# How to Make Customer Service Work

**From the Viewpoint of Arizona Managers**

Christine Gibbs

If the 1960s were the era of marketing and the 1980s the era of quality initiatives, then the 1990s are the era of customer service. While the emphasis and evaluations of success may have focused on the private sector, local government approaches also are ongoing. Beginning well before the quality movement, through the training of front-line employees, the *customer* now has become the focal point for more systematic approaches to improved management and service levels.

Given the slogans, speeches, ad campaigns, and annual reports, it seems that there is not an organization in the United States or perhaps the world that has not rededicated itself to or launched some program oriented to the customer over the past several years. In the public and nonprofit sectors, continuous management improvement and reinvention initiatives often have focused on the community as a customer or on identifying and effectively responding to internal customers.

In spite of this passion for reinvention, research suggests that in general the consuming public is becoming less satisfied with many of the products and services it receives—particularly from local government. The reason government service generally is perceived to be poor, with a few notable exceptions, is simple: it is not necessary for government entities to give good service. No such survival factor exists for managers of public enterprises, as exists for managers of commercial ones. If a hotel gives lousy service, the customer will stay elsewhere. But seldom does a government organization, regardless of its charter, have

any compelling reason to serve.

In most cases, with government there is no *elsewhere*, even at a time when contracting out and privatization of services have become real implements in the local government manager's toolbox. Anyone who considers the far-reaching consequences of government's permanent guarantee of existence, the lack of any force in its environment that might threaten its survival, will begin to grasp how completely this sense of indifference penetrates all the nooks and crannies of many cities and counties. It becomes an all-pervading cultural norm to which all but the most highly motivated and idealistic employees succumb eventually. Getting a city or county to be customer-driven and service-oriented is rather like teaching an elephant to dance.

## Short- and Long-Term Payoffs

Yet the opportunities, the responsibilities and the payoffs of providing service-oriented operations are enormous, and they are increasing. There are short-term payoffs in terminology and measurement when the time comes to respond to or evaluate privatization proposals. There also are longer-range payoffs if we are to believe, as the private sector does, that simply satisfying customers is no longer enough.

Frederick Reicheld (1993) and others have found that between 65 and 85 percent of customers who switch from one product or service to another will state that they were satisfied with the product or service from which they switched. A corollary response may have been expressed by voters on November 8, 1994, when they failed to reelect two of the most popular governors ever to have held office, Mario Cuomo and Ann Richards.

The prospect that all levels of government could put service first is not only exciting from a citizen's point of view but also tricky from a manager's standpoint. After all, systems often are the enemies of service. Many of the problems of poor or mediocre service originate in the systems, procedures, policies, rules, and regulations that government is in the business of providing to ensure consistency and constancy. As Edwards Deming has preached, too often front-line people are blamed for poor service when the real problem is the system itself.

To improve customer service, cities and counties must be willing to rethink the system to determine how to provide exceptional, equitable, and reliable services. But what does "rethinking the system" mean? How are customer service initiatives really working in cities and counties? To find out, the author surveyed 97 local government managers in Arizona and asked them how their organizations had approached improving internal and external customer service. Respondents were asked what had been successful and unsuccessful in their efforts to improve customer satisfaction. They also were asked to name one thing they would do to improve customer service in their organizations.

## Managers' Conclusions

The results of the survey were discussed at the midwinter conference of the Arizona City/County Management Association. Following is a summary of the conclusions that were reached.

**Customer satisfaction as an important organizational value.** Regardless of the size of the organization or community, 85 percent of the managers felt that customer service was extremely important, and 68 percent believed that their organizations were effective but not necessarily exceptional in this area. Managers who felt that customer satisfaction was a function of either budget or work-force size were small in number, as were those who felt that customer satisfaction could be achieved simplistically by "moving a few citizens to another town."

How important is customer service to the success of a local government or a manager? Very, according to almost everyone. In the words of Pat Sherman, city manager of Show Low, Arizona, "The greatest technician or most professional manager cannot successfully implement a city's mission without having good customer relations skills."

Responding rapidly to citizen complaints and providing citizens with good information were seen as the most important ways to improve customer service. In fact, 38 percent of managers had in place systems that responded to complaints at the time of service. Important to the ability to respond rapidly with good information is the capacity of front-line employees to:

- Deal with one person at a time.
- Resolve customer complaints by offering immediate results.
- Tell customers what can be done for them and not what cannot be done for them.
- Let customers be in charge of their own situations by offering several options to choose from.
- Use policy and procedures as guides to resolving the complaint, not as excuses to say "no."

Providing rapid responses and good information depends upon well-trained, well-informed, and empowered front-line employees. The front-line worker must be committed to providing positive customer service and to constant improvement, and the worker constantly must be trained and retrained, not simply in technical skills but in dealing with customers. Unfortunately, Arizona managers felt that in these areas their programs faltered.

When asked about the one thing

they would change about the way their organization approached customer service, respondents mentioned the need to improve employee attitudes about customers and to provide workers with the tools to do their jobs.

Most managers cited the need to train employees to value differences and customers and to be problem solvers; the need to develop systems that allow employees actually to solve problems; and the need to listen better and to make employees respect citizens as customers and as owners.

**Not just training but the right kind of training.** In the words of one small-town manager, "We need to spend more resources on training staff and fewer on dealing with unnecessary complaints." The kinds of training provided were viewed as important to the effort yet lacking in substance. "Smile" training was mentioned time and time again as an example of the kind of customer service training that is ineffective either in changing employee behavior or in improving customer satisfaction.

This may be because those training programs are too simplistic or are outdated in today's environment. Or it may be because effective customer service requires front-line employees to weigh options, discriminate among complaints, and be resourceful. Just as author Shoshana Zuboff, in her book *In the Age of the Smart Machine,* painted a remarkable picture of supervisors who were having difficulty with the idea of workers looking at computer terminals and thinking, so too did city and county managers sometimes find it hard to accept that adding value to a service requires workforce engagement. Workers need to know how to define customer satisfaction within the context of a request, how to say "no" as well as "yes" to unreasonable requests, and how to use humor to diffuse difficult situations.

The logic of front-line worker im-provement is plain. In an environment that is constantly changing, no organization simply can pass the papers up and down, back and forth, again and again, and still keep up with demands. Technology can help with keeping up, but the human side of the equation is even more demanding and time-intensive than the technological. And yet training must be justified. In the words of Pat Sherman, city manager of Show Low, "Training may not be as effective as simply hiring the right people. The most important thing for a smaller, rural community to do is to hire people who have customer service skills to start with."

**Changing attitudes through management support.** While it is true that managers do not control the quality of the product when the product is a service, service improvement starts at the top, and managers must "walk the talk." As one manager urged, "Put into action all the words we say." In Arizona, local government managers, like senior managers in the private sector, do not always follow through in their support for what must be done to improve customer service programs in terms of program changes, training, or employee incentives. The customer-city/county relationship is essentially a human one in which managers can affect the quality of service only indirectly, by inspiring and motivating the people on the front line.

Many managers do not realize how important their behavior is to outcomes. Research and practical experience demonstrate that a universal commitment to high-quality service does not ignite spontaneously in the organization. It must originate from the center of influence, which is usually the manager as well as the elected officials. If these personnel believe in service as an artform, they will demonstrate that belief in more ways than simply talking about it. Managers agreed with Karl Albrecht when, in his 1988 book *At America's Service,* he counseled: "I am occasionally asked: What does it take for a government organization to become really service-oriented? Who or what can supply that incentive? I always answer: Somebody in charge has to care! Because the government organization typically has no competitive wolves at its heels, it has no internalized compulsion to make a hit with its customers. Therefore, the only way to wake it up and put it on the right track is for the person in charge to become obsessed with the idea of service and service management and to take concerted, aggressive, long-term action to transform the culture."

**Not just answers but organizational approaches.** With restricted budgets, multiple responsibilities, and programs staffed increasingly with volunteers and part-time employees, it is no wonder that customer service initiatives often fail to connect internal with external improvement programs into an organization-wide effort. Nor is it surprising that managers become discouraged, letting both internal and external efforts languish and later quietly noting that the efforts have faded away as failures.

Local governments in Arizona may have done a good job of tracking customer satisfaction (60 percent) and following up with customers (35 percent), but they rarely integrated the feedback into their briefing of the management team (20 percent) or used it to alter the program or service (22 percent). And they were far less likely to use such feedback to update their strategic plans (1 percent). Cities and counties indicated that they tended to focus their efforts on external customers (58 percent), with few respondents linking effective customer service to both internal and external efforts.

Today, many local governments are beginning to understand that without an overall organizational

focus and without total commitment to the customer, customer service initiatives soon grow stale. This means looking at organizational values and calibrating them to the customer, as compared with other priorities that may have become dominant. In the private sector, this "other priority" may be short-term profit. In local government, other priorities may involve maintaining last year's service levels across the board in terms of the number of full-time employees.

"While moving toward exceptional customer service is always a long, slow process, many communities know that there are high expectations for services to be delivered not only competently but creatively," noted John Little, organizational effectiveness administrator for the city of Scottsdale. In these cities and counties, citizen innovation leads the way, and the challenge to the manager becomes that of exploring ways in which both the quantity and quality of services can be improved. For Scottsdale, having a City Hall on the Mall is working, and, most important, the idea originated with a citizen's suggestion.

It is up to the manager and the community to decide what kind of an organization, in terms of customer satisfaction, everyone wants to be part of. Is it one that is simply present and accounted for? One that is making a serious effort at rethinking its image with customers and the organizational focus that must follow? Or an organization that sees service as an artform in which there is an obsessive, unrelenting commitment at all levels to the doctrine of maximum positive customer impact? For those who want to do more than simply show up, Gary Brown, deputy city manager of Tempe, summarized the advice that Arizona managers found important: .

- "Go beyond looking simply at one department's response to customer needs. Look at how the

whole system reacts to community needs.
- "Keep track not only of complaints but also of customer needs, wants, and vision.
- "Design reward systems for employees so that those who do well are identified and rewarded." For everyday behavior, this does not mean meeting unrealistic demands. But it does mean greeting the customer positively, using direct eye contact, listening intently, being assertive about what can be done, being sensitive to the customer who has difficulty in communicating, and not passing the buck!

For organizational behavior, greater customer satisfaction means creating and expanding programs like the city of Tempe's Cash Bonus System. In Tempe, any employee who finds a better way, whether through customer service or innovative program design, can be nominated by a fellow employee to receive recognition and cash rewards. In the final analysis, as Tempe's Gary Brown suggests, we need not only to serve our customers but also to work with them in designing solutions for our communities' problems. **PM**

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