

The Great Quality/Listening Connection

To accurately measure the quality of the company's products and service, what is the first step management should take? That depends on the company's primary goal. Most managers want to focus on eliminating mistakes -- to minimize customer complaints.

The basic tool for that is a customer satisfaction measurement. That's because the only real definition of quality comes from the end-users of the company's product or service.

Management must first identify different customer segments -- current customers, past customers, prospective customers, big customers.

Survey each customer group for three things.....

- What is important to them?
- What do they expect from a world class company?
- What do they think of your company's current performance?

The goal is to close the gap between current performance and what customers expect. And the information customers give about what's important to them helps set management priorities.

What's the best way to conduct these surveys? Start inside the company. Analyze what you already know or think you already know -- about customers. Then move to some in-depth personal interviews or focus groups with customers.

With the information from the focus groups, design a questionnaire. The questionnaire depends, of course, on how many customers the company has. Companies that sell only to other companies and have very few customers will use in-depth questionnaires, designed to be conducted one-on-one. They will differ from questionnaires designed for a survey of hundreds or thousands of customers.

For very important customers, personal interviews in the customers' own offices are best. It can cost \$100/hour or more for a highly skilled interview -- and setting up and doing that interview might take half a day or more.

Telephone interviews cost around \$10 each.

Sometimes, mail interviews work well. Mail is good way for internal departments of a large corporation to do research with "in-house customers" they serve throughout the company.

How do you set a baseline from which to measure improvement from such surveys? By including quantitative questions -- questions such as, How satisfied are you with our company's service -- on a seven point scale?....

How would you rank the courteousness of our employees -- on a ten-point scale? A year later, or after you've made some changes you hope were improvements, go back and ask the same question on the same scale and see if there was change.

How are priorities set for improvements to be made? The two key factors are what matters most to customers... and the gap between what customers expect and what the company delivers.

The top issues in these two categories give management a clear guideline on where to focus improvement efforts.

Managers must, however, carefully sort out these priorities because most companies wind up with more so-called priorities than they can handle.

But, how can the company continually measure change without imposing on its customers? Make the questionnaire as easy as possible.

Example: One stationery company attaches a card with each shipment. The customer is asked to tear off the card and indicate when the shipment actually arrived to activate the guarantee against damage. That card gives the stationery company information on how long truckers take to make deliveries – something it never knew when it just measured the time the shipment left its loading dock. The company also asks another question or two on the card about the packaging, which is also important to customers.

Companies attempting to measure improvements in handling customer complaints can set up a system to keep track of any complaint by any customer about anything the company sells. When the company believes it has closed the case, it contacts the customer by phone or mail to ask: How did we do? Is the outcome everything that you wanted? If it isn't, the company re-opens the file. The company also maintains a data base of information on the nature of the complaint, who handled the complaint, how long it took to take action and what action was taken so it can analyze this data and prevent future complaints.

How are improvements measured once a company is headed in the right direction? Most problems are caused by more than one department. It therefore makes sense to build teams of people from different departments, charged with the common goal of eliminating mistakes to boost customer satisfaction.

Set deadlines and milestones for the team s. The team members must understand that quality is not something outside their regular jobs...this is their job. They must be held accountable.

Team members should also develop ways to measure their improvements. And a team leader must be held responsible for the team's results.

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