieve the quality, time and cost specifications that agree with customers by consulting with customers and by clearly identifying their needs with regard to:

- product/ service quality
- product/ service accessibility
- delivery methods and timeframes
- costs associated with a purchase

You need to be aware that cost – purchase price – is only one aspect of a customer/ consumer's value proposition. It is very rare that a person will base a purchasing decision on price alone. Customers base their purchasing choices on a perception of benefit to themselves. A proposed product/ service purchase must meet a specific need or cluster of needs.

Each customer will ask themselves:

1. What's in it for me?
2. What will this product do for me?
3. How will I benefit?

Product benefits

Products/ services and product/ service descriptions have attached features and benefits. Features refer to specifications. Benefits refer to the effect the product/ service will have on the customer. Customers do not purchase product features, they purchase benefits. Manufacturers build numerous features into their products – mobile telephones with the capacity to send email, take photographs, transmit live video connections etc. These are not what the customer actually buys. The customer buys the idea of **what those things can do for me**.

Advertising professionals understand this and promote products to suggest to customers:

1. If I buy this I will look and feel younger.
2. If I buy this I will look and feel glamorous.
3. This product will make me look sexy.
4. Purchasing this product means that I can use it to make money.
5. This product offers safety for me and my family.

Product benefits relate to safety, durability, image, saving or making money, comfort, and ease of use. If a customer considers that a product meets their needs, that the benefit factor is significant and that the bundle represents value for money, then, we will probably purchase. Other intangibles such as brand image and reputation, after sales service and supplier responsiveness to change/ problems etc, will also affect the decision.

What all this means is that when determining what products/ services you will offer to customers and how these things will be offered, that is, presentation, price, promotion, marketing, market positioning etc, you must first know how or whether the product/ service you wish to offer will meet the needs of your target market.

Plans

Organisational plans must also be designed to ensure that the staff in the organisation receive appropriate customer service training. The ability to provide good customer service is not an innate skill. Organisational management must, therefore, ensure that staff (at all levels and in all positions) understand what it means to have a customer focus and why this is necessary. Appropriate training will ensure that staff know how to carry out the organisation's intentions. KPIs (Key Performance Indicators) and performance standards should be directly linked to customer service excellence – both internal and external.

Customer service plans should be part of the strategic planning process and allow the organisation to prepare for and implement the strategies and tactics necessary to achieve organisational goals and objectives.

Strategic planning process should take into consideration a number of critical factors, including:

- market conditions that impact growth and service demand
- the state of the organisation, performance gaps and areas for improvement
- service level targets necessary to meet customer satisfaction goals
- product quality standards
- resource requirements to meet projected service demand
- resource requirements to meet projected product specifications
- resource requirements to meet projected promotion and marketing requirements
- staff training and development initiatives
- service tools and systems to enhance efficiency and productivity
- the financial plan for the organisation and budgets that apply to different cost centres

Organisational plans should also embrace the concept of relationship building. Customer focused organisations – both e-commerce and non-electronic – organisations should have, in place, a Customer Relationship Management System (CRMS) to manage interactions with customers. A CRMS is used to track and organise the organisation's contacts with current and prospective customers. CRMS software can be used to support tracking and recording processes; information about customers and customer interactions can be entered, stored and accessed by employees in different company departments. Typical CRMS goals are to improve services provided to customers, and to use customer contact information for targeted marketing.

From the outside, customers interacting with a company perceive the business as a single entity, despite often interacting with a number of employees in different roles and departments. A CRMS is a combination of policies, processes, and strategies implemented by an organisation to unify its customer interactions and provide a means to track customer information.

Information might relate to:

- sales and direct interaction with customers, eg face-to-face meetings, phone calls, email, online services etc
- management of customer feedback, complaints, returns and warranty claims
- administrative operations, eg invoicing, billing, maintenance, financial management
- sales operations, eg planning, promotion/ marketing, advertising, manufacturing, etc
- research – market research and identification of customer/ client needs
- business relationships – interactions with other companies/ organisations, suppliers/ vendors, retail outlets/ distributors, industry networks (lobbying groups, trade associations) etc
- technical support provided to or expected by customers

Key CRMS data can be analysed to plan target-marketing campaigns, conceive business strategies, and to measure and evaluate organisational success related to the organisation's image, the way the organisation is perceived by consumers/ clients/ customers, outgoings, incomings, market share, number and types of customers, profitability etc. Information gained through CRMS initiatives can support the development of marketing strategy by developing the organisation's knowledge in areas such as identifying customer segments, improving customer retention, improving product offerings (by better understanding customer needs), and by identifying the organisation's most profitable customers.

Staff members from different departments can share information collected when interacting with customers. For example, feedback received by customer support agents can provide other staff with information to build relationships with customers that will contribute to ongoing organisational success. A CRMS's ultimate goal is to use information collected by all departments to improve the quality of services provided by the whole of the organisation. This information will, therefore, become part of the base information contributing to the organisation's ongoing planning processes and related to plans intending to achieve the quality, time and cost specifications agreed with customers. Organisations strive to face quality, time and cost challenges – to balance the delivery of quality products, on time and at a cost that will return a profit, but at a price that is acceptable in the marketplace.



Assessment activity 2

1. How can quality, time and cost requirements be balanced?
2. Explain what a CRMS is and why it is important to business success. Why is it necessary to build relationships with customers and how will a CRMS contribute toward managing quality, time and cost requirements? You will need to conduct some research of your own to answer these questions. Library books and the internet are useful sources of information. Answer must be detailed, comprehensive and properly supported/justified.

Section 2: Ensure delivery of quality products and/or services

This section addresses the following performance criteria:

- Deliver products and/or services to customer specifications within organisation's business plan
- Manage team performance to consistently meet the organisation's quality and delivery standards
- Assist colleagues to overcome difficulty in meeting customer service standards using leadership, supervision, coaching and mentoring

Learning prompt

Read through the material and look at the assessment activities.

After learners have read and understood the information provided they should take the opportunity to practise the skills referred to within this section prior to undertaking the assessment activities. Trainers/ assessors should give guidance in this regard.

This will enable learners to build and improve their skills.

Deliver products and/or services to customer specifications within organisation's business plan

Delivering products and services in line with customer specifications and the organisation's business plan depends on:

- identifying customer specifications
- building business plans that will enable the organisation to meet customer needs and expectations
- developing, within the company, strategies to manage effective systems that will support delivery of products/ services

Effective systems:

- streamline processes
- leverage for economies of scale
- ensure that products/ services will be delivered in a manner that is cost-effective for both the company and the customer

Most organisations will have some kind of business plan. A business plan is a statement and description of the business goals and objectives, the reasons why they are believed to be attainable, and an outline of the strategies that will be followed to reach those goals – both long and short term.

Strategic planning is the process whereby an organisation defines its strategy, or direction, and allocates the resources (including capital and people) needed to attain goals. Various business analysis techniques or tools can be used in strategic planning. These include SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) and PEST analysis (Political, Economic, Social, and Technological analysis) or STEER analysis (which involves Socio-cultural, Technological, Economic, Ecological, and Regulatory factors). Strategic plans support the basic business plan and become working plans for an organisation.

The business and strategic plans for an organisation have an external focus, that is, they relate to the intentions and aspirations for the organisation as a whole and should show real potential for innovation and continuance. Within those external plans are the internal planning devices used to inform production and management, so that the outputs of the organisation and all of its sections meet customer needs and expectations, thereby supporting the organisation's business goals.

To work toward goal achievement it is necessary to break down the overall intent of the organisation into sub-goals – the steps, methods and processes that will be followed. These are the operational plans that support the systems ensuring that the organisation functions as intended and supports the business plan. The operational plans for an organisation outline and control day-to-day work processes and expectations.

Plans are supported by inputs – the resources that enable the plans to be put into successful operation. Inputs include: supplies, employees, time, money, information, expertise, policies and procedures, infrastructure, machinery and equipment. Inputs are used to produce the organisation's outputs – products/ services etc – which are sold to or utilised by customers. Inputs are the resources and supplies that can be called upon to cater to a need and are essential for operations. Customers might be internal customers or they might be external wholesalers, retailers or end-users. Effective resource management is a key to high levels of production and productivity. Resource management implies accountability – ensuring that quality and quantity of workplace inputs meet the organisation's needs, in response to customer and stakeholder needs and expectations.

All organisational process and actions will be controlled through performance measures or metrics that enable regular assessment and evaluation of the organisation's systems, processes, outputs and outcomes.

Outputs relate directly to the organisational outcomes of customer satisfaction. Customer satisfaction is the only true measure of organisational success. The product/ service produced by the organisation must, therefore, meet customer needs as identified and specified in the business plan. If customers are not satisfied they will not purchase. The ultimate measure of success **must** be the level/s of customer satisfaction, although other measures relating to financial performance (incomings), cost management (outgoings), waste management, performance levels etc will also contribute to measurement of success.

It is necessary to be aware, also, that customer needs and expectations are not static. They will change over time and be affected by market trends, fashions and changes in the external environment. This means that the business plan must be flexible and be adapted to meet the changing needs of customers and so it can continue to support the delivery of products/ services to customer specifications.

Constraints

There are numerous constraints, both internal and external, that impact on operations and on the delivery or potential delivery of products/ services. These are the conditions or situations that can cause operations disruptions or discontinuity or that will have an adverse impact on product/ service quality.

They might relate to any of the following:

- quality of supplies
- cash flow
- lead and turnaround times
- product development
- product/ service design
- work performance
- work processes
- system design and application
- labour (shortages, expertise etc)
- time inefficiencies
- special cause variations
- internal and external communication procedures
- staff training
- employee inductions
- financial restraints
- interruptions to power supply etc
- emergency situations
- marketplace changes
- socio-economic and political changes
- legislative change

Organisational plans will therefore incorporate control elements designed to prevent disruption, overcome constraints and ensure product/ service continuity, quality and consistency. The functions (processes) related to the organisation's plans must be of a robust design that is sufficiently insensitive to variation, so that the quality of products/ services consistently, and on all occasions, meets customer expectations and needs.

It is also necessary to continue dialogue with customers – current and prospective customers – to ensure that market research is used to keep the organisation informed of customer needs and of any changes or opportunities in the marketplace. Regular and consistent communication with customers is an imperative for any organisation wishing to function in ways that will deliver products and/or services to customer specifications within the organisation's business plan.

Understanding customers in order to meet needs

To meet customer needs it is necessary to understand why customers purchase and to match both products/ services and the selling style of the organisation with customer needs.

You need to know who your customers are, where they come from and what their buying intentions are. Market research has already been considered as a means of identifying customers and their needs.

The following questions must also be answered:

What do you lead customers to expect from your organisation?

What have you agreed to provide for them?

How did you come to agreement between the organisation and its customer/s?

What do you offer your customers, ie what do your marketing and promotional activities lead customers to expect from you and what does your company image lead customers to expect?

Do you always deliver what you promise?

Do you over deliver?

How highly do you value your customers?

How do you let your customers know that they are valued?

How do you communicate with your customers and is there an ongoing, two-way dialogue?

What response do you make to customer complaints and improvement suggestions?

Do you offer customers only a basic service or do you offer pre-sale and after sale service?

Answers to these questions will affect the way in which your customers perceive your organisation and its products/ services and will ultimately affect the success levels of your organisation.

Profiling

Customer profiling will also provide valuable information to be used in identifying customer needs and designing products and services to meet customer specifications.

Profiling refers to identifying and describing the total market and the segmented customer market in the form of a consumer/ client/ customer profile.

By profiling its market an organisation is able to identify its particular customers and develop suitable strategies – with regard to product/ service design and to promotion and marketing/ advertising. They can identify and reach the most receptive customers to bring in the best return for the marketing dollar, as outlined in the business and marketing plans, and ensure delivery of products and/or services to customer specifications.

Consumer information might come under the following headings:

- consumer preference of retail channel
- consumer awareness
- issues and concerns
- performance
- future strategy
- household profiles

Profiles can be constructed to describe product/ consumer consumption or potential consumption. Profiles demonstrate consumer similarities while also pointing to the diversity of consumer characteristics.

The following are examples of consumer profiles that could be drawn up against telecommunications users. (Results have been adapted from the Communications Research Forum 2001.)

Profile 1

Household with no fixed telephone line

Telecommunication usage:

- no fixed line due to lack of access, low income or itinerant lifestyle
- use public phones when available
- might have a mobile phone, but are low users due to costs and are likely to use a pre-paid package
- no internet access
- Household characteristics:
 - low income
 - might be receiving government benefit
 - socially marginalised
 - might be geographically isolated

Summary:

Telecommunications uptake and usage of this group does not necessarily reflect desire for services – both cost and access are high factors in adoptions and usage. Most express a desire for greater access to telecommunications services.

Profile 2

Technology aware households

Telecommunications usage:

- low fixed phone usage
- high users of mobile phones, used in preference to fixed phone
- internet access at home
- internet access at work
- cable
- mobile phone and internet access often paid for by employer
- makes a significant proportion of personal calls and internet transactions at work

Household characteristics:

- most members in full-time employment
- professional occupations
- high income

Summary:

Technology drives the uptake of telecommunications in this group – cost is not a significant factor, whether because the households can afford it or because it is paid for by employer. Access to telecommunications technology is seen as a necessity.

Profile 3

Rural households

Telecommunications usage:

- fixed phone, has paid for installation
- makes high numbers of long distance calls, low numbers of local calls
- children receive schooling by two-way radio
- has mobile phone, but experiences problems with coverage
- high users of fax
- desires internet access but lacks telecommunications infrastructure
- no access to public internet

Household characteristics:

- involved in farming
- rely on telecommunications as main source of social interaction and safety

Summary:

Availability of services is the most important factor influencing the uptake and usage of telecommunications. This group experiences problems with the infrastructure supporting most telecommunications services.

Profile 4

Unemployed households

Telecommunications usage:

- fixed phone is basic service
- might try to find cost-saving fixed phone provider
- likely to have mobile phone, but be low users and use a pre-paid product or be on a low use plan
- desires internet access but cannot afford to buy or upgrade computer hardware
- might use internet in public place like library or job network office

Household characteristics:

- low income
- reliance on telecommunications for job-seeking

Summary:

Cost is a bigger factor in telecommunications uptake and usage of this group than desire for services. For telecommunications services that they do use, they are likely to restrict usage in order to keep costs to a minimum.

Such profiles seek to substantiate, in these instances, that the uptake and usage of telecommunications services and products is often more a product of circumstance – income, location, housing tenure and composition – than a consumer choice based on need and preference. As a result of such profiles, the diverse factors impacting on consumers' telecommunications usage are taken into account in future telecommunications policy development and in the design of products that will meet customer specifications. This process can be applied to a wide range of product and service options in ways that will inform the providing organisation of customer needs and methods of taking up product/ service offerings.

Profiles can be more substantive than these examples and a marketing plan can be designed around the profile information – to expand into new markets, design new products and/or take advantage of new opportunities.

Profiles help the members of the product/ service providing organisation understand their customers and aid in ensuring provision of products and/or services that will meet customer specifications, while supporting business and strategic plans. They aid in identifying the purchasing factors or specifications that are important to the organisation's external customers, that is, quality factors, purchase costs, product/ service availability, product/ service diversity, benefit factors, lead and turnaround times, after sales support and service requirements, warranty expectations etc.

As a result, promotion and marketing programs or campaigns can be targeted in ways that make the very best use of the marketing dollar and ensure the highest return for investment, while business and strategic plans can emphasise quality product and service metrics against which identified and articulated customer specifications can be mapped.



Assessment activity 3

1. Detail the methods and procedures that are, or might be, used by your organisation to communicate with customers/ clients in order to identify and agree on product/ service specifications.

2. Explain what a business plan is and why it is important to have a business plan that focuses on customer service.



Manage team performance to consistently meet the organisation's quality and delivery standards

Depending on the type of product/ service offered, the type and structure of the organisation and the industry sector, sales and customer service might be provided by teams. Other sales and marketing activities will be undertaken by teams. Teams are groups of people who come together to achieve explicit goals. The goals are clearly identified and agreed upon by team members; the team has structure, strong leadership and each team member has a specific role (or set of roles) to play. Teams collaborate with each other and cooperate with other teams in the organisation to ensure organisational success.

Teams will set goals and objectives that contribute to the achievement of organisational goals. When setting goals it is also necessary to set and agree on the performance standards expected of the team and of the individual team members. KPIs are listed and agreed criteria against which performance can be measured. Each team member must know the work standards expected of them and must agree that the KPIs selected are reasonable and relevant. KPIs should also be directly linked to the organisation's vision, mission and goals.

It is necessary to regularly monitor and evaluate performance to ensure that the organisation's quality and delivery standards are met at all times. If these standards are not met, then corrective action must be undertaken. If the standards themselves are not providing for high levels of customer satisfaction, then the standards must be changed/ increased/ imputed and new KPIs set.

Each team will set its own performance goals. A sales team might, for instance, set goals related to volume, number and value of sales. They should also set KPIs that relate to customer service, the building of customer relationships, developing customer loyalty, managing customer complaints and collecting and utilising customer input. Other teams within the organisation should set similar, customer focused goals.

The measurement criteria would be based on gathered and analysed data that is relevant to client/ customer needs, wants and expectations. This is the data that would be generated as a result of market research and as a result of customer interactions. In this way it is possible to ensure that organisational, team and individual plans are customer focused and aim to meet identified customer needs.

Managing performance

By setting goals and making plans it is possible to track and to manage performance.

Goal setting gives purpose and direction to actions. Goals must be supported by plans which outline the strategies to be followed for achievement. They help team members follow through and achieve their targets and goals – to self-monitor and self-manage their performance.

Action plans:

- break larger goals down into small achievable, measurable steps
- enable team members to clarify the actions they must take
- define and clarify customer service goals, objectives and standards
- define sales targets
- identify the timeframes, milestones and deadlines for completion of various objectives
- identify the personnel to be involved in achieving the goals
- specify the various roles of team members
- identify the resources (including financial resources) needed to achieve objectives
- identify reporting procedures and expected outcomes
- let each team member know what actions they must take and how other actions will impact on the work of other team members

Managers need to clearly identify and communicate to all team members, the work standards that are expected of them. They must ensure that team members know what customer service standards should be adhered to and what it means to meet and to exceed customer expectations. They must communicate, to team members, the reasons why this is necessary and how it impacts on the achievement of organisational goals.

Included in the planning process are role allocations and resource disbursement methods. Employment positions need to be held by capable and competent staff. There must be appropriate training and support mechanisms for these staff members to do their jobs properly.

Performance against the organisation's quality and delivery standards will involve collecting data that relates to the actual performance of employees and mapping it against the expected performance. It then becomes possible to determine the extent to which actual performance meets intended performance. Areas where performance meets or exceeds expectations should be acknowledged and, where appropriate, employees should receive reward for high levels of customer service. If good work is not noted or recognised then employees have no real incentive to continue working to high standards. They will choose to work only to the lowest level required. Where performance does not meet the required standards, steps must be taken to improve performance. This could involve performance counselling, providing incentives for improvement, ensuring that employees feel they are being properly remunerated, developing improvement plans or contracts and/or providing extra training for those team members who require it.

It should be noted that KPIs are neither static nor immovable. They must be realistic and applicable to operations at the time. Through the analysis of data from tracking processes, the measures or indicators themselves might require periodic change, to better support organisational goals.

Performance measures can be made relevant by:

- linking compensation, rewards and recognition to performance measures
- linking targets to appraisals
- linking performance directly to customer needs and expectations (in many cases customers will be either internal customers or the organisation itself)
- ensuring that quality and delivery standards are clearly outlined in KPIs

Data collection and analysis should be a regular procedure, with the information used to determine:

- team performance levels
- product/ service quality and adherence to team constraints
- the degree to which teams are meeting their agreed objectives
- the degree to which teams' work practices meet the predetermined standards
- what areas require improvement
- what the most successful operations areas are
- how successful processes can be used to develop new processes for less successful operations areas
- how and by how much productivity has increased
- whether teamwork has improved worker morale, cooperation and communication
- the levels of employee satisfaction – individual, team and organisational health

In order to operate effectively, teams need:

- maintenance
- cohesion
- balance
- good communication processes
- individual performance measures
- opportunities for growth

It is, therefore, necessary to manage team performance in ways that enable team members to consistently meet the organisation's quality and delivery standards.

The organisation should, therefore, outline so that all team members are able to understand, the required standards.

To achieve this they might, in consultation with the employees who will provide the service, develop a statement that outlines the nature and quality of service which their customers/ clients can expect. This might be displayed where clients/ customers also have access to it. Businesses that make quality customer service a top priority can generate higher profits and get greater market share.

By providing superior customer service, a business can grow by increasing the:

- number of customers through favourable word of mouth advertising
- dollars spent by each customer per transaction
- frequency and number of times customers shop with them

Case study

Consider the following story, posted on the internet:

'I was in the market for a flip video camcorder and "Googled" it. Then I went to the various sites comparison shopping. I found a site that was easy to navigate and had the best price, and they had an 800 number to call which I did. I was going out of the country 10 days later and wanted to know when it would ship, which carrier, and where it was coming from to be sure I received it before my trip.

The customer service agent answered each of my questions to my satisfaction. When I asked whether I should order it online or with her, I expected her to say it was quite easy to order online. Instead she said she could take care of everything.

When it became apparent that I was a new customer (because she asked me), she told me she was going to overnight the product to me, at no extra charge. I was shocked. Ground shipping was free which was one of the reasons I chose that site. However, overnight was not. But because I mentioned I needed it soon and because I was a new customer, she said she would overnight it to me and I would have it the next day.

That has never happened to me before! Very impressive. I felt very taken care of by this customer service agent, and therefore, by the company.

Subsequently, coincidence being what it is, I read an article in the September/ October 2008 issue of *America's Best*. This is not a magazine I normally subscribe to but I was interviewed for this issue on the psychology of customer service. Whenever I am interviewed, I always request several copies of the publication.

The article I read spoke about this same company I'm writing about. When asked the question, "How do your associates put such an emphasis on customer service?" they responded by saying they've come up with a creative way to hire employees and ensure their dedication to customer service through their training program. Their emphasis is on creating a culture of fun and a little weirdness.

What impressed me was their philosophy. Once hired, these employees go through a vigorous two week training process. Nothing new here, right?

Here's what is different (or at least the first time I've heard of this): new hires are presented with an "offer" after they complete the training.

The company offers them \$2000 to quit right then and there. For those who don't, it speaks to their passion for customer service and commitment to the culture and company. How many take the offer? Only one to two percent do take the offer.

This company has learned a number of things. One being that there is a direct correlation between the customer service associates and their customers. As a matter of fact, this is key to their success, and my experience noted above supports their (and my) contention.

By separating the wheat from the chaff, you actually save money on labour which is your highest budget item. When you train employees and they leave during the first year (which statistically is the case), it's a high cost. By allowing them to option out and offering them an incentive to do so, those that stay are going to be your best employees and your turnover rates will tumble (which is a good thing).'

(<http://call-center-software.tmcnet.com/topics/call-center-services/articles/45257-quality-customer-service-does-exist.htm>)

This story is indicative of what happens when a company realises that its success lies in the provision of high levels of customer service. It also demonstrates the fact that if team performance is managed so it consistently meets the organisation's quality and delivery standards, then the resultant customer satisfaction outcome will lead to increased custom, increased turnover and increased profit. The person who received the good service has not only provided word of mouth advertising to friends and acquaintances, but has also posted the testimonial on the web where it will be seen by a huge number of potential customers.



Assessment activity 4

Make a list of the steps you would take and the processes you would put in place to identify the quality and delivery standards to which teams should adhere and to manage team performance so that it consistently meets organisational quality and delivery standards. Against what criteria might you measure performance and what action would you take if performance did not meet the identified standards? Use, where appropriate, workplace examples to support your answer.



Assist colleagues to overcome difficulty in meeting customer service standards using leadership, supervision, coaching and mentoring

Good customer service comes from:

- employees who have a very clear understanding of what good customer service is
- systems and processes which are designed around customer needs and wants
- work cultures which support and reward employees for good customer service (both internal and external) – satisfied employees will input higher levels of discretionary effort with regard to customer service
- an exceptionally good internal customer interface which is consistently supported by adequate resources
- good relationships with suppliers who support the organisation's quality objectives
- effective training and training support mechanisms within the organisation

Good customer service depends on managers and frontline managers contributing to the creation of positive, supportive work cultures. A positive workplace is one in which employees see the benefit to all stakeholders in offering excellent customer service and are encouraged to derive self-satisfaction from a job well done.

Good customer service will be provided by people who have a commitment (loyalty) to employers and to customers. Those employers or leaders/ managers who lead and manage in ways which satisfy employee needs and expectations, who empower employees and who include employees in planning and decision making, who acknowledge and reward employee contribution and who pay fair wages for a fair day's work (who pay the maximum they can afford to pay, rather than the minimum they can get away with) can expect employee loyalty. A climate in which staff feel secure and respected will naturally encourage customer focus. Thus, the well-being of employees should be a high priority in all organisations.

Training

Knowledge of good customer procedures is not innate. An effective induction and training program, matched to appropriate performance appraisals will benefit you, your organisation and all the customer/ supplier interface members. The best providers of customer service do not randomly employ people and leave them to interpret their employers' philosophy in whatever way they see as appropriate. They do provide suitable training and support (resources) so that employees know what to do and are able to do it.

A former managing director of McDonald's commented, when setting up the company's Australian operations, on how little most recruits knew about customer service. Young people, he said, had to be trained on how to smile and give friendly service.

People will do their jobs competently when they are carefully selected and well trained. They have to be given the knowledge, and the skills (competencies) that will enable them to perform to the required standards. They need to have confidence in themselves and in their own abilities.

Customer service training incorporates interpersonal skills, communication, personal presentation, problem solving and strategic process training. It involves the encouragement of a customer focus and communicating, to employees, the reasons behind the need for a customer focus. Although customer service training can be delivered formally, informally, via training programs or through workplace coaching and mentoring procedures, there should be some form of assessment associated with the training. This will provide opportunities for feedback and for reinforcement of good work practice and will give employees the opportunity to demonstrate their skills.

Customer service is a philosophy, an attitude and a set of actions, and it is in the interests of employers to make sure that all employees are properly trained in how to deliver excellent customer service to internal and external customers, how to make their expectations known to their suppliers and how to utilise the organisation's systems and processes to ensure customer satisfaction.

Leadership and supervision

Strong leadership which supports employee growth and contributes to the process of increasing employee skills and knowledge will benefit the organisation and help sustain a suitable customer focus throughout the organisation. Effective leaders know they must act as role models in the workplace, by offering, so that it can be observed by clients/ customers and by employees, exemplary customer service to all customers – internal and external. They will develop, for the organisation and its employees a vision that encompasses service techniques designed to ensure that quality standards are maintained. They will encourage employee motivation by ensuring that employees receive the incentives, the training and support they need and by appropriately rewarding and acknowledging high performance. Leadership at both organisational and group/ team level must be supportive and designed to empower employees so that decisions can be made at the front line (the customer-employee interface) – without the need to deal with complex hierarchical levels that interfere with people actually doing their jobs.

Management and supervisory roles in the organisation will involve overseeing the productivity and progress of employees toward goal achievement. For example, first-level supervisors supervise entry-level employees. Depending on the size of the organisation, middle-managers supervise first-level supervisors; chief executives supervise middle-managers, etc. Supervision is a management activity, used to ensure that processes and procedures are followed as required and that employees have the resources needed to complete their work at the required standard. Managers and supervisors can also be good leaders – the role definition does not preclude the use of good leadership technique. They will also allocate work in a way that is efficient, cost-effective and outcome focused.

Successful organisations will have strong, committed, people-oriented leadership able to:

- give the organisation and the people working in the organisation a clear identity and clear objectives
- provide appropriate training and development opportunities for staff
- provide physical (resource) and psychological (including mentoring and coaching) support
- bring about necessary changes with the minimum amount of disruption
- ensure that all staff have a clear and definite customer focus
- ensure that organisational systems and processes enable staff to do their jobs
- empower staff
- bring about necessary changes with the minimum amount of disruption
- encourage staff contribution to continuous improvement processes
- build effective workplace relationships
- act as role models for the employees in the organisation

Good leadership can assist employees in developing the skills they need and in overcoming difficulties that might arise with regard to meeting customer service standards. Good leaders will inspire and enthuse others. They will also create programs and procedures that contribute to staff development and the growth of customer service competencies.

Such programs might include formal training programs, delivered in-house or by external contract providers such as TAFE, universities or Registered Training Organisations (RTOs). Such training programs might lead to or be part of a nationally recognised accreditation/ qualification. Informal training – coaching, mentoring or work shadowing – might also be used to help employees develop their skills and deal with any difficulties with regard to meeting customer service standards.

Opportunities for employees to develop new skills and learn new competencies are also motivating.

They underscore the implied value of employee contribution and demonstrate their worth to the company. They increase self-esteem and confidence, in that, workers who are sure that they have the competencies to meet their task and role requirements will perform better.

Coaching and mentoring

There are subtle differences between coaching and mentoring although the terms are often used interchangeably. Coaching is more task specific than mentoring; and it usually occurs over a short term, that is, once a skill has been learned the coaching ceases. Coaching is focused on helping and guiding development in a particular competency or area of growth and coaches are usually chosen for their technical expertise or experience in a particular area. This is not always a formal arrangement. A person might informally adopt a coaching role in order to assist less experienced employees and/or to pass on knowledge and skills. Alternately, a manager, supervisor or leader might take on the role of coach in situations where it is recognised that employees require extra support or guidance so they can meet the required customer service standards. Coaching might be a fairly confined role that does not often encompass the breadth of advice and type of relationship normally found in a mentoring situation.

Coaching procedures might be implemented to assist staff with:

- learning new skills
- upgrading previously learned skills
- settling into new roles or positions
- correcting improperly learned skills

In the case where employee performance is assessed as below standard, coaching can be a useful process for assisting the employee with improvement because it does not take them away from the workplace and allows for on-the-job demonstration, by the coach, of the required skills. It also creates opportunities for the person being coached to practise their new learning in the real work environment.

Workplace mentors are generally people within the organisation (although in some cases mentors will be experienced persons external to the organisation) – who have experience, expertise, access to organisational resources and the ability to guide and advise employees in a wide range of matters. This also might be either a formal or informal role and might be intended to provide protégées with upward mobility and career support. Mentoring relationships are usually long term and include support and advice on a wide range of matters which are not always work related. Mentors must be trustworthy because employees will often confide in mentors and matters discussed will often go beyond those related purely to technical skills. Mentors can fulfil all, or some of, the following roles – personal support, friendship, acceptance, counselling, skills training, knowledge development. These activities might not necessarily be publicly recognised or observable. Mentors also act as role models for organisational behaviour and expectations.

Mentoring provides a perspective that gives a learner the opportunity to:

- form a developmental relationship
- learn about organisational or company expectations
- learn about the culture of the organisation and how it works

Mentoring can be an informal process where individuals decide who they are paired with. On the other hand, it can be quite a formally structured program.

Work shadowing and 'buddy' systems can be utilised when employees need extra support. These are procedures which allow more experienced workers to pass on their skills and knowledge on the job, that is, in a real work situation, without the need for employees to leave the work premise for formal training.

Both mentoring and coaching activities are also performed on the job and in-house. These procedures can benefit new employees, employees moving from one department/ section to another or they can be used to aid those who are having difficulty meeting quality targets.

Training, coaching, mentoring, work shadowing and similar processes contribute to a continuous learning environment at work. They are processes which enable workers to fulfil learning needs and therefore stimulate motivation. They benefit the organisation and its clients/ customers. Good leaders will ensure that the resources – personnel, time and equipment – are available to fulfil these needs for workers. Employees who have good skill levels and have confidence in their own ability to meet customer service standards will present a good company image. This will be reflected in the actual service provided to clients/ customers and in the outcomes related to customer service, that is, high levels of customer satisfaction.

Personal and professional development activities for employees can also include:

- attending workshops
- attending conferences
- participating in seminars
- acting as a coach or mentor
- undertaking formal learning programs
- undertaking informal learning programs
- participating in work exchange and multi-skilling programs
- networking at organisational/ industry events
- participating in structured knowledge management activities

Good leaders ensure that whilst the organisation's goals are being met, so are those of the individuals in the teams that are working toward goal achievement.

Performance management

Performance management is an ongoing process of identifying, evaluating and developing the work performance of employees and teams, so that an organisation's goals and objectives are more effectively achieved and so that the required customer service standards can be consistently met.

Consistency is of vital importance. Customers expect, each time they deal with you and your organisation, the same high level of service. If service standards drop, even temporarily, customers will soon move their custom elsewhere.

Performance management is the process of setting KPIs and work standards and of monitoring, measuring and assessing work to ensure that actual performance regularly and consistently, over time, meets the desired or expected performance levels and that customers receive consistently high levels of service. Where performance does not match the required standard it becomes necessary to intervene – to provide counselling, training, coaching or mentoring so that employees are able to meet the necessary customer service standards.

Performance management is also a mechanism whereby organisational leaders can provide employees with feedback about their work, can recognise, reinforce and reward good work and offer opportunities for employees to develop new skills and participate in new learning opportunities.

The process of maintaining and evaluating work performance will help identify problems or issues associated with performance and give opportunities to resolve difficulties.

To determine whether an employee would benefit from training, coaching or mentoring do the following.

1. Observe work performance.

Observation will enable you to see, first-hand how well employee performance meets expectations.

2. Test/ assess employees.

Employees can be tested using short answer tests, demonstration of performance, role-plays, simulations etc to determine both their skill and knowledge levels.

3. Analyse client/ customer feedback

This will provide valuable insights into the ways in which clients/ customers perceive your products and the accompanying service. If customers display dissatisfaction, then you need to analyse products, enterprise systems, management structures and employee performance to determine the root cause of problems. For this reason feedback should be constantly collected and analysed.

4. Map demonstrated employee skills

Map against their job specifications and the KPIs applicable to their roles. This will show up any skills gaps that should be addressed.

5. Analyse employee satisfaction levels

Refer to organisational records relating to accidents, incidents, attrition and absenteeism. Employee satisfaction levels, attrition and absenteeism can be indicators of poor training or lack of confidence. Employees who have not received sufficient training to feel confident and secure about their own skills might be reluctant to work.

6. Conduct regular performance evaluations

These will give you opportunities to identify and to discuss, with employees, their training/ learning needs – in terms of both personal and professional development.

To determine the training/ learning needs of employees you might also:

1. Refer to the training records held in the organisation (prior qualifications, records of training already undertaken, past experience).
2. Monitor and measure employee outputs (the end products of their work).
3. Ask employees to submit a self-assessment.
4. Hold formal and informal discussion about work requirements.
5. Consult with peers and supervisors.
6. Most importantly, ask the employees for their ideas and suggestions.

Assess employee performance against expected work standards, which might be industry, organisational, legislative or accredited standards.

Learning preferences

When assisting employees/ colleagues to overcome difficulty in meeting customer service standards through the provision of training, coaching and mentoring or the provision of other learning activities, it is advisable to determine what each learner's individual learning preferences are.

People have individual learning needs and preferred learning styles. Learning style preferences relate to the ways in which people internalise perceptions and to the tools they best utilise to develop their learning. Learning tools include books, lectures, videos, games, practical tasks, research activities, reflection, discussion, observation etc. Individuals differ in the way they organise their experiences into meanings, values and skills; they react to different delivery styles in different ways and need differing amounts of time and practice to internalise learning.

Leaders, trainers, coaches, supervisors and mentors should have some understanding of adult learning needs and of individual learning preferences. Understanding this will aid in selecting the best methods of assisting colleagues with any customer service difficulties they might have. Some people prefer to learn by reading books or listening to lectures; others prefer experiential or interactive learning; while others want to experiment in order to learn. One of the ways of explaining learning preferences is to say that people are auditory, visual or kinaesthetic, verbal, rhythmic, mathematical, intra or interpersonal learners.

For instance:

1. Body/ kinaesthetic learners

Body/ kinaesthetic intelligence is related to physical movement and the knowing/ wisdom of the body, including the brain's motor cortex, which controls bodily motion. Body/ kinaesthetic intelligence is awakened through physical movement such as sport, dance, and physical exercises.

Kinaesthetic learners:

- like to move around, touch and talk and use body language
- are good at physical activities (sports/ dance/ acting), crafts and practical, technical or mechanical skills
- learn best by touching, moving, interacting with space, completing practical tasks and processing knowledge through bodily sensations
- like to be physically active when learning
- prefer tactile learning situations
- must **do** things for themselves to have the best chance of learning

2. Interpersonal learners

This intelligence style operates primarily through person-to-person relationships and communication. It is activated by encounters in which such things as effective communication, working cooperatively with others for a common goal, and noticing distinctions among persons are necessary and important.

Interpersonal learners:

- like to have a lot of friends, talk to people and join groups
- are sensitive to the moods, temperaments, motivations, feelings and underlying intentions of the behaviours of others
- like to create and maintain synergy
- are good at understanding people, leading others, organising, communicating, manipulating and mediating conflicts
- learn best by sharing, comparing, relating, cooperating and interviewing, discussion groups and shared learning are important

3. Intrapersonal learners

Intrapersonal intelligence relates to inner states of being, self-reflection, meta-cognition (ie thinking about thinking), and awareness of feelings and of spiritual realities.

Intrapersonal learners:

- like to work alone and pursue their own interests
- are introspective and like to concentrate the mind on specific ideas
- tend to spend time in higher order thinking and reasoning
- are good at understanding self, focusing inward on feelings/ dreams, following instincts, pursuing interests/ goals and being original or creative
- learn best by working alone and managing individualised projects
- prefer self-paced instruction/ learning and having their own space

4. Logical/ mathematical learners

Often called scientific thinking, this intelligence style deals with inductive and deductive thinking/ reasoning, numbers, and the recognition of abstract patterns. Logical mathematical intelligence is activated in situations requiring problem solving or meeting a new challenge, as well as situations requiring pattern discernment and recognition.

Logical/ mathematical learners:

- like to conduct experiments, figure things out, work with numbers, ask questions, use sequential reasoning and explore patterns and relationships
- are good at math, sensing and validating logical connections or sequences, and linear problem solving
- learn best if they are able to categorise facts, classify them and work with pattern relationships
- enjoy performing calculations and use both inductive and deductive reasoning

5. Musical/ rhythmic intelligence

This type of learner intelligence is based on the recognition of tonal patterns, including various environmental sounds, and on sensitivity to rhythm and beats – the effect of resonance or vibration on the brain – including such things as the human voice, sounds from nature, musical/ percussion instruments, and other humanly produced sounds.

Musical/ rhythmic learners:

- like to sing, hum tunes, listen to music, play an instrument
- respond to music while learning or working
- are good at picking up sounds, remembering melodies, noticing pitches/ rhythms and keeping time
- relate learning to rhythm
- sense tonal characteristics and qualities
- prefer auditory learning

6. Verbal/ linguistic learners

Relate to words and language – both written and spoken. Verbal linguistic intelligence is awakened by the spoken word, reading someone's ideas, thoughts, or poetry, or by writing one's own ideas, thoughts, or poetry, as well as by various kinds of humour such as 'plays on words', jokes, and 'twists' of language.

Verbal/ linguistic learners:

- like to read, write and tell stories
- enjoy verbal humour
- easily understand the order and meaning of words
- use words to convince others about ideas and courses of action
- like teaching and explaining
- are good at memorising names, places, dates and trivia
- learn best by saying, hearing and seeing words

7. Visual/ spatial learners

Rely on the sense of sight and being able to utilise mental imagery/ pictures. Visual/ spatial learning intelligence is triggered by presenting the mind with and/or creating unusual and colourful designs, patterns, shapes, and pictures, and engaging the imagination through such things as visualisation, guided imagery, and simulated exercises.

Visual/ spatial learners:

- like to draw, build, design and create things
- daydream, look at pictures/ slides, watch movies and play with machines
- are good at imagining things, sensing changes, reading mazes/ puzzles, maps and charts
- learn best by visualising, dreaming, using the mind's eye and working with colours/ pictures
- prefer learning materials that are visual and colourful – graphical images, charts, diagrams, video presentations
- are able to recognise the relationships between objects in space, manipulate images and perceive objects accurately from different angles
- remember 75% of what they read or see

No one preference is better or worse than any other. Each person will have a preference for one of these styles; however, a trainer, coach or mentor can use a combination of learning methods or tools, as learners will often relate to more than one preference.

Adult learners

Adult learners also have different characteristics from those of compulsory or school learners. Leaders, supervisors, coaches and mentors need to have some understanding of adult learning needs so they can provide for learning opportunities that will be accepted by adult learners, that is, employees and work colleagues. Adults do not respond well to learning situations in which they are treated as school children.

Adult versus compulsory learners:

Adult or post-compulsory learners:	Compulsory learners:
<ul style="list-style-type: none"> ▪ prefer active learning and are often self-directed learners ▪ need to know why they are learning and what the relevance of the learning content is – why and how the learning will be useful ▪ find participatory learning most useful and prefer to have some control over the learning content in order to decide the importance/ priorities of learning for themselves ▪ have a repository of experience to which new learning can be added and seek to validate information against their theories/ paradigms/ knowledge ▪ wish to set their own pace for learning and have a greater need for feedback during the learning process ▪ are often task oriented, therefore expect knowledge to be immediately useful to them ▪ can contribute past experience and diversity to active learning situations, for the benefit of themselves and others ▪ prefer instructional methods that provide variety 	<ul style="list-style-type: none"> ▪ are passive learners who require direction from others ▪ do not necessarily learn things because of their relevance or projected use and generally allow others to decide what learning is important ▪ need to be taught how to learn and how to apply knowledge for problem solving ▪ do not require control over learning situations ▪ mostly take information at face value, without extensively questioning what are presented as established facts ▪ do not need to apply knowledge directly and do not have expectations regarding longer-term application of information ▪ start with a relatively 'clean sheet of paper' – they have less prior experience and fewer fixed views that might inhibit or interfere with new learning ▪ have limited ability to actively contribute to their own learning experience or that of others

1. One of your colleagues has been having difficulty providing the customer service levels that are required in your organisation. You have observed this and have noted that this person is not making the number of sales they should make. What action do you think you might take?
2. A colleague has asked you to coach them in the provision of good customer service techniques. Explain how you would go about doing this. To answer this question you will need to research the coaching process then demonstrate that you understand how coaching procedures can be applied and why is it necessary, in such situations, to have some understanding of adult learning needs.

Section 3: Monitor, adjust and review customer service

This section addresses the following performance criteria:

- Develop and use strategies to monitor progress in achieving product and/or service targets and standards
- Develop and use strategies to obtain customer feedback to improve the provision of products and/or services
- Develop, procure and use resources effectively to provide quality products and/or services to customers
- Make decisions to overcome problems and to adapt customer services, products and/or service delivery in consultation with appropriate individuals and groups
- Manage records, reports and recommendations within the organisation's systems and processes



Learning prompt

Read through the material and look at the assessment activities.

After learners have read and understood the information provided they should take the opportunity to practise the skills referred to within this section prior to undertaking the assessment activities. Trainers/ assessors should give guidance in this regard.

This will enable learners to build and improve their skills.



Develop and use strategies to monitor progress in achieving product and/or service targets and standards, and use strategies to obtain customer feedback to improve the provision of products and/or services

The planning functions of the organisation should be designed around the concepts of constant innovation, adaptability, flexibility and the development of organisational skills enabling everyone to predict and pre-empt change. They should also be designed around the idea that progress toward achievement should be regularly and consistently monitored. Product or service targets and standards can only be maintained if all staff know what the standards are and are involved in monitoring processes, procedures, outputs and outcomes to ensure that these standards are consistently achieved.

Customer focus means that the organisation includes measures of customer service in their projected plans – in their employees' job descriptions and in the KPIs and KRAs (Key Results Areas) that are deemed important to the organisation. In doing this they make their intentions known – to their suppliers, employees and to customers. They put in place performance management procedures that enable tracking of progress toward the achievement of product/ service targets and objectives.

Organisations which plan to make good customer service a priority realise that escalating environmental change requires more imagination and the application of intellect, creativity and innovation to processes, procedures and actions. Products/ services will be structured around customer interests and around the recognised necessity for building effective internal supplier customer chains. Management processes and systems will support the building and maintenance of internal and external relationships/ networks, which rely on constant feedback and information sharing and will provide encouragement and reward systems for employees who deliver excellent customer service. Creativity and innovation will be encouraged and rewarded. Business sustainability relies on meeting customer needs now and into the future. It requires awareness via constant environmental scanning, market research and organisational health surveys of the internal and external forces that will impact on the organisation.

Other practices that contribute to organisational sustainability include:

- contingency plans to allow for unforeseen circumstances
- ensuring consistently ethical business practice and operations
- supporting employees in meeting their personal and professional development needs
- ensuring that organisations operate within legislative requirements (including commercial legislation, industrial law, plus anti-discrimination, equal opportunity, anti-harassment, privacy laws etc)
- contributing to and interacting with the communities which support them
- developing plans and strategies that will anticipate customer interests
- deconstruction/ decentralisation of the organisation to improve/ increase effective resource and information sharing
- encouraging entrepreneurialism in both managers and employees
- involving shareholders and stakeholders in the development of continuous improvement ideas
- constantly monitoring competitors
- benchmarking product/ service and management processes against the best in the world
- building and maintaining a point of difference or competitive edge

Customer needs are not static. Some of the forces for change are age-related, connected to the availability of better information, changes in technology, taste and lifestyle. Change forces come from local, national and global developments. Your business and your customer's business must change and constantly improve.

Organisations wishing to be successful now and into the next decades will pre-empt change by constantly looking to the future, anticipating customer needs and getting there first. Customer focus, building an organisation around effective management of internal and external customer relations is a key component of this success to develop and use strategies to monitor progress in achieving product and/or service targets and standards, and regularly seek feedback from clients/ customers in order to improve the provision of products and/or services.

Monitoring strategies

If you do not monitor, measure and evaluate, you will never know how well or how poorly the organisation is meeting its goals. In order to measure and evaluate your progress you must have something to measure your actions against. The organisation's vision, its goals, and its predetermined (forecast) performance expectations and quality standards are measures of success, that is, it can be said that, in general terms, the measures of success come from comparisons between your actual outputs and your projected outputs – your actual outcomes and your projected outcomes. Outputs are the products/ services you produce. Outcomes are the level of customer satisfaction linked directly to profits or earnings.

Monitoring is the process of collecting data that can be analysed to identify problems and to measure success.

There are a range of methods that can be used to monitor work:

1. Analyse and assess sales figures and product/ service turnover. The number, volume and value of sales made will provide financial information that relates to customer interactions, customer perceptions of quality and to customer service. The measurement of costs against earnings is, however, an insufficient measure of service performance. It will not enable you to pinpoint why and how your customers are – or are not – being satisfied. This information should be collected directly from customers.
2. Keep a close eye on the internal supplier-customer chain. Monitor work to ensure that internal product/ service quality levels are at least as high as those expected for external customer service. If there are poor levels of internal customer service these will be reflected at the customer/ client interface and will adversely affect sales. Bottlenecks and backlogs must be identified and addressed so they are not carried forward.
3. KPIs and KRAs have already been discussed in terms of the fact that they provide measurement criteria. Monitoring data is compared with the pre-identified performance standards (KPIs and KRAs) to determine whether actual performance meets forecast or expected performance. Measure outcomes against organisational goals and against the individual, team/ section/ division and organisational KPIs. Where there is a performance gap this needs to be addressed.

4. When monitoring the performance of employees in the organisation it will be necessary to: observe and assess the attitudes among customer service representatives. Are they happy with their roles and do they understand that the customer pays their wage? Do they tend to paint the customer in a negative light? What starts out as seemingly harmless talk or banter (criticism) about customers can sometimes become a part of a company culture that pits sales representatives against customers. This is not necessarily a consciously acknowledged attitude, but if the client/ customer come to be perceived as the enemy, customer retention will be severely reduced. If staff seem to be developing these attitudes then it is necessary to address the issue immediately – to ensure that staff understand that if customers are not retained then their jobs might be in jeopardy. It is also worth pointing out to staff that if they take pride in the provision of extremely high levels of customer service, their job satisfaction will increase – along with their value to the organisation. Building effective relationships with customers/ clients is rewarding for the customer/ client, the organisation and the service person.
5. Hold meetings to collect information and discuss issues related to client/ customer interactions. Meetings should be productive, relatively short and should be held whenever there is a need. It might be a good idea to have a quick meeting in the middle of the week just to check on any issues or problems. Post-mortems can provide the opportunity for the staff to discuss challenges and share successful strategies for dealing with problematic situations. They will also provide supervisors and managers with information about customers and about customer-staff interactions.
6. Collect quantitative data to monitor performance. Metrics related to customer service might include:
 - a. Situations or sales handled per time period. Depending on the type of organisation and industry in which you work and the roles of the salespeople it might be useful to calculate service in terms of the number of customer contacts made per unit of time or the number of sales/ service situations addressed per unit of time, to aid in monitoring and measuring performance.
 - b. It might also be possible to monitor and calculate the percentage of situations handled or resolved in ways that benefit the organisation.
 - c. Metrics like these can help determine the effectiveness of customer service employees, the areas in which individual employees are most effective and the degree to which time is effectively used. Such measurements can be useful whether employees interact with customers in face-to-face sales situations or by letter, email, telephone or other electronic media and whether they are serving internal or external customers.
 - d. Response time. In some organisations calculations relating to the time within which a customer service representative responds to or answers a customer inquiry might provide worthwhile measurement metrics. This requires face-to-face contacts, incoming calls or email and website contacts to be traced and measured in terms of time – time taken to respond and/or time taken to complete the transaction with the customers/ clients.
7. Collect and analyse qualitative data about customer service performance to help determine the quality of service received by customers/ clients.

This might involve:

- a. Observing face-to-face service situations – take into consideration the attitude of service personnel and the responses of customers.
- b. Reviewing email for consistency and core values – including grammar, spelling, effectiveness of presentation, courtesy and expression of organisational image/ presentation.
- c. Monitoring customer service calls. Pay attention to the tone and manner personnel use to represent the organisation and to discuss situations with the customer.
- d. Check on the type of information that service personnel provide to customers/ clients. Do the service personnel provide, for instance, accurate, timely and sufficient information to customers in a non-patronising manner? Are all interactions with clients/ customers compliant with fair trading legislation?

8. Encourage self-monitoring and self-management of quality customer service by employees. Make sure that employees receive the proper training, support and resources they need to do their jobs well, then let them do their jobs. Empower them to make decisions at the front line, to resolve problems and to use their own initiative appropriately. In this way customers will have problems resolved without the need to wait, while minor issues are passed through the various echelons of the organisation. Both staff and customers will be happy. Involve staff in the organisation's continuous improvement processes and ensure they receive incentives that will encourage the provision of high quality service. Reward and recognise such service so that it becomes an organisational ethic, supported by all employees. Develop simple procedures so that employees can report on customer service situations, problems and improvement outcomes.
9. Most importantly – **ask for feedback from customers**. In all customer service situations the best source of information about whether the service is effective or the product meets quality standards is the customer. It is the customer who determines quality. If the quality of the product, service or product/ service bundle does not meet the customer's value expectations (propositions), then they will take their purchasing dollar to a competitor who can better meet their needs. If you do not ask them what they think then you might never know that your product/ service does not meet expectations.

Collecting feedback

If you do not monitor, measure and evaluate, and collect feedback you will never know how customers perceive your products, service or organisation. In some cases customers will complain, but in many instances, they will simply stop doing business with you.

If possible, collect information about your organisation, its products and services, from every member of the distribution chain:

- direct and indirect customers – internal and external customers
- suppliers
- wholesalers
- managers
- workers
- any other relevant stakeholders

When designing questionnaires and survey instruments be aware that questions must be carefully worded and constructed to:

- reflect the information you actually want to obtain
- ask the hard, or possibly controversial questions
- encourage people to answer them – through user-friendly formatting

Survey – formally or informally, from as many angles as possible. No single measure or survey instrument is best. Choose a method that best suits your organisation's needs and is most likely to encourage response from your customers. Use a number of different methods – as necessary.

To access customer feedback:

- use telephone or written survey/ questionnaire techniques
- conduct on-the-spot interviews – during a sales situation – in such situations only a few questions can be asked as customers will not wish to respond to long, involved survey questionnaires
- talk to your customers and make casual (informal) enquiries about product/ service quality
- leave customer feedback forms out on service benches or other areas where customers can readily complete them
- if you have electronic addresses for customers, send out customer feedback forms via email – letters can also be sent
- offer incentives to customers (ie a gift, free product or 2 for 1 purchase offer – to fill in survey forms or submit satisfaction reports)
- record all complaints, complaint resolution procedures and outcomes
- record all returns, warranty issues and repairs
- discuss the customer service interface with the employees who provide the service

Other methods of collecting feedback will include:

- mystery shoppers
- benchmarking against competitors and best practice organisations – this provides a basis for setting standards of excellence
- product testing – to provide feedback on quality and variation
- focus groups
- government statistics
- market research

Whilst customers or other stakeholders might not always be prepared to answer questions, they are, on occasion, placed in situations where they do have time to fill in questionnaires on customer service, for example, when on a long flight, overnight at a hotel or even when dining in a restaurant. Take advantage of these situations where you can, by asking customers to fill in survey or feedback questionnaires.

Format the questions in ways that customers will bother to answer, that is, work out a range of questions and options that do not require long, wordy answers. Tick box formats can be useful. Ask a mixture of questions, requiring both qualitative and quantitative answers. Ask a mixture of open and closed questions that will give both qualitative and quantitative results.

In some cases customers can be induced to complete questionnaires because they see some benefit in doing so. Warranty cards fall into this category. Often warranty cards can be used to elicit information about why the customer bought the product, or how satisfied they are with their purchase. Other questionnaires could promise a chance of winning a prize as an inducement to spend time filling in a form.

Complaints

Encourage customers to complain. When customers complain thank them for doing so. When customers complain they are providing you with vital information about what needs to change/ improve. Make it possible for them to do this without encountering difficulties, defensive staff or staff who simply do not want to listen. Make it comfortable for customers to complain and make certain that they know that you appreciate it when they do complain. Treat all complaints with respect and respond to all complaints – even those you might consider frivolous or irresponsible. Use complaint records as the basis for improvement initiatives.

When customers make improvement suggestions follow-up on them. Let the customer know that their ideas have come under consideration that you value their input.

This will achieve:

- improved product/ services
- customers who feel valued and important
- return business
- word of mouth advertising
- customer loyalty
- access to a wide range of improvement ideas/ suggestions

Responses

All information collected from customers and stakeholders should actively contribute to product, service and product/ service bundle improvements.

Many organisations collect customer survey data, and then fail to act on respondent information. Some refuse to accept the validity of the results, others may be 'too busy' or arbitrarily decide that the customer's expectations are unrealistic. It almost seems that there is a culture of accepting that if the information has been gathered, that is good enough. Gathering information, then failing to use it – failing to listen to customers – is a waste of everyone's time. It is, in fact, counterproductive, in that customers who have taken the bother to respond to a request for information will take their custom elsewhere as soon as they realise that there is no response to their concerns. Employees and other members of the supplier-customer chain will react in similar ways, withdrawing their support for future information requests and not bothering to make improvement suggestions.

Be prepared, therefore, to act upon customer/ consumer/ client responses, even when they differ from what you and the organisation want to hear.

Employee contribution

Asking the customer to provide feedback is vital. However, feedback from the organisation's service representatives is just as important. The real experts in reading and understanding customers should be the employees who deal with customers every day. They should know what customers like and what customers dislike. They are in a position to directly observe customer responses to products and to the service they receive. Train employees to notice and to note customer responses. Give them the opportunity to make suggestions about what should be done to improve relationships with customers.

Results

By utilising these and similar techniques it becomes possible to monitor progress in achieving product and/ or service targets and standards and to address problems or issues as they arise – before they become too difficult to easily resolve and before they adversely affect the organisation's relationships with its clients/ customers. Focus on getting it right with every customer every time. Draw up a reward and recognition program that encourages staff to consistently strive for the highest quality customer service standards. Employees who are rewarded for excellence will constantly strive for high achievement which will increase business profits.

The results of customer feedback – should be widely shared so that everyone in the organisation is aware of customer satisfaction levels. Post key customer satisfaction measures and the results of current surveys (internal and external) everywhere in the organisation, so that all employees, not just management, know how well or how poorly they are perceived by customers. If employees do not have this information then they will not know whether they need to improve their performance and they will not know the areas that are most in need of improvement.

Positive customer feedback should be highlighted. This acts as reinforcement, reward and motivation to continue providing high levels of customer service. It also offers opportunities for employees to share successful techniques and strategies.

Results, in these instances, refer to group results – not to results that pinpoint individual employees. In the case where individual employee performance is shown to be in need of improvement, this becomes a matter for discussion at performance evaluations or performance counselling sessions.

Feedback from internal customers

Internal customers provide valuable information about the supplier-customer chain and about organisational health. Those organisations which support their employees, share information and encourage employee involvement are likely to have healthy work cultures. A healthy work culture in which workers are satisfied with their jobs and the management/ leadership of the organisation reflect this in their ability to build good customer relationships and to provide good customer service.

In some cases it will be easier to get feedback from internal customers; particularly when strong cooperative interrelationships exist. The common interest between internal supplier and internal customer is the continued success of the organisation employing them.

Employee satisfaction surveys and 360 degree performance appraisals will also offer vital information about the integrity of the supplier-customer chain and the relationships which are built to support that chain.



Assessment activity 6

1. What strategies might you follow in order to monitor progress in achieving product and/or service targets and standards in your organisation?
2. Draw up a plan for collecting, collating and utilising feedback from the customers with which your organisation deals.
3. Explain what sorts of data you would expect to collect, from whom you would collect it and how you think the data might contribute to your organisation's success.
4. From what other stakeholders might you collect product/ service quality related information and how would this information contribute to improvement processes?



Develop, procure and use resources effectively to provide quality products and/or services to customers

Quality is concept that applies company wide. This means that quality should be monitored in all areas of an organisation – not only at the end of processing/ manufacturing/ service delivery process.

Quality is defined by the customer in that if a product/ service does not meet their quality perceptions, they will not purchase. The characteristics the customer considers important can vary and it is up to the selling organisation to define the customer's needs and expectations. Quality also relates directly to fitness for use, which involves customer-desired product feature/ benefits and freedom from deficiencies that make the product unacceptable. It might also be considered that conformance to requirements, is a quality characteristic because a set of specifications can often be created to define a product/ service from the viewpoint of the customer. If the product meets those specifications, it conforms to requirements and can be assessed as having zero defects, therefore, it meets quality expectations.

Materials control, batch inspections, stress tests, sampling, feedback, feed-forward and concurrent control processes are used as quality control methods, yet quality might be described in terms of pleasing customers, not just protecting them from annoyances or from defective products.

Quality also impacts on the ways in which product features align with the benefits that customers/ clients expect. These involve performance – a product's primary operating characteristics – and features – the characteristics and specifications of a product, that support and supplement basic functioning.

Quality relates to product/ service:

- reliability – the probability of a product malfunctioning within a specified time period (or the probability of a product not malfunctioning)
- the degree to which a product can be expected to operate at maximum efficiency for a specific period of time
- conformity – the degree to which a product/ service's design and operating characteristics meet established/ specified standards – and possibly the degree to which a product/ service might outlast a competitor's similar product/ service offering
- product/ service durability – a measure of life which also has an economic component
- serviceability, the speed, courtesy, competence, and ease of repair of the product or access to a service
- aesthetics – the way in which a product looks, feels, tastes, sounds or smells – image
- perceived quality – the image or reputation of a product/ service or the company providing/ manufacturing it

However, if a customer is pleased with product quality but not satisfied with the sale process, then their custom can still be lost. The sale is often the point of initial customer contact with the product and is the stage where the distance between customer and manufacturer is smallest. The sale process is becoming increasingly important to the success of manufacturing firms, as the sale process (the bundle) reflects quality considerations also. A customer's perception of the sale is affected by the sales facility – the physical surroundings (the environment) in which the sale occurs – the location, access, parking, layout, decorating scheme, cleanliness, lighting etc; the communication process – the salesperson's attitude and level of interest/ involvement and their product knowledge, their willingness to recognise the customer's specific needs and the ability to solve problems – the manner in which the customer is dealt with; and the transaction system. The transaction system encompasses the clerical and administrative routines established by management, and describes the procedures of the sale, particularly those involving the customer. It may include paperwork, exchange of money, recording of the sale in a cash register or Point of Sale (POS) system, verification of credit, and arrangement for delivery. It is critical to the success of the sale, since it is a part of the process the customer often finds burdensome and intimidating.

What this means is that in order to produce a product/ service that meets appropriate quality benchmarks and meets a customer's quality perceptions, it is necessary to ensure that the organisation manufacturing or providing (selling) the product/ service is supported by the necessary resources – from the initial manufacturing or development process to the actual sale.

In terms of sales – whether the sale relates to a manufactured product, a service provided by an organisation or a product/ service bundle, quality outputs require quality inputs.

Developing, procuring and using resources

In today's market with head-count reductions, tight budgets and the need for maximum productivity, the need for organisations to accurately plan for and optimise resources is vital. Under pressure from banks, global competition, stockholders and shareholders, companies need to address all costs and manage them effectively.

This includes:

- optimisation and rationalisation of human resources
- capturing and assessing the knowledge base within the company
- determining whether the skills within your organisation are being fully utilised to give maximum returns
- planning and measuring organisational capacity
- streamlining processes, consolidating data and taking control of resources
- efficiently and effectively sourcing and allocating the supplies and resources that enable the organisation to operate
- ensuring that resources provide for maximum quality and maximum return

Given finite budgets and resources, the challenge becomes how to best allocate, coordinate, plan and track the diverse programs and resources involved in product/ service development, introduction and distribution. Organisations must, in today's highly competitive and constantly advancing market, get products/ services to market sooner. This cannot be done without the right resources and the right resource management procedures.

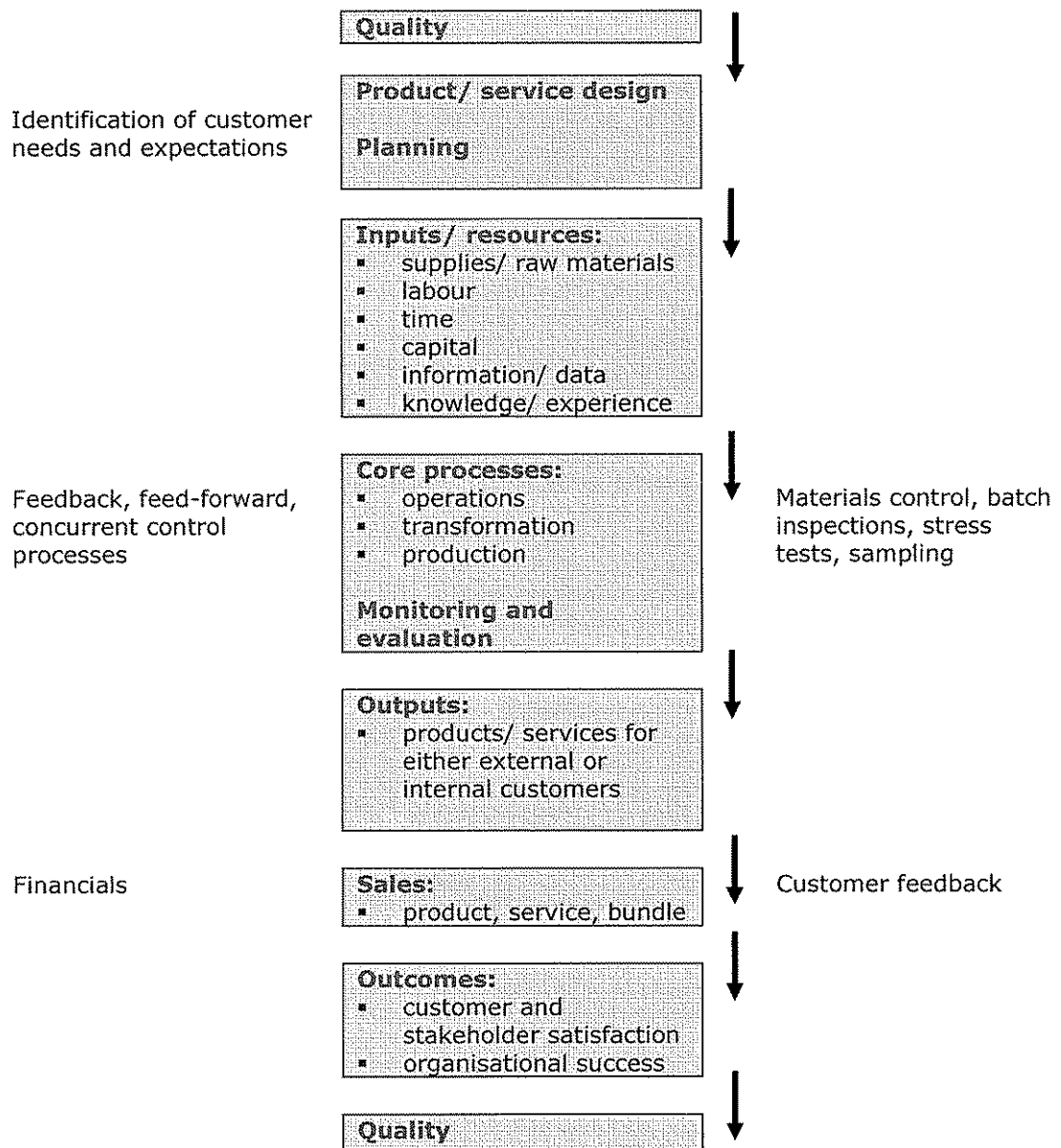
In organisational terms, resources are the inputs that enable the business to operate and to produce outputs. Inputs (resources) are transformed by the organisation's core processes into the product/ service that is intended to achieve the outcome of customer satisfaction. If customers are satisfied with the product/ service offered by the organisation, then the business is sustainable.

Resource inputs are provided by internal and external suppliers. To achieve smooth and effective operations which produce products/ services that meet customer needs, both internal and external supplies must consistently meet quality, time and cost requirements. By building good relationships with everyone in the supplier-operations-customer chain, processes will operate smoothly and meet the organisation's expected standards; the development, procurement and use of resources will provide quality products and/or services to customers.

This is dependent on managers being able to bring together the right mix of inputs. Recruitment, sectional and deployment of staff with a sound knowledge and skills base is essential. Suitable induction and training procedures must be in place. Cost, time and labour effective operations (production) procedures must be designed and put in place. Sources of supplies/ raw materials must be found and contracts negotiated. Delivery dates and times must be set and adhered to so that production needs are met. Quality specifications must be agreed upon and appropriate checks and controls put in place.

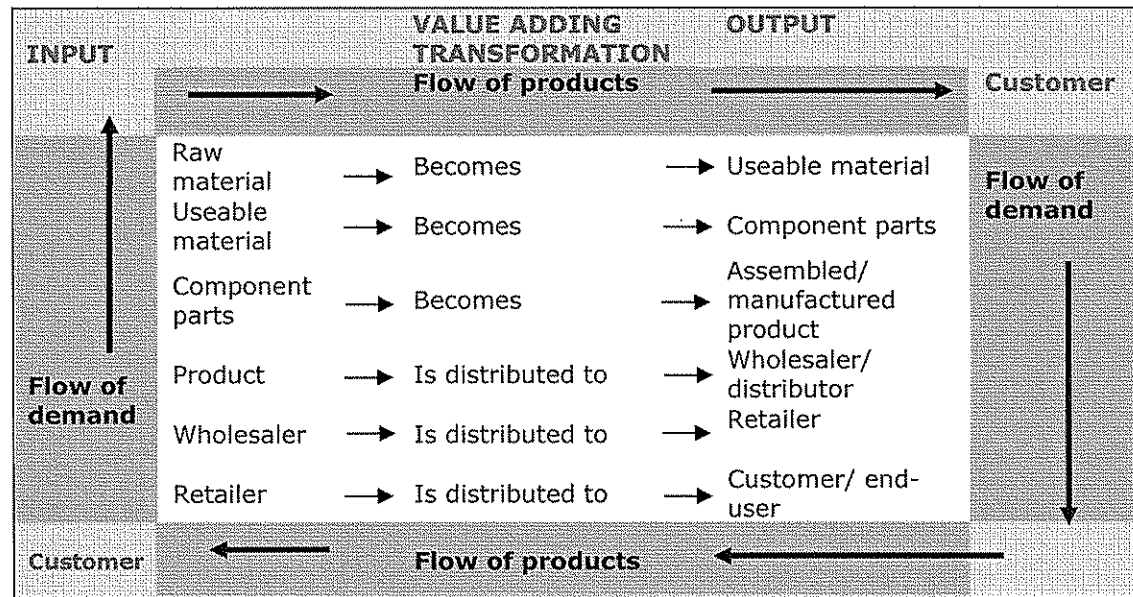
Budgets are generally used to allocate resource funds. Unless there is close alignment between budgets and plans and actual operational needs, there could be little connection between what your plans specify and what the budget provides by way of resources to contribute to operations. Your organisation is a system – a group of interconnected parts and functions – which together makes up the whole of the organisation. Policies, procedures direction (controls) etc are management input; human resources provide for skilled staff; finance processes provide the money to purchase inputs, pay wages etc. Each of these interconnected functions becomes part of the supplier-customer chain with the end product outputs being offered to external customers and end-users. Budgeting is a forecasting activity which predicts future demand and the possibility of future events. Budgets enable resources to be costed, monitored and supplied to the organisation. They act as a communication tool in that they provide information to and from managers, supervisors and employees – about resource needs, actions and usage.

The input-output process – resource use:



The diagram provides a simplistic representation of the ways in which all organisations work. It is simplistic because in any organisation there will be numerous processes and transformational activities running concurrently.

Alternately, the input/ output process might be depicted as follows:



Supply chains exist in both service and manufacturing organisations, although the complexity of the chain will vary significantly from industry to industry and between organisations.

The specific resources required by an organisation will depend on:

- the organisation's goals and objectives
- the product/ service provided by the organisation
- the industry sector within which the organisation operates
- customer needs and expectations
- the organisation's core processes
- the type and volume of work done and outputs generated
- intended output and quality expectations

All organisations are resource dependent.

Resources might include the following inputs:

- human resources
- recruitment, selection and induction procedures
- knowledge
- competence
- data and information from internal and external sources
- customer information
- stakeholder input
- shareholder input
- intellectual property
- processes and procedures, policies, operations, continuous improvement processes
- labour
- time
- training and training materials
- coaching and mentoring
- technology
- raw materials
- manufactured products and parts
- plant, equipment and machinery
- consumables – paper, toner etc
- stock and supplies
- capital/ financial support and inputs
- location/ premises
- staff amenities
- vehicles/ transport and travel options
- Occupational Health and Safety (OHS) resources
- legislative and regulatory resources

Resource planning mechanisms include:

- budgets and forecasts
- human resource management plans
- information management plans and system design
- capacity planning
- manufacturing design and operations planning
- control processes
- facilities layout plans
- recording systems plans
- inventory control
- resource requirement plans
- maintenance (including preventative) plans
- risk assessment and contingency plans
- productivity plans
- plans for technological applications
- project plans

Constraints

Although it is clear that quality inputs make quality outputs possible, the quality factor must apply all the way through the transformation and output process and all along the supplier chain. Between receipt of inputs and production of outputs, there are still many things that can go wrong. These are constraints, both internal and external, that can affect resources and processes and impact on operations and resource use. These are the conditions or situations that can cause operations disruptions or discontinuity and must be managed so that disruption is minimised.

They might include:

- | | |
|---------------------------------|---|
| ▪ quality of supplies | ▪ hierarchical structures in the organisation |
| ▪ work performance | ▪ poor management |
| ▪ work processes | ▪ ineffective communication |
| ▪ system design and application | ▪ inadequate training |
| ▪ labour shortages | ▪ inadequate employee inductions |
| ▪ time inefficiencies | ▪ financial restraints |

Resource management procedures – those procedures used to develop, procure and use resources effectively to provide quality products and/or services – are intended to ensure continuity of quality resources and timely input so that operations are not interrupted or disrupted.

Each organisation is a resource dependent system – a group of interconnected parts and functions – which together makes up the whole of the organisation. Physical resources and/or raw materials might be externally or internally supplied; policies, procedures, direction (controls) etc are management input; human resources provides for skilled staff; finance processes provide the money to purchase inputs and supplies or raw materials, pay wages; production is the process of converting inputs to outputs etc. Each of these interconnected functions becomes part of the supplier-customer chain with the end product (outputs) being offered to external customers and end-users.

Effective relationships must be built between each of the components in the supplier-customer chain so that inputs are provided as agreed and optimum outputs are produced. The people who work within the organisation form the internal customer-supplier chain. Good recruitment, selection and management processes will maximise efficiency and effectiveness through staff. Quality and timeliness of supplies from external sources also require the application of suitable planning and management processes to ensure the provision of the end product promised to the customer.

While the traditional perspective of supply chain management views customer-supplier relationships in terms of both parties competing for profit margins, it is more reasonable to consider that suppliers and customers can work in partnership. Whilst both supplier and customer (in this instance the customer is your organisation) have a vested interest in making the most gain from what they are doing, they also both have a vested interest in continuance and in quality. You will choose supplies and suppliers on the basis of cost, quality, reliability, consistency, continuity, turnaround and lead times. The most successful supplier-customer relationships are those where both parties cooperate. If you build effective relationships with your suppliers then both of you will benefit. The supplier can be brought into the quality monitoring loop, you can assure them of ongoing custom and you will increase the assurance of supply according to your specific need and quality requirements.

Monitor and track your resources so that the resources you develop, procure or purchase consistently meet predetermined quality standards. Use performance indicators to assess supplier performance against expected outcomes. Continue to analyse marketplace dynamics, trends and geographic viability. Continue to analyse current and potential customers and the competition. Know how well your product actually meets customer needs. Never **assume** that you know what the customer wants or will buy.



Assessment activity 7

Explain the link between resource acquisition and quality outputs and explain how resource management is related to quality management and to continuous improvement.



Make decisions to overcome problems and to adapt customer services, products and/or service delivery in consultation with appropriate individuals and groups and manage records, reports and recommendations within the organisation's systems and processes

You don't market quality into a product. The true quality of a product is judged by its user, not announced by its manufacturer. All the commercials in the world won't do any good if the product isn't built right' (Krumm, 1988).

Product/ service design is a key to industrial/ business competitiveness. Design and delivery of a product or service that will sustain market acceptance and viability is dependent on good research (product and market research) and recognition, by the manufacturing, supplying or providing organisation, that before attempting to position themselves in a market they must understand the market, understand their customers and meet customer/ client needs and perceptions of quality.

To maintain and, where appropriate, to improve their market position, each organisation must, regardless of whether they sell to businesses or to end-users/ consumers, regularly and consistently monitor products/ services, product service bundles and product/ service quality as perceived by the customer/ client.

Customer needs, wants and expectations change and market demographics and psychographics change over time. It is necessary for organisations to be aware of these changes and to adapt customer services, products and/or service delivery as required.

Ongoing market research procedures, customer/ consumer feedback, competitive analysis and continuing consultation with appropriate stakeholder individuals and groups, and properly managed internal process monitoring and evaluation procedures will enable business organisations to identify problems as they arise. When problems are identified they should be promptly addressed to ensure that customer services, products and/or service delivery procedures continue to meet customer needs.

Product and/or customer service problems might have a number of causes:

- poor market research – or possibly lack of market research activity
- inability to utilise effective product placement and positioning techniques
- unacceptable product variation percentages and other manufacturing glitches
- issues related to supply quality and continuity
- inadequate resource management processes
- poorly researched product/ service design
- product/ service outputs that have not changed or adapted to meet new customer requirements
- inability to match competitor prices or quality
- inadequately trained or poorly motivated staff
- input difficulties
- organisational/ management structures and hierarchies that prevent staff from providing the necessary levels of customer service
- issues related to marketing and promotion of products/ services
- issues with organisational leadership

Problem-solving requirements might also relate to, for instance:

- future strategies:
 - do we develop a new line of product or not
 - do we relocate or not
- immediate operational situations:
 - how can we speed up the manufacturing process
 - how do we give staff new competencies
- a goal or target the organisation wishes to achieve, but cannot because of the existence of an obstacle or blockage of some kind – generated by either internal or external environmental conditions/ pressure
- an identified need for innovation, improvement, change and/or entrepreneurial activity

Problems will make themselves visible in the organisation's bottom line, however, the regular monitoring and evaluation procedures that should be followed are designed to support early identification of problems so they can be resolved before they have an adverse effect on an organisation's sales and profitability.

Those who should be consulted when determining the best resolution for problems include suppliers, individual employees, teams, customers/ clients/ consumers and end-users of products/ services, prospective customers/ clients and other stakeholders as deemed necessary.

The problem-solving process

When problems are identified it is necessary to make decisions regarding problem solutions. Problem solving and decision making are key activities in any organisation.

To solve problems it is necessary to:

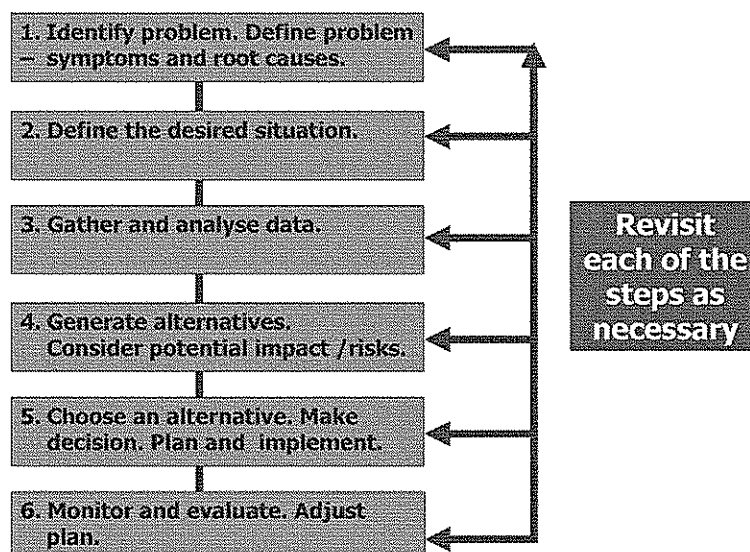
- identify problem and issue symptoms
- identify root causes
- gather data and consult with the necessary personnel
- analyse data
- develop problem solutions to be taken
- analyse risks
- select the solution to be implemented
- implement the solution
- monitor the effects of the solution

Problems must be resolved to enable the organisation to move, cope and compete in a rapidly changing marketplace.

Competent leaders/ managers apply logical, optimising decision-making processes to determine the best option or mixture of options for their organisation to critically assess and evaluate ambiguous situations. They make judgments or resolutions based on experience, assessment of data or information and, to a certain extent, on intuition. They consult with relevant personnel and utilise the experience and expertise of others as it is needed.

Some problems are more difficult to solve than others. What is perceived as a problem for some might not be a problem for others, but an opportunity or a challenge. Success in solving problems and making decisions is motivating, particularly when we accept that problems are not something to be avoided, they are normal, should be expected and provide challenges or opportunities. Problem solving and decision making should be proactive not reactive.

THE PROBLEM SOLVING MODEL



Steps 1 and 2 involve identifying and defining the problem. They start with a definition of the desired situation which is matched against the current situation. Gaps between the current and desired situation enable identification of problems or potential problems.

Information from monitoring and evaluation activities – process and performance measurements – observation, customer feedback and supplier feedback, environmental monitoring and comparisons with competitors will help pinpoint problem symptoms and causes, potential problems or improvement needs.

Distinguish the symptoms from the root causes. Take the time and make the effort to find out the real causes, rather than the easily identified or obvious seeming causes. Addressing symptoms will not contribute positively to your organisation's problem-solving needs.

Consult with employees, customers/ clients and other stakeholders to properly identify problem causes and to gather a range of potential solutions/ ideas.

Step 3 in the process entails gathering data which can be analysed to give reliable, relevant, valid and timely information, related to the problem and possible solutions. Any decision based on invalid, incorrect or unreliable data is, necessarily, an unsound decision. Where possible, quantify both the actual and desired situations so that you can measure progress from one to the other.

Information can be gathered from internal or external sources, by formal or informal means, from primary or secondary sources.

Step 4 in the problem-solving process is to generate solutions. In order to make the most effective decision, generate as many alternative solutions as possible. Involve others in the analysis, particularly those likely to be affected by either the problem or the change. The input of others can increase the number of alternatives offered, thus improving the quality of the solution. Also those staff who have been involved in resolving an issue are more likely to be committed to implementing the solution.

Steps 5 and 6 in the problem-solving process are to analyse alternatives and make a choice. Which alternative or combination of alternatives will best suit the organisation's needs and will overcome problems associated with customer services, products and/or service delivery? Check projected solutions against your specified targets or objectives, put the solutions into practice and monitor to ensure they achieve what they were intended to achieve.

It will be necessary to make decisions that will overcome problems so it is possible to adapt customer services, products and/or service delivery to meet customer needs.

When choosing between alternatives:

- create a list of measurable qualitative or quantitative criteria to assess the benefits and risks
- use weighted criteria in a decision matrix which measures the feasibility of each alternative
- develop a cost-benefit analysis to determine whether the costs outweigh the benefits
- consider the balance of long and short-term savings
- implement a trial period, model situation or prototype to assess viability of options
- utilise external examples and benchmarks, find out how similar processes have impacted on other businesses

Solutions

The solutions adopted might involve making changes to:

- product/ service design, production or placement
- market research and information gathering processes
- operational plans and procedures
- staff training procedures
- resource procurement procedures
- team structures
- service delivery procedures etc
- inputs – supplies, staff, financial input etc
- processes
- work practice
- product/ service design etc
- service delivery procedures

Where problems with work practice are identified as a causal factor the remedy might involve:

- training
- coaching
- mentoring
- performance counselling
- reassignment of individuals or teams etc
- systems changes/ improvements

Records

Part of the monitoring and evaluation function involves collecting, collating and recording data. What data do you need to collect, how should it be recorded and what will it be used for? Data related to product quality and customer service needs will be gathered in both qualitative and quantitative formats. This data will combine to provide a picture of how well the various processes in the organisation are running, how customers perceive the products/ services and product/ service bundle being offered and what the levels of customer satisfaction are.

Records will be used to assess past performance, plan future performance, assess resource uses and needs and identify improvement needs. They will inform all levels of management about performance throughout the organisation. A simple, efficient, well managed and documented reporting system enables effective operations and system integrity. Without records and documented confirmation of both work practice and financial matters it will not be possible to make realistic plans for future operations and it will not be possible to make realistic assessments of the ways in which operations and products and services are meeting customer needs. The intention of monitoring and measuring operations is to measure effectiveness – therefore quality.

Recorded measurements might relate to:

- percentage of products meeting customer specifications (acceptables) – internal and external
- or percentage of services meeting customer specifications (acceptables) – internal and external
- customer responses to product/ service bundles
- market positioning of products/ services
- percentage of rejects from internal customers
- percentage of waste and rework (also an efficiency measure)
- degree to which service delivery complies with predetermined and agreed standards

Recording and analysing this information is intended to help build quality into process and into the production of products/ services at all points.

Performance and operations records are also used to manage variation – the degree to which products/ services fit within the range of acceptable variation. Variation occurs in all processes. Just as in nature no two things are exactly alike, in production or manufacturing there are small and often indiscernible differences between every item. Variation is acceptable if it does not adversely affect the quality of the product/ service. Where variations outside the acceptable range are discovered, interventions must be implemented to solve the problem and to ensure integrity and quality of product/ service.

The old adage that 'It worked yesterday, therefore it should work today' no longer applies. Markets, customers and the whole world of business is in a constant state of change. In order to, at the worst keep up with, and at the best outstrip, competitors, excellence in customer service is essential. No matter how good your product/ service is, today's customer knows that they can purchase the equivalent from a competitor. In many cases, therefore, the service factor is the point of difference that determines whether customers will purchase from your organisation or will look elsewhere.

Assessment activity 8

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BSBCUS501A: Manage quality customer service

3. How does recorded data contribute to the problem-solving process and to continuous improvement of products and service delivery?



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Part 2: Assessment information



Introduction to competency assessment

To be assessed as competent, learners must under the guidance of qualified trainers and assessors provide evidence which demonstrates that they can perform to the necessary standard. An assessment of competence requires learners to consistently and over time demonstrate the skills, attitude and knowledge that enable confident completion of workplace tasks in a variety of situations.

In judging evidence, the assessor must ensure that the evidence is:

- authentic (the candidate's own work)
- valid (directly related to the current version of the relevant endorsed unit of competency)
- reliable (shows that the candidate consistently meets the endorsed unit of competency)
- current (reflects the candidate's current capacity to perform the aspect of the work covered by the endorsed unit of competency), and
- sufficient (covers the full range of elements in the relevant unit of competency and addresses the four dimensions of competency, namely; task skills, task management skills, contingency management skills, and job/ role environment skills).

Access and equity

An individual's access to the assessment process should not be adversely affected by restrictions placed on the location or context of assessment beyond the requirements specified in the training package. Reasonable adjustments can be made to ensure equity in assessment for people with disabilities. Adjustments include any changes to the assessment process or context that meet the individual needs of the person with a disability, but do not change competency outcomes.

Such adjustments are considered reasonable if they do not impose an unjustifiable hardship on a training provider or employer. When assessing people with disabilities, assessors are encouraged to apply good practice assessment methods with sensitivity and flexibility.

Assessors should also provide alternative assessment activities to address identified specific organisation requirements.

The assessment process must:

- provide for valid, reliable, flexible and fair assessment
- provide for judgement to be made on the basis of sufficient evidence
- offer valid, authentic and current evidence
- include workplace requirements as suggested in the range of variables

Unit information

Unit code	BSBCUS501A
Unit title	Manage quality customer service
Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to develop strategies to manage organisational systems that ensure products and services are delivered and maintained to standards agreed by the organisation.
Licensing, legislative, regulatory or certification requirements	No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
Employability skills	This unit contains employability skills.
Application of the unit	Many managers are involved in ensuring that products and services are delivered and maintained to standards agreed by the organisation. Typically these managers have staff involved in delivering customer service and are responsible for the quality of their work. In many instances the work will occur within the organisation's policies and procedures framework. At this level, the exercise of considerable discretion and judgement, using a range of problem solving and decision making strategies, will be required.
Unit sector or competency field	None specified.
Pre-requisite, co-requisite or interdependent assessment of units	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example: <ul style="list-style-type: none"> ▪ other units from the Diploma of Management.
Context of and specific resources for assessment	Assessment must ensure: <ul style="list-style-type: none"> access to appropriate documentation and resources normally used in the workplace.
Method of assessment	A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit: <ul style="list-style-type: none"> ▪ assessment of written reports ▪ demonstration of techniques ▪ direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate ▪ observation of performance in role plays ▪ evaluation of leadership, supervision, coaching and mentoring used to assist colleagues to overcome difficulty in meeting customer service standards ▪ review of strategies developed and used to monitor progress in achieving product and/or service targets and standards ▪ review of records, reports and recommendations about managing customer service.



Part 3: Assessment tools

Assessment tools in this learner guide

The tools in this resource provide a foundation on which to build a comprehensive learning and assessment program. Trainers/ assessors will need to adapt or supplement these tools where appropriate.

The assessment tools provided in this resource are:

- the assessment activities in the workbook
- the written/ oral questions in this section of the workbook
- the project(s) in this section of the workbook
- supervisor/ third party or assessor demonstration report

Assessment tool 1 (AT1): Assessment activities

Assessment activities are designed to enable assessment against the performance criteria or a group of performance criteria within each element.

In general, the assessment activities might consist of:

- questions assessing knowledge
- demonstration of skills
- case studies
- practical activities

Responses to the assessment activities might be drawn from:

- the theory/ information contained in this resource
- additional reading and research
- supplementary materials provided by the trainer/ assessor
- practical experience

The learner should complete the assessment activities as directed by the assessor. This may involve recording responses in this workbook or providing responses in a different format, eg in a word processed document.

Feedback

The assessment activities should become part of a formative assessment. The RTO and its trainers/ assessors should have processes in place to provide feedback and reinforcement to learners as they progress through the activities and assessment processes.

This is a commercial publication designed to cover a range of industry sectors and organisations. The trainer/ assessor should therefore consider each activity in the context of the specific industry sector and/or organisation and make adjustments or contextualise as necessary. Access and equity issues should also be considered.

Assessment tool 2 (AT2): Written/ oral questions

Written/ oral questions are designed to enable assessment of the required knowledge. Where appropriate they may also enable assessment of elements and performance criteria

As with assessment activities responses might be drawn from:

- the theory/ information contained in this resource
- additional reading and research
- supplementary materials provided by the trainer/ assessor
- practical experience

As with assessment activities, the learner should present responses as directed by the assessor.

Trainers/ assessors might develop additional questions to elicit more detailed responses. Alternative questioning methods might also be used where access and equity issues need to be considered.

Assessment tool 3 (AT3): Project(s)

Project(s) are designed to enable holistic assessment of the unit of competency if possible. The trainer/ assessor should consider each project in the context of the specific industry sector and/or organisation and make adjustments or contextualise as necessary. Access and equity issues should also be considered. Additional projects may also be required.

Assessment tool 4 (AT4): Supervisor/ third party or assessor demonstration report

Where the learner is in employment this report should be completed by the learner's supervisor, an appropriate third party or the assessor.

The trainer/ assessor needs to ensure that the supervisor/ third party/ assessor understands that they must confirm they have observed the learner performing the tasks associated with the elements, performance criteria, critical aspects for assessment and required skills in an efficient manner consistently and over a period of time. They also need to record the context in which the learner was observed and detail any evidence that has been provided.

Where the learner is not in employment and where this resource is used in face-to-face delivery or distance mode, assessors may use this tool to record any simulated demonstrations they have observed that provide evidence the learner can perform the tasks associated with the elements, performance criteria, critical aspects for assessment and required skills in an efficient manner.

Other assessment activities

Other assessment activities determined by an assessor could include any of the range of assessment activities listed as examples appropriate for this unit under method of assessment in the unit information section of this learner guide eg provision of port folio of evidence.

Trainers/ assessors should ensure that the training and formative and summative assessments they use sufficiently address:

- the relevant performance criteria
- critical aspects for assessment
- the required skills and knowledge
- the context and consistency of the assessment requirements
- the relevant employability skills

Trainers/ assessors should ensure that the learner fully understands the assessment process and the assessment tasks that need to be undertaken. This can be documented on the assessment cover sheet supplied in this learner guide.

Assessment cover sheet

Assessment for this unit of competence for this learner will be undertaken using the following assessment tools (tick those tools that will be used).

- | | |
|---|--|
| <input type="checkbox"/> Assessment activities (AT1) | <input type="checkbox"/> Oral/ written questioning (AT2) |
| <input type="checkbox"/> Project(s) (AT3) | <input type="checkbox"/> Supervisor/ third party/ report (AT4) |
| <input type="checkbox"/> Assessor demonstration report (AT4) | <input type="checkbox"/> Portfolio of evidence |
| <input type="checkbox"/> Other assessment tasks required (record details) | |

☐ No additional assessment tasks required

Assessor name

Assessor signature

Date

I declare that I understand how assessment will take place for this unit. I also understand that work completed towards this assessment must be verifiably my own.

Learner name

Learner signature

Date

Assessment tool 1 (AT1): Assessment activities summary

This tool relates to the assessment activities which have been completed throughout the learner guide. Trainers/ assessors should use this template to record details of any issues/ feedback they wish to provide to the learner in relation to their responses to the assessment activities. Alternatively trainers/ assessors can record feedback next to assessment activity in the body of the workbook.

I declare that the assessment activities completed in this learner guide are all my own work.

Learner name**Learner signature****Date****Assessor name****Assessor signature****Date****Comments**

Assessment tool 2 (AT2): Written/ oral questions

Learners should answer the following questions either orally or in writing as agreed with the trainer/ assessor. Written responses may be recorded in the space provided or entered in a word processing document. If more space is required attach additional pages.

1. Why is it necessary to clearly identify, before designing product and service offerings, customer needs, and what are some of the less obvious service aspects that might inform purchasing decisions?
2. What are the questions that all customers ask themselves (consciously or subconsciously) before they commit to a purchase and how is the presented product/ service bundle likely to affect a customer's purchasing decision?

BSBCUS501A: Manage quality customer service

3. Being able to provide good customer service is not an innate skill. It requires that employees receive appropriate training and learn to understand their role/s with regard to customer service. This applies to those employees who are in direct contact with customers and those who have no direct contact with customers. Discuss the ways in which employees can learn the skills needed to provide good customer service.
4. In any organisation there are both internal and external customers. These are all part of the customer- supplier chain. For the customer/ end-user to receive quality products/ services it is necessary that all aspects of the customer-supply chain meet specific quality objectives. Who actually sets these quality standards and how are they set?

5. How can an organisation encourage suppliers – both internal and external – to participate in actively ensuring quality standards are maintained?

6. What is market research and why is it necessary?

BSBCUS501A: Manage quality customer service

8. Why is it necessary to monitor progress in achieving product and/or service targets and standards and what strategies might be implemented to do this?

Assessment tool 3 (AT3): Project(s)

Learners should undertake the following project(s) as directed by the trainer/ assessor.

Project 1

Excellence in customer service is the objective of all organisations wishing to be successful. However, there is often a gap between customer expectations and management perceptions of customer expectations. Organisations often fail to get close to their customers and correctly read their expectations.

Other reasons for customer service problems include:

- not listening to or collecting information from customers
- poor, or no, focus on the actual design of processes to turn identified customer needs into products and services
- gaps between what the organisation intends to produce for its customers and what its systems do actually produce
- gaps between what the system is intended to deliver for customers and what it actually does deliver
- cost constraints, or failure to set and meet realistic performance standards, which affect what the organisation can actually deliver
- poor staff attitudes, training levels and working materials
- gaps between what salespeople promise and the actual service or product quality

(Adapted from Zeithaml, et al (In Stanton, Miller & Layton, 1994, *Fundamentals of Marketing*, 3rd ed., McGraw-Hill, Rosehill.)

Comment, in approximately 2000 words, on these statements.

Why do these problems arise?

Relate your comments directly to the processes your organisation employs to identify, translate and meet customer needs, wants and expectations.

How are the standards set, how do you ensure that employees understand and comply, and what tools do you use to measure customer satisfaction and employee response?

How is that information used to improve performance in meeting customer requirements?

What are the established processes for gathering and using customer complaints and other customer input to improve products and services?

Project 2

Janice works in the production department of a book printing firm. Her role involves collating printed documents, binding them and preparing them ready for shipment to the customer. She has no direct contact with the customer and believes that she has no responsibility for quality management. If a mistake in the print run is made, then she is not responsible. Her responsibility is just to take the printed material, collate it, bind it and ship it.

Janice has reasonable communication and interpersonal skills. She is friendly and gets along well with her co-workers.

Although Janice prepares the products ready for shipment she does not address them. In fact, if you asked her, she would not be able to tell you who the organisation's customers were. As far as she is concerned all the knowledge about customers – who they are and what they actually want – is processed by other people in the organisation. All she does is work on the production line. This means that as far as she is concerned, she has no responsibility for customer service. Other people in the organisation are employed to provide customer service because they are good at it.

1. What is wrong here – with Janice's attitude and with the organisational system?
2. How do you think attitudes like Janice's impact on other employees, on the supplier-customer chain and on the organisation's outcomes?
3. What do you think should be done to make Janice more aware of her responsibilities toward the organisation's customers?
4. Why is it necessary that she understands that she has a very definite role to play with regard to customer service?
5. How can these problems be overcome?

Project 3

Draw on your own experience, the text in this resource, the suggested reading material and other library or internet resources to answer, in detail, the following questions. Where appropriate, use workplace examples and descriptions of workplace situations to support your answers.

Organisations that intend success must design products, services and product/ service bundles to meet customer/ client needs. How can they do this and how can they ensure that the organisation's plans achieve quality, time and cost specifications agreed with customers? What data and records might be drawn upon to make plans intended to meet customer needs?

What monitoring and evaluation procedures might be followed to ensure that the organisation keeps up with changes in customer needs and in market conditions, procures and disburses resources appropriately and is able to consistently meet product quality and delivery standards?

How can customer feedback be collected and used and why is it necessary to consult with customers (internal and external) and with other stakeholders when monitoring and assessing the organisation's progress toward achieving quality targets?

Within the organisation there will be groups of people or teams which work toward goal achievement. How can managers and supervisors ensure that team members have the skills needed to communicate effectively with customers and to provide excellent customer service? How might they assist colleagues in overcoming difficulties with meeting customer service standards?

What procedures might be followed to identify problems and with appropriate individuals and groups to adapt customer services, products and/or service delivery so that it continues to meet customer needs?

Assessment tool 4 (AT4): Supervisor/ third party/ assessor demonstration report

Supervisor/ third party/ assessor to provide comment on workplace performance/ demonstration. Record the context in which the learner was observed, detail any evidence that has been provided, initial each section and sign when completed.

Element	Performance criteria	Evidence provided/ observed/ context	Initial/ date
Plan to meet internal and external customer requirements	Investigate, identify, assess, and include the needs of customers in planning processes		
	Ensure plans achieve the quality, time and cost specifications agreed with customers		
Ensure delivery of quality products and/or services	Deliver products and/or services to customer specifications within organisation's business plan		
	Manage team performance to consistently meet the organisation's quality and delivery standards		
	Assist colleagues to overcome difficulty in meeting customer service standards using leadership, supervision, coaching and mentoring		
Monitor, adjust and review customer service	Develop and use strategies to monitor progress in achieving product and/or service targets and standards		
	Develop and use strategies to obtain customer feedback to improve the provision of products and/or services		
	Develop, procure and use resources effectively to provide quality products and/or services to customers		
	Make decisions to overcome problems and to adapt customer services, products and/or service delivery in consultation with appropriate individuals and groups		
	Manage records, reports and recommendations within the organisation's systems and processes		

		Evidence provided/ observed/ context	Initial/ date
Critical aspects for assessment	<ul style="list-style-type: none"> plans, policies or procedures for delivering quality customer service 		
	<ul style="list-style-type: none"> demonstrated techniques in solving complex customer complaints and system problems that lead to poor customer service 		
	<ul style="list-style-type: none"> knowledge of techniques for solving complaints 		
Required skills	<ul style="list-style-type: none"> communication, coaching and mentoring skills to provide support to colleagues 		
	<ul style="list-style-type: none"> problem-solving skills to deal with complex and non-routine difficulties. 		

Supervisor/ third party declaration

I confirm that I have observed the learner perform the tasks associated with the elements, performance criteria, critical aspects for assessment and required skills for this unit efficiently and consistently over a period of time.

Supervisor/ third party name

Supervisor/ third party signature

Date

Assessor declaration

I confirm that I have observed the learner demonstrate the skills associated with the elements, performance criteria, critical aspects for assessment and required skills for this unit competently.

Assessor name

Assessor signature

Date

Learner name

Competency record

After assessment the **competency record** should be completed and signed by the learner, assessor, and the supervisor. If competency is not achieved at the first attempt strategies to address gaps in performance need to be identified and time for reassessment arranged.

Assessment tools used and satisfactory outcomes achieved (Tick)

<input type="checkbox"/> Assessment activities (AT1)	<input type="checkbox"/> Oral/ written questioning (AT2)
<input type="checkbox"/> Project(s) (AT3)	<input type="checkbox"/> Supervisor/ third party/ report (AT4)
<input type="checkbox"/> Assessor demonstration report (AT4)	<input type="checkbox"/> Portfolio of evidence

Other assessment methods used by the RTO and satisfactory outcomes achieved (please detail)

I declare that the assessment tasks completed in this learner guide are all my own work.

Learner name	Learner signature	Date
_____	_____	_____
Supervisor/ third party name	Supervisor/ third party signature	Date
_____	_____	_____

The learner has been assessed as **competent** in the elements and performance criteria, critical aspects for assessment, required skills and knowledge for this unit and the evidence presented is:

<input type="checkbox"/> Authentic	<input type="checkbox"/> Valid	<input type="checkbox"/> Reliable	<input type="checkbox"/> Current	<input type="checkbox"/> Sufficient
Assessor name	Assessor signature	Date		
_____	_____	_____		

If the Learner is **not yet competent** in this unit – date for reassessment

Strategies to address gaps in performance/ trainee comments