

## Coordinate implementation of customer service strategies

This learner guide supports BSBCUS401B Coordinate implementation of customer service strategies in the BSB07 Business Services Training Package.

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# THE AIM OF THIS LEARNER GUIDE

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The aim of this learner guide is to give you skills and knowledge to successfully complete the assessment in the following unit of competency.

## **BSBCUS401B Coordinate implementation of customer service strategies**

This unit describes the performance outcomes, skills and knowledge required to advise on, carry out and evaluate customer service strategies, including the design of improvement strategies based on feedback. Operators may have responsibility to provide guidance or to delegate aspects of these tasks to others.

### **Employability skills**

This unit contains employability skills.

### **Application of the unit**

This unit applies to individuals with a broad knowledge of customer service strategies who contribute well developed skills in addressing customer needs and problems.

### **Prerequisites**

There are no prerequisites for this unit.

<b>Element</b>	<b>Performance criteria</b>	<b>Covered on page</b>
On completion of this unit you should be able to:	You will know you have achieved this when you can:	
1. Advise on customer service needs	1.1 Clarify and accurately assess <i>customer needs</i> using appropriate <i>communication techniques</i>	13–16
	1.2 Diagnose problems matching service delivery to <i>customers</i> and develop options for improved service within <i>organisational requirements</i>	35, 38, 40
	1.3 Provide relevant and constructive advice to promote the improvement of customer service delivery	49, 51
	1.4 Use <i>business technology</i> and/or <i>online services</i> to structure and present information on customer service needs	24

Element	Performance criteria	Covered on page
On completion of this unit you should be able to:	You will know you have achieved this when you can:	
2. Support implementation of customer service strategies	2.1 Ensure customer service strategies and opportunities are promoted to <b>designated individuals and groups</b>	45, 48
	2.2 Identify and allocate available budget resources to fulfil customer service objectives	42
	2.3 Promptly action <b>procedures to resolve customer difficulties</b> and <b>complaints</b> within organisational requirements	19–22
	2.4 Ensure that decisions to implement strategies are taken in consultation with designated individuals and groups	44
3. Evaluate and report on customer service	3.1 Review client satisfaction with service delivery using verifiable data in accordance with organisational requirements	28–30
	3.2 Identify and report changes necessary to maintain service standards to designated individuals and groups	47–51
	3.3 Prepare conclusions and recommendations from verifiable evidence and provide constructive advice on future directions of client service strategies	48
	3.4 Maintain systems, records and reporting procedures to compare changes in customer satisfaction	32, 54

## Moments of truth

Every time a customer interacts with an organisation they are forming opinions, consciously or subconsciously, about the standard of service they are receiving. These opinions change positively or negatively as the interactions with staff progress. The final evaluation of the experience is the appraisal of the total of those opinions.

In 1981 Jan Carlzon, the CEO of Scandinavian Airlines, introduced the concept of moments of truth and his philosophy altered the way customer service was approached. He realised that at the moment a customer is faced with forming an opinion he/she is expending emotional energy. Whether the emotional energy is positive or negative is immaterial to the philosophy. The procedure the organisation needs to focus on is building on staff ability to recognise these moments of truth as the time when customers are forming their perception of the service. Staff should focus their service to create a positive customer relationship during those moments.

A customer's emotional energy is high and fragile when they are faced with difficulties in gaining satisfaction from their transaction. It requires delicate handling of that moment to put the customer's emotional needs first and to cater to them to achieve a positive outcome.

## Customer difficulties

Regardless of an organisation's best efforts at building positive relationships and providing excellent customer service, you cannot please all of the people all of the time.

A customer may face difficulties for any number of reasons. These could be:

- administrative errors such as incorrect invoices or prices
- damaged goods or goods not delivered
- products not delivered on time
- service errors
- difficulty accessing services
- specific e-business problems and issues such as:
  - inactive links
  - not appreciating differing hardware and software
  - services not available
  - time taken to access services
  - unfriendly website design
  - website faults
- warehouse or storeroom errors such as incorrect product delivered.

Regardless of what causes the difficulty the overall appraisal of the service is negative if this situation is not handled efficiently by customer service staff. When a difficulty is faced the customer reaches a moment of truth causing dissatisfaction.

If the customer continues experiencing negative emotional energy he/she will then make the decision to complain or to walk away and take his/her business elsewhere.

It is important that organisations encourage their customers to complain as this provides an opportunity to continuously improve customer services and ensure the organisational goals are met. It diffuses the negative emotional energy slightly and gives an opportunity to completely transform the experience into a positive one when the complaint is handled well.

## Section 1

A complaint provides opportunities to:

- help customers
- understand customers
- correct procedures
- understand products
- retain customer loyalty
- meet organisational goals.

If a customer feels that their complaint is not handled well by the organisation they have the option to take the matter further and contact an external agency such as the Ombudsman or Department of Fair Trading. It is far better for the complaint to be handled efficiently at the organisational level than for it to develop to the point where external agencies are consulted.

Adequate staff training in conflict resolution management techniques should be included in all professional development for staff who deal with either internal or external customers.

## Customer complaint procedures

When a customer faces a moment of truth that causes them to complain, the customer service representative should follow a basic outline to handle the complaint.

- Give the customer full and undivided attention.
- Listen effectively and use appropriate body language and verbal questioning.
- Acknowledge that a problem exists.
- Apologise empathetically.
- Resolve the complaint.
- Thank the customer for the opportunity to improve the service.

This system develops the human element to the customer relationship as a rapport is rebuilt between the complainant and the customer service representative. If the customer feels their complaint is being dealt with respectfully they will change their negativity to a more positive outlook.

A good complaint handling system will utilise the **Australian Standard ISO 10002:2004 Customer satisfaction: Guidelines for complaints handling in organisations** as a guideline and will develop after consultation with all relevant personnel. Consultation is important. Ideas should be gathered from employees, suppliers, management, etc. as they are the individuals or groups who are most affected by any customer complaints.

Consultation provides these individuals or groups with opportunities to enhance not only the organisational reputation but also their individual job satisfaction and security.

## Australian Standard ISO 10002:2004

Customer focused organisations are guided in the design and implementation of an effective and efficient complaints handling process by this standard. The standard was introduced in an attempt to benefit organisations and their customers by giving a set of principles to aid in complaint management procedures.

It covers 11 main principles:

1. Visibility	Provision of information about where and how to complain should be visible to all staff and customers.
2. Accessibility	Provision of information about where and how to complain should be readily accessible to all staff and customers.
3. Responsiveness	Each complaint should be acknowledged immediately and responded to courteously and with progress feedback given to the complainant.
4. Objectivity	Each complaint should be treated with equitable, objective and unbiased attitudes.
5. Charges	There should be no charge to the complainant for complaint handling procedures.
6. Confidentiality	Any information gathered about the complainant should be available when needed, but only for the purpose of addressing the complaint. It should not be disclosed to any other parties at any other time.
7. Investigation of complaints	Every reasonable effort should be made to investigate the complaint fully including all relevant information and circumstances concerning the complaint.
8. Customer-focused approach	Organisations should be committed to resolving complaints and should show this through an open customer focused approach.
9. Resolution of complaint	After investigation the organisation should offer the complainant a response as soon as the decision for resolution is taken.
10. Accountability	An organisation should ensure complaint handling responsibilities and accountabilities are established and communicated to all involved.
11. Continual improvement	Continuous improvement of complaint handling procedures should be a priority of the organisation.

# SECTION 2: HOW SATISFIED ARE YOUR CUSTOMERS?

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## Satisfaction levels

Bill Gates, owner of Microsoft, once said:

*Your most unhappy customers are your greatest source of learning.*

It is true that an unhappy customer usually does not complain, but takes his business elsewhere. The customer who complains is giving the organisation an opportunity to rectify the situation that caused the complaint and retain him/her as a customer. Retention of complaining customers is a major tool in business growth.

But what of the customers who do not complain? They tell their friends, family and acquaintances about their unhappy experience and distinct lack of satisfaction with the organisation, thus taking potential customers away.

Customer satisfaction levels are self-measured by the customer and are in direct relation to their expectations. As the quality of service delivery is enhanced, satisfaction levels rise.

Provision of basic and expected service delivery should be the norm for all organisations but for those organisations that wish to retain and gather new customers, service delivery should be lifted to meet desired and unexpected customer satisfaction levels.

When customers are lost due to poor service delivery an organisation has little hope of wooing them back. Ongoing monitoring of customer satisfaction is crucial to prevent recurring customer loss and to understand why the service delivery failed to meet the customer expectations and thereby satisfy their needs.

Monitoring can take place at any time but to be effective and to output valid results, a regular pattern should be established. This could be daily, weekly, monthly or at other specified time periods according to the organisations requirements. This constant evaluation leads to continuous improvement in service standards and helps to raise customer satisfaction to the desired and unexpected levels.

Organisations can measure customer satisfaction by evaluating customer expectations using reliable methods to gather verifiable data.

## Verifiable evidence

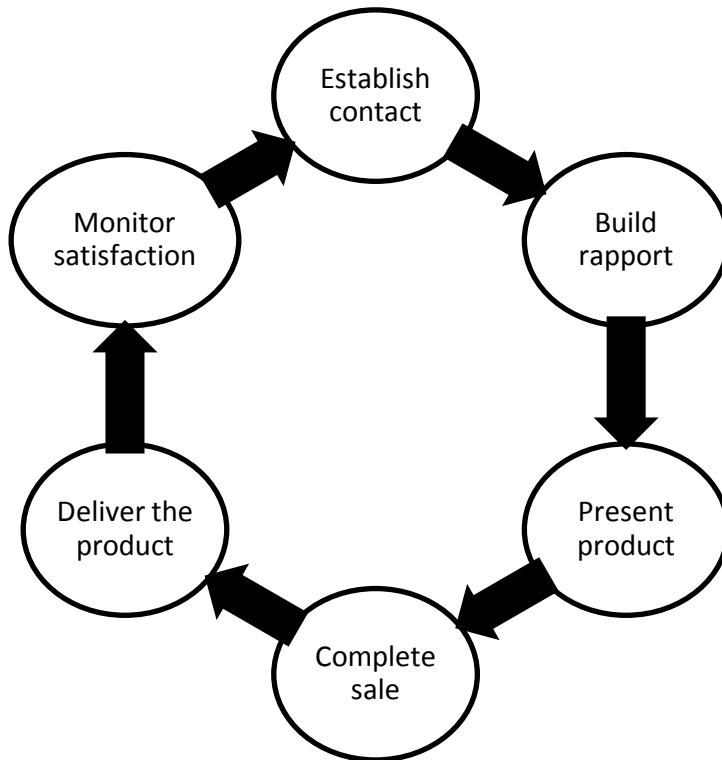
But how does the measurement take place? Firstly, it is understanding the concept of verifiable evidence.

Organisations collecting verifiable data to gauge customer satisfaction are separating their subjective opinions of their customers from their analysis and are relying on facts to guide them in making decisions which will affect both the customer and the organisation.

What an organisation sees as great service delivery may fail to meet the basic needs and expectations of the customer's idea of quality. The customer is using **subjective** means to evaluate service delivery but the organisation must use **objective** means to collate information to analyse what causes changes in customer satisfaction.

## Organisational service delivery cycle

Whilst the customer is undertaking the journey towards expected satisfaction, the organisation also has its own cycle of service delivery that takes place during, and forms a major part of, the customer's journey. This is the actual service delivery plan that customer service representatives are heavily involved in. All staff involved in customer contact must be trained in the most appropriate way to follow this cycle to uphold the organisational commitment to providing excellent customer service delivery.



When a breakdown occurs in any stage of the customer journey or the service delivery cycle actions need to be taken to rectify the problem. Before any action plan to address identified problems can be implemented an understanding of the problem that has arisen during the customer service delivery journey has to take place. Knowledge of where the problem sits during the customer journey and what causes the problem to eventuate requires ascertaining the full implications of the problem to both the customer and the organisation delivering the service.



## Identify and consult with stakeholders

In a customer service situation there are traditionally particular stakeholders who are consistent across most organisations. The reasons these stakeholders are consulted vary depending on their role in the customer service cycle.

Stakeholder	Reason for consultation
Customer service staff	Customer service staff are the people who will ultimately deliver the changes to the customer. They are facing the customer and enhancing their experience at the most basic level. Their knowledge of customer interactions is most valuable as they deal with customers on a day to day basis.
Supervisors/managers	As leaders of teams of people, supervisors and managers exert a large amount of influence on the staff they are in charge of. A good manager not only leads by example, but also evaluates the performance of his team and can identify where problem areas may develop. They understand the processes and procedures currently being used and so can provide input into the impact that any change may bring.
Senior management	Senior management approve budgets and ensure organisational mission statements and values are upheld. Approval is needed from senior management for any changes made to an organisation, particularly when it involves the strategy to provide service to their most valuable assets – the customer.
Customers	Consultation with customers for feedback on current service practices allows for verifiable evidence to be built into the change decisions. Customers could be consulted on any number of issues including how they feel about proposed changes. Their feedback would provide a basis for evaluation of the possibility of positive or negative outcomes if the change is implemented.
Secondary stakeholders	Any decision made to change a service strategy that involves a secondary stakeholder, should include consultation with that group or individual. These could include delivery drivers, warehouse staff, marketing teams, postal services. Changes that involved these stakeholders may not be possible without cooperation of that group or individual.

The aim of all consultation is to gauge the level of acceptance a change may bring about to any particular stakeholder. If acceptance is reserved, problems with implementation may result. If a stakeholder expresses a concern during the consultation process and that concern is evaluated and resolved in the final proposal, the stakeholder feels empowerment that their opinions were valued by the change management team and their commitment level rises.

The result of the thorough investigation before delivery of the final strategy changes fosters acceptance by all who had input by consultation.

# Evidence requirements

## Critical aspects of evidence

The following evidence is essential to demonstrate competency in this unit:

- identifying needs and priorities of the organisation in delivering services to customers
- responding to and reporting on customer feedback
- designing strategies to improve delivery of products and services
- knowledge of the principles of customer service.

You will be required to complete:

- all exercises in workbook
- all questions in assessment task 1
- all questions in assessment task 2
- or a combination of these as instructed by your trainer/assessor.

Element	Performance criteria	How will the evidence be gathered?
1 Advise on customer service needs	1.1 Clarify and accurately assess <b>customer needs</b> using appropriate <b>communication techniques</b>	Exercise 1 Assessment tasks 1 and 2
	1.2 Diagnose problems matching service delivery to <b>customers</b> and develop options for improved service within <b>organisational requirements</b>	Exercise 6 Assessment tasks 1 and 2
	1.3 Provide relevant and constructive advice to promote the improvement of customer service delivery	Exercise 9 Assessment tasks 1 and 2
	1.4 Use <b>business technology</b> and/or <b>online services</b> to structure and present information on customer service needs	Exercise 3 Assessment tasks 1 and 2

Element	Performance criteria	How will the evidence be gathered?
2 Support implementation of customer service strategies	2.1 Ensure customer service strategies and opportunities are promoted to <b>designated individuals and groups</b>	Exercise 8 Assessment tasks 1 and 2
	2.2 Identify and allocate available budget resources to fulfil customer service objectives	Exercise 7 Assessment tasks 1 and 2
	2.3 Promptly action <b>procedures to resolve customer difficulties</b> and <b>complaints</b> within organisational requirements	Exercise 2 Assessment tasks 1 and 2
	2.4 Ensure that decisions to implement <b>strategies</b> are taken in consultation with designated individuals and groups	Exercise 8 Assessment tasks 1 and 2
3 Evaluate and report on customer service	3.1 Review client satisfaction with service delivery using verifiable data in accordance with organisational requirements	Exercise 4 Assessment tasks 1 and 2
	3.2 Identify and report changes necessary to maintain service standards to designated individuals and groups	Exercise 9 Assessment tasks 1 and 2
	3.3 Prepare conclusions and recommendations from verifiable evidence and provide constructive advice on future directions of client service strategies	Exercise 9 Assessment tasks 1 and 2
	3.4 Maintain systems, records and reporting procedures to compare changes in customer satisfaction	Exercises 5 and 10 Assessment tasks 1 and 2