Customer service should be the most important part of any business plan

The global economic crisis over the past few years has had a significant impact on UK business across all industries. Fundamentally, companies have had to reassess both their strategic direction and how they communicate with their customers. Ultimately, this is not a time to hesitate, it is a time to act quickly and make tough decisions where necessary.

Any senior business leader will know the importance of leading from the top when thinking of making strategic changes to the way a business is run. Moreover, a new chief executive has the opportunity to not only lead from the front, but also to make one big initiative their own.

When I took over the leadership role at Communisis, I decided that my personal priority would be customer service. From my own experience I have seen the success that can come from really close alignment between suppliers and customers. Furthermore there is a proven link between customer satisfaction and profitability — research has shown that over a five year period, for every 1% increase in customer satisfaction there is a cumulative increase of 11.5% in net profitability.

But where do you start to turn the aspiration into reality and make your business more customer-centric?

The customer comes first
The problem with customer service is that many companies don’t really know how they are performing. Apocryphal stories are rife — ‘X customer really likes us’ or ‘we have some real issues with customer Y’, but there is no objective measurement to assess whether or not the issue has been successfully dealt with. To resolve this, the first step is to take the plunge and undertake an extensive third-party audit, speaking to all your key customers.

This may seem like a big commitment for your customers, but when we started this process we found that everyone we spoke to wanted to participate and welcomed the opportunity to help shape our future strategy. Carrying out a comprehensive survey sets a benchmark and gives you a realistic picture of where you are now, and how you can improve. A third-party audit is a significant undertaking and raises customer expectations. Many surveys fall at the first hurdle as there is no mechanism in place to action the feedback.

While there may be a few hot spots that need some urgent attention, we found that an effective way to handle the process was to create workgroups tasked with addressing the systematic issues raised in the research, not the granular ones. These groups consist of members from every area of the business and report directly to me. In this way we ensure that we consider the problem from all perspectives and get the involvement of other senior managers as appropriate to reach an unblinkered and workable solution which we are quickly able to implement.

As part of maintaining an ongoing commitment to running a customer-centric business, keeping the workforce up to date on progress and upcoming targets is absolutely essential. Discussing matters at board level is no use if the decisions made are not communicated effectively to those who manage the company on a day to day basis.

To ensure everyone understands what we are trying to achieve we have a structured communications programme which includes manager presentations and briefings, feedback forums, newsletters and a short film disseminating the initial results from the survey.

But the most important part of starting a review like this is to make an ongoing commitment to change. We have already decided to conduct our survey again after 18 months and in the interim we will continue to assess our company’s performance and identify areas for improvement to benefit our customers.

Pressures in the marketplace make customers even more demanding. I firmly believe that companies can differentiate themselves by continuously improving customer service. Customers want to work with suppliers that understand this and who can innovate to anticipate their future needs. As chief executive, my personal priority for 2011 will remain our ‘crusade for customers’ — as one colleague remarked to me recently “we know how important customer service is to you – it is tattooed on your forehead”.

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30-SECOND BRIEFING ON... CUSTOMER SERVICE

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