

The Employee/Customer Link

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INTRODUCTION

Rapidly changing customer needs and adoption of new technologies, combined with increased pressure on short-term financial results, has forced companies to look for a model that aligns business priorities with those of employees, customers and stakeholders. The one element that most influences the ability to deliver sustained results is the culture you create for your organization linking employees and customers.

The challenge of many executives is how to deliver both an improved customer experience and improved financial metrics. To address this, many executives and managers turn to cutting costs and headcount or increasing pricing to achieve the necessary results. But this tends to ignore the importance of employees as the most effective means they have to deliver both a defined customer experience and sustained business improvement.

Traditionally, organizations have addressed the customer experience in two ways:

1. They look at customer experience from an internal perspective using silos. When this happens, many managers look at how they can reduce their costs and improve or change processes based upon their internal knowledge. Each business unit focuses on their respective departments and begins to make decisions on how they can reduce costs, change or improve processes. Unfortunately, this is done without taking into account how their decisions may affect other parts of the organization or, most importantly, the customer.

2. They look at customer experience from an external perspective. These organizations collect and use customer survey data, yet the majority use this customer feedback to improve processes or change policies. The risk of this “outside-in” view is it can cause havoc in an organization if employees aren’t aware of and involved with the changes.

THE EMPLOYEE CONNECTION

Regardless of the approach – internal or external – each ignores the most important element in delivering a memorable customer experience, creating loyalty and improving financial performance: Employees. An organization’s employees impact every aspect of the customer experience, which makes it imperative that employees are part of the process to plan, implement and sustain a successful customer experience.

To maximize the customer experience through employees, companies need to apply the same rigor and strategic thinking to employee engagement as they do to their customer and business strategies. Linking customer and employee engagement isn’t an event or project, it’s an ongoing strategic imperative. There are three steps involved in building an employee engagement strategy that translates into a positive, productive and profitable customer experience.

1. BUILD AN INTENTIONAL CULTURE

Build an “intentional” culture that links what employees do everyday to the principles and goals of the company. This is an often overlooked or missed step when defining the enterprise (i.e., employee, customer, channel partner, community, etc.) experience.

Revisiting the company’s Vision and how the key elements of an operation all deliver on the Vision helps to align the organization and empower employees to make decisions based upon common principles and a thorough understanding of how their actions will deliver on the brand promise of a company.

2. INCORPORATE THE VOICE OF THE EMPLOYEE

Develop a consistent approach and strategy to identify the key drivers of your most engaged employees. The most efficient and cost effective way to establish a robust VOE program is to use an enterprise feedback management tool and platform.

Within many organizations, silos exist and surveys are conducted from multiple departments – marketing, HR, corporate communications, customer service – and rarely is data consolidated into a centralized database that can appropriately analyze and identify critical trends that impact engagement.

Adopt technology that will enable you to listen, collect, analyze and report on the key insights of engagement that most influence your customer experience and your business metrics. There are a number of methods for collecting feedback, including:

Voice. Essentially an online feedback submission form for collecting unsolicited employee questions, concerns and suggestions. This closed-loop channel is available 24/7/365. Each suggestion, complaint or compliment is categorized and managed within a centralized platform that tracks and aggregates the data.

This allows you to respond to employees, delegate responsibility to the person accountable and track the time to resolution or action. Along with submitting input, employees are also prompted to complete an employee engagement survey. This allows you to monitor the pulse of the company's culture and take intentional actions to positively shape and manage that culture. Most importantly, this step assigns an engagement score that allows you to track and correlate employee engagement to customer engagement.

Pulse. At least twice a year, conduct a more thorough engagement survey using driver and outcome questions, as well as customer questions relevant to your business. This type of survey ensures an accurate picture of your culture and engagement. Again, focusing on employees is a key factor in creating and maintaining a positive customer experience.

Involvement. This includes monthly roundtables with a cross-departmental representation of employees, daily leadership visibility, personal contact and involvement. In addition to collecting and analyzing data and feedback, infuse your program with direct relationships that are created with one-on-one, in-person interactions.

A great example of employee Involvement is the creation of an "Ambassador Team" whose members represent their peers. This team meets monthly with management and helps prioritize the suggestions and insights from VOE and VOC data. Consider holding a quarterly company-wide meeting to share employee engagement trends and discuss what actions or changes are needed to further support a positive customer experience. Share actual customer comments and experiences and role play how those scenarios could be improved.

3. LINK EMPLOYEE ACTIVITY TO BUSINESS OBJECTIVES

The final step in developing the customer/employee link is to identify metrics that connect employee activity to business objectives. There are several business outcomes that you can tie directly to employee engagement:

- productivity
- retention/turnover
- employee satisfaction
- quality
- sales

...which directly influence customer experience measures like NPS, customer satisfaction and revenue-per-customer, as well as the following business metrics:

- cost-per-sale
- cost-per-call or interaction
- sales conversion rate
- reduced operating costs
- margin
- CLV (Customer Lifetime Value)

Sustaining business performance requires a constant review of engagement drivers and metrics, as well as a constant review of processes. Without a thorough understanding of what employees do everyday and how it impacts the financial health of the business, you'll create an environment that may be a great place to work, but you'll find yourself quickly losing customers, efficiencies and money.

1. Enterprise Brand. This means defining the attributes of the brand so every department, division and employee has a clear understanding of who the company is and what it stands for. Understanding the attributes of the enterprise brand empowers employees to make sound decisions. Every employee is responsible for understanding how their actions and behaviors deliver on the brand attributes and principles of the company. Whether customer-facing or not, each person can influence how customers perceive the brand.

2. Communication. Communication plays a pivotal role in linking what employees do everyday to the impact they're having on customers and how they're contributing to the overall performance of the company. The purpose of communications is to be transparent in sharing information – the good, the bad and the ugly – as well as to provide customer, employee and personal examples of how to put values into action. This may include a discussion on one of your principles or values or an example of living your values. It should include the status on the key objectives for the year, how the metrics are tracking to meet goals and highlight employees and how they're making a positive difference with customers.

3. Training. Investing in your employees by providing training on new skills and capabilities shows you care about their success. It keeps everyone up-to-date on the knowledge, tools and skills they need to deliver your defined customer experience. Training is also a great resource for delivering leadership skills. One of the most important determinants of employee engagement is the relationship people have with their direct supervisor or manager. Providing leadership training and coaching skills is critical. Continuous leadership education has proven to help improve employee engagement, develop confident and successful customer interactions.

4. Innovation. Develop a process for employees to share new ideas and concepts. The process should capture and categorize ideas into three segments: Core, Extension and Innovative. By providing a structure and channel for employees to submit ideas, they'll begin to feel invested in the success of the business. As with any program, it's important to provide feedback on the status of ideas and where they are in the process.

5. Rewards & Recognition. This is an important factor in making employees feel valued and appreciated. Rewards and recognition should go beyond financial incentives and also focus on recognition by peers, company leadership and customers. See Chapter 18 for more on Rewards & Recognition

6. Measurement. Employee engagement is measured in several ways: employee loyalty scores, employee satisfaction, retention and productivity, just to name a few. It's important that these key metrics are communicated to employees so they understand the impact and the outcome of their behaviors, actions and decisions on the overall customer experience. See Chapters 21 and 22 for more on Measurement and Data

A CRITICAL FACTOR

Forward-thinking organizations now understand that employee engagement is a critical factor in delivering a positive and productive customer experience, in turn making it one of the leading indicators of sustained financial performance. This means employee engagement can't be developed in a vacuum. Linkages need to be examined and analyzed. Connections have to be nurtured and maintained. Remember: Customer engagement begins and ends with your employees.