



TenStep Supplemental Paper

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Evolving into a World Class Organization

The old cliché that “the customer is the king” has become the catch phrase in today’s business world and is now regarded as a mantra for success. Power has slipped from the manufacturers’ hands into the customers’. Mass customization, massive investments in Customer Relationship Management (CRM) systems, one-on-one marketing and growth of consumer power are strong indications of this. Unfortunately, very few organizations have developed a competent model that will ensure success in the customer-driven market.

The Customer is the Heart of Business Improvement

Over the years, large companies, in their struggle to become globally competitive, have adopted various business improvement models. These models, ranging from Continuous Improvements to Total Quality Management to ISO 9000 to Six Sigma gave increased the priority of the customer.

At the core of the Quality movement lies mechanisms for capturing and acting on the “voice of the customer.” Similarly, many leading business organizations see “proactive customer service” as the key to success in the emerging discipline of CRM. Despite all these efforts, the completely “customer-centered” business model has failed to emerge. Two key reasons for this are examined below.

The “Never-Satisfied” Customer

It is now the era of over-supply and ever-tightening competition. This has led to increasingly sophisticated customer demands that suppliers are slow to catch on to and struggling to meet. This contradicts the customer attitudes that existed a few decades ago, when limited choice, inertia and innate conservatism led to customer loyalty. Sophisticated and increasing customer demands are one of the main reasons for the failure of many organizations to achieve world-class status.

Customer Services is not Just an Add-on Department

Another reason for the very small number of world-class customer-centered organizations is the fashion in which customer service and consumer affairs departments have evolved in the post World War II economy. A decade ago, customer service was essentially viewed as a “bolt-on” department, a corporate apologist that was not included in product development, manufacturing, operations or sales.

In the past, whenever a customer was dissatisfied with a product or a service and complained about it, the feedback was shunted into the complaints process, never to surface again. Such an attitude is detrimental when evolving into a customer-centered organization.

Customer-centered 21st Century Excellence



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Business excellence is defined and can be achieved by a combination of “the 4e’s and the 4p’s.” In simple terms, business excellence refers to:

- **Excellent people**, who establish
- **Excellent partnerships** (with customers, suppliers and society) to achieve
- **Excellent processes** (key business and management processes) to produce
- **Excellent products** that not only satisfy customers, but delight them.

Recent market trends have seen the shifting of power from the manufacturers to customers. Yet, industry experience shows that in spite of this focus, very few organizations have succeeded in evolving into a customer-centered organization, which is crucial for success and growth in the 21st century.

Design the Customer Experience

A common misconception is that design is for products, and service is about soft “feel good” behavior like smiling and greeting customers correctly. This idea needs to be overcome and designing services should be emphasized. Designing services includes mapping workflows to ensure that there is a complete continuity in the process of customer contact and follow-up. This should be done to ensure that customers receive the desired feedback at the earliest time possible. All forms of communication by a customer (letters, emails and phone calls) should be recorded, tracked and followed up.

An example of a designing service is the Three Ring Service Model that ensures that a consistent customer experience is “designed in.” The inner circle of the three rings is the core product; the middle circle consists of management-led enhancements like training of employees, and the outer circle consists of “little individual touches,” spontaneously delivered by the staff, that lead to customer satisfaction.

Another way to use design services is for continuous testing. A company can introduce small-scale tests for new services and abandon them if they do not please customers. If the tests prove successful, the company designs service enhancements to improve the services further.