



TenStep Supplemental Paper

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Managing Customer Satisfaction

One of the most talked about challenges for companies in both the private and public sector, customer satisfaction, is now the heart of every mission statement and the ultimate goal of many company's strategies. In today's advanced business world, being customer focused is crucial. However, it should be more than just a statement on paper. Companies need to prove their customer focus through their deeds and actions.

This implies that:

- The statements about being customer focused have to be thoroughly examined with regard to appropriateness, the degree of seriousness, and commitment from people involved at various levels of a company.
- Customer focus is a statement of intent that indicates a company's willingness to challenge existing practices and embrace new concepts and management disciplines.
- The themes to emphasize should include serving customers to the best of everyone's ability, doing the right things on time, the first time, and the creation of new systems, procedures and guidelines.
- Customer focus involves hard work, patience and perseverance.

Industry experience shows that one of the most rarely asked questions when it comes to customer satisfaction is 'Who is the customer?' A company must identify all its customers. Often, external customers are the central focus and internal customers are left behind. True, the external customers drive business and pay for a company's goods and services. Hence, focusing on them is crucial and considered the right approach. At the same time, one must remember that internal customers greatly influence the quality of service finally delivered to the customer. They represent the value chain within the company and the levels of synergy generated greatly influences the quality of products and services. By ensuring involvement from all its employees, a company can identify weak links and work to overcome the defects.

Fostering a 'customer-supplier' relationship (wherein every step/activity within a company is performed considering the consecutive step/activity as a customer) at various levels in the company gives a better focus on quality, and all activities carried out will be of value. This eliminates misunderstandings, confusion, duplication of work, wastes and communication gaps between various units of a business.

Industry experts believe that customer satisfaction is often a misused expression. Many companies use it as an approach to state that customers are satisfied with the levels of services received/products purchased. Customer satisfaction requires discipline and should be based on real time information, measurements and regular communication. Companies should remember that customer requirements change with time and do their best to stay on top of trends. In addition to enhancing sales and profitability, customer



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satisfaction helps a company improve its corporate image and gain new customers through word-of-mouth.

Managing customer dissatisfaction by effective and efficient handling of complaints helps retain customers who arrive at their purchasing decisions based on previous experiences with a company. Today's customers show increased interest in understanding how a company fares by comparing it with its competitors or the best-in-class companies.