

17th June 2014

E-GUIDE

SETTING CUSTOMER SERVICE STANDARDS

Table of Contents

The application of this guide:.....	3
Introduction:	4
What will you learn from this guide?	4
What are Service Standards.....	5
Learning Activity – Examine your Service Standards	5
Lack of Service Standards.....	6
Importance of Customer Service Standards	7
Characteristics of Good Service Standards	8
Benefits of Good Service Standards.....	8
Steps for developing Customer Service standards	9
CUSTOMER SERVICE STANDARDS	13
EXAMPLES	13
RECEPTION	14
VENUE REGISTRATION SERVICE	15
HANDLING FACE-FACE ENQUIRIES.....	16
TELEPHONE ANSWERING	17

The application of this guide:

Every organisation strives for quality, consistency, efficiency and best practice. Service standards can help ensure your organisation is getting the best results and show you how to keep improving. Organisations that define how their customers are to be treated are giving their employees standards that they can be held accountable for. You can choose how structured you want to make the process.

There are customer-focused standards which address aspects of service important to the customer. They can be as straightforward as having organisational guidelines on how phone calls should be answered, or how to greet customers. These are managed in-house and are the main focus of discussions in this guide. There are service standards which are publicised as an organisation's commitment to service delivery. These types of standards are communicated publicly to both customer and staff usually accompanying the organisations' customer care policies and statements.

A good service standard is sensitive to the wants and needs of the customer, but also mindful that the standards must be attainable within existing resource, regulatory and policy constraints. The terms 'Service Standard' and 'Customer Service Standards' have the same meaning in this guide. Some service standard examples and templates have been included at the end of this guide. It is hoped that they will provide a useful reference for managers who wish to start developing Customer Service Standards for their workplace.

This guide deals with issues related to developing service standards in house. It outlines common concepts and best practices for successfully developing and managing service standards delivered to both internal and external customers. It defines service standards and describes a set of generic steps around establishing and implementing service standards in the workplace.

This guide is intended to be used by the following,

- Anyone responsible for efficient and effective service delivery
- Anyone responsible for directing customer service delivery
- Anyone responsible for making service improvements
- Anyone responsible for helping their team members know what they are to do and how to behave

Introduction:

How customers are treated is often the difference between organisations that succeed and those that fail. Poor customer care is expensive – it loses customers, potential and existing users of an organisations' products or services, and the hard-fought reputation of the organisation. Good customer care can benefit a company or organisation in various ways. It can lead to increased sales, increased profits, better reputation and customer loyalty.

As customers ourselves running our daily lives either shopping, going to the cinema, a restaurant or the local store, our expectations of the level of service we receive changes each day. Customers expectations are rising and we are becoming less tolerant of inconsistent or poor service. Organisations must be committed to improving the quality of their services to their customers. In today's world, nearly all organisations have some sort of customer service improvement initiative going on either on its own or as part of an overall organisational initiative. One key area to consider incorporating into any customer service improvement initiative is the introduction of service standards and employee training about best practices in customer service.

Customer service standards dictate the ways in which customers are to be treated and the best practices to be observed when interacting with customers. Having such standards in place and educating employees on acceptable levels and quality of service encourage repeat business and improve the overall service. Service standards provide a foundation for training. Effective training then helps prepare employees to implement the standards of performance to satisfy customers.

Some people think standards are only for big businesses, involve lengthy processes, significant costs and volumes of pages after pages. Not true, standards are what you choose to make them. Your Customer service standards are what set you apart from your competitors or other organisations. They are of paramount importance as they are the key foundational points by which your team delivers its customer care.

What will you learn from this guide?

- ❖ What are Service Standards
- ❖ Understand the importance of Customer Service Standards
- ❖ How to develop key standards for your workplace
- ❖ Who should be involved in Setting Service Standards
- ❖ Establishing and monitoring Service Standards
- ❖ Learn when to review and update standards

What are Service Standards

Every organisation strives for quality, consistency, efficiency and best practice. Service standards can help ensure your organisation is getting the best results and show you how to keep improving. They also demonstrate that you have processes in place to monitor and improve the quality and performance in the service you provide.

Service standards range from basic level to sophisticated systems which are externally benchmarked. In this context, Customer service standards simply refer to tried and tested best practice which you and your team can apply when delivering services to customers. As a manager or team leader responsible for customer service delivery in your organisation, you personally cannot be everywhere all the time, so you have to depend on others to help. They could be co-workers, volunteers, new starters, etc. How do you ensure they know what to do and understand the types of behaviours expected of them?

You have to show your staff what you want and the standards required of their performance. Customer service standards set out the expectations on employees in their work, and ensure that everyone is customer focused. They provide staff with a minimum set of best practice standards that they should apply to their work practices when dealing with internal and external customers. In particular, such standards provide a useful guide to staff on how to meet and exceed the expectations of all customers, whether they are individuals or from voluntary or private sector organisations.

If you find customers regularly complaining about your service or staff making lots of mistakes and you having to correct them or pick up the back end as the manager or supervisor, the chances are the problem may be as a result of undefined or nonexistent service standards. Such an environment leaves staff unsure of what to do or where to set the bar in terms of levels or quality of service.

Learning Activity – Examine your Service Standards

You may not have established service standards for your workplace or you may have them but they are not documented. How can you find out?

Unless your organisation is in internet retail, customers more than likely come into your workplace to obtain some kind of service. This could be to seek advice, use a conference room or find information.

- Put yourself in the place of the customer and walk through your service process from start to finish.
- Do this over two or three days.
- What was the experience like? Make a note of your observations each day.

Here are some example questions to ask yourself (they may not apply in all situations):

1. Are you greeted by staff on arrival?

Importance of Customer Service Standards

Whilst leaders and managers within public and voluntary service organisations are beginning to centre their efforts on customer satisfaction as a survival technique, they will not reach their goals of improved level and quality of service by letting customer service ‘just happen’. They must take actions such as setting service standards for their customer care teams. This can start as simple as setting internal customer-focused standards for staff, to well publicised customer care policies and statements.

Good service standards are based on a thorough understanding of who your customers are, what they need and/or expect from a product or service you provide. The Standards should be applied to all areas that have customers, whether they are internal or external. Service standards are integral to good customer service. The e-guide on Customer care for Frontline staff provides useful information on internal and external customers and how to identify customer needs.

As well as wanting to deliver service which meets customer needs, be realistic about resource and cost implications. Consider the expected levels of demand for regular day-to-day service operations. For example, a hotel might set standards for its sales team to respond to booking enquiries within 8 hours because it is open and staffed 24 hours a day. For a non-residential conference centre which is only open for 8 hours (8.00 – 6.00pm) during the day, such a standard is unrealistic. A more appropriate service standard for its own sales team could be ‘to respond to booking enquiries within 24 hours’.

Customer service standards cannot replace some basic personal skills, such as common sense, courtesy, or the ability to make smart decisions on the spot, but it can encourage your staff to focus on key areas of service more diligently. They can be written as internal manuals to provide customer care and frontline staff with detailed information on service standards. But service standards should not be framed in a way that constitutes any kind of employment contract. Putting service standards in writing can help ensure that staffs can easily refer to them as reminders of what is expected of their customer service practice.

Standards should not be set too low or too high and they need to be measurable. For example, a call centre might specify that phone calls need to be answered within three rings. A restaurant might require employees to greet customers at the door. It's easy to measure whether such standards are being met. Once standards are set, they need to be assessed. In the case of retailers or restaurant businesses, for example, assessors pose as customers in a mystery shopping programme. Service standards not only set goals for employees, they provide limits that protect them. For example, they could set the point at which a difficult customer complaint should be escalated to a manager. They can also specify when particularly difficult customers pose a safety threat to staff and what should be done about it.

Characteristics of Good Service Standards

- **Relevant to the customer:** Service standards are consistent with customer priorities. This means they must address aspects of the service that customers value most within available resource allocations.
- **Based on consultation:** Service standards are developed in consultation with customers and staff particularly frontline staff who are responsible for delivering the service. They should also have the support of managements to ensure that they are meaningful and match the organisations' overall purpose and values.
- **Measurable:** Service standards are quantifiable and linked to monitoring activities.
- **Consistent:** Service standards should be consistent across the board. For example, customers who visit a Sainsbury's store in South London expects the same treatment if they visit another store in North London. Similarly, a customer who interacts with your reception staff expects the same high standards when they interact with your catering staff. It is also easier to share best practices and adopt common approaches when standards are approached in an integrated manner.
- **Ambitious but realistic:** Service standards are realistic, based on analysis and consistent with objectives you want to achieve, yet sufficiently challenging to the customer service team.
- **Endorsed by management:** Service standards are understood and endorsed by senior management.
- **Communicated:** Service standards are clearly communicated to customers, staff, and other stakeholders to help manage expectations.
- **Transparent:** Service standards should be stated clearly and well documented. They should also be monitored and performance results should be shared with relevant stakeholders.
- **Continuously updated:** Service standards are regularly reviewed and updated as appropriate.

Benefits of Good Service Standards

However you approach standards, they can and do provide great benefits. Some of the benefits of Customer service standards include:

- Service standards provide the behavioural template by making expectations clear
- Service standards lead to consistent service and can be a valuable training resource
- They set benchmarks that can be used to monitor and improve service standards
- They provide the proper tools to help staff achieve standards set
- They provide necessary tools to evaluate current customer service quality
- They provide information that helps pinpoint problems areas in service so corrections can be made
- They create an environment where rewards can be given based on whether standards are reached and maintained
- Service standards can also form a valuable part of marketing material, whether in print or web form

Steps for developing Customer Service standards

The following five stages are recommended when developing Customer service standards for your workplace.

- 1. Establish Priorities for Service Standards**
 - Review the services your organisation currently provides.
 - Identify high impact service areas that do not have standards in place. Example, your reception area where customers first encounter your organisation and interact directly with your receptionists or front desks staff.
 - Develop a shortlist of these priority services.
 - Get input from your customer care team. They are in the frontline and get direct feedback from customers.
 - Review previous customer feedback or survey results
 - Engage senior management and validate priorities.
- 2. Plan and develop**
 - Develop the standards.
 - You can focus on one or two items on your shortlist.
 - Build standards around timeliness, accuracy and appropriateness of service.
 - Draft the standard and seek feedback from front-line staff and senior management.
 - Determine how you will monitor performance against the service standards.
 - Develop a service standards portfolio.
- 3. Implement the standards**
 - Develop a plan to implement the service standards.
 - Review processes to introduce any changes if required.
 - Train new and existing frontline staff on new standards.
 - Communicate the standards to other key stakeholders.
- 4. Measure performance against service standards**
 - Measure actual performance against standards set.
 - Evaluate the performance data (example, your latest customer evaluation results).
 - Evaluate your findings.
 - Share the results with your team.
- 5. Act on the results**
 - Assess if performance results matches your service standard.
 - Managers should regularly review the standards that have been set and determine where improvements are needed.
 - Decide a future course of action for continuous improvement.
 - Implement any necessary enhancements.

The following notes expand on key points within the five stages:

Establishing priorities for services standards

It is important you have a good understanding of the products and services your organisation provides. Furthermore, it is highly recommend that you introduce only a small number of standards at a time. This can help provide focus and create early opportunities for success. Ensuring your frontline staffs who will deliver these standards are engaged from the beginning will make them feel part of the process. They may even contribute useful ideas.

Visible support and engagement from senior management in the development of service standards are essential. They can assist in checking that the right support in terms of roles and resources can be provided in establishing strong service standards. They can also check that critical considerations have been given and that service standards align with the overall organisational purpose, values and priorities. Most importantly, service standards should be defined around the needs of customers. Reviewing existing service and consulting key stakeholders will assist you in understanding both what is valued from a customer perspective and what is feasible from a resource and organisational perspective. It will also help identify which types of standards are the most appropriate for the service.

Planning and developing service standards

In setting Customer service standards the following factors should be considered;

1. **Timeliness** – this is usually related to the speed of delivery and response time. Customers want fast and efficient service from their service providers. Example phrases for setting these types of standards – ‘Applicants receive an appointment within 24 hours’, ‘calls answered within 3 rings’.
2. **Accuracy** – customer service needs to be accurate. Accuracy may be determined by whether a transaction was done correctly or in terms of meeting the customers’ specific needs.
3. **Appropriateness**– this has to do with whether the customers’ expectations have been met. The specifics of appropriateness depend largely on type of industry, product or service your organisation provides as customer expectations are influenced by their past experiences of other organisation.

Drafting the standards: use clear and concise statements. Remember, you cannot manage what you cannot measure. Service standards should be measurable. At this stage, you should also give consideration to how performance against standard will be monitored and measured. Performance can be measured by observation and data collection. It is important you have the capacity to collect and collate the relevant data, analyse results and provide meaningful interpretations. Also, how often will you do this – weekly, monthly or yearly?

Service standards are defined around an interactive process, in the sense that there is a service provider (your organisation) and a service receiver (the customer). A service deliverer may establish a service standard to better manage customer expectations with the intent of increasing customer satisfaction within a particular function of the business. When deciding on what service standards to have, think of your service channels. This refers to areas of your organisation where frontline staffs interact directly with customers or areas of your business that are directly linked to customer expectations.

Implement Service Standards

Effective communication is key to successful implementation of the Service Standards you have developed. Once you have defined appropriate Service Standards, they should be communicated to your Customer service team. Standards should be communicated during the interview and selection process of potential employees, the staff induction process of new employees (temporary and permanent) and, reinforced through regular refresher training sessions with your team. They could also be made part of the performance appraisal process.

Regular team meetings should be conducted at least once a quarter. These meetings can be used to talk about current events, to discuss areas needing improvement, and to solicit input from your customer care team. These meetings will go a long way towards focusing everyone in the same direction. Remember, you need to give constant doses of positive reinforcement. It's not hard to catch people doing things right. This reinforcement can range from a simple acknowledgement to naming (and displaying a photo of) an employee of the month. Everybody likes to know that someone is keeping score and that their efforts are appreciated. We have to concentrate on not being too busy to recognise and comment on the type of behaviour we want.

Measuring performance against standards

Linking Service standards to customer satisfaction measurements allows you and your organisation to target the most relevant areas of your service. It also requires that you obtain regular feedback from customers. Structured data collections such as customer feedback forms are necessary. Performance against the service standards will need to be regularly monitored. When collecting performance data, take account of the following:

Objectivity – Collect data through an impartial source. For instance, give all your customers the same opportunity to give feedback about your service.

Timeliness – Review data periodically to ensure that the service is performing as desired.

Accuracy – Verify data and confirm accuracy before using the results.

Consistency – Measure performance in the same way for each assessment to facilitate results comparison.

Clarity – Data should present a clear picture of performance and make it easy to identify trends. Ensure information is meaningful and relevant to your customers and staff.

Act on results

Once evaluation of performance results has been completed, determine the future course of action, including what measures should be taken to maintain or enhance service quality. Show flexibility and be prepared to modify standards if they are not working. You may also need to adjust existing systems and processes in order to accommodate the new standards. Customer service improvement is a continuous process and will inevitably change as your customer needs and expectations change. Give the new service standards time to work.

CUSTOMER SERVICE STANDARDS

EXAMPLES

RECEPTION

Reception is the customer's first impression of the Centre and it is important that we provide a professional and welcoming reception service at all times. Welcoming general visitors or trainers and delegates arriving for their events and ensuring all requirements are met is essential.

- Reception must smell fresh, feel inviting and welcoming.
- It is the responsibility of all staff to maintain and keep reception presentable. If you see something that you do not think is right, it is your responsibility to resolve it.
- All information leaflets, safety and general notices must be properly displayed. All pictures should be hung up straight.
- Fresh flowers/plants must be present. A bowl of sweets should be present
- There must be a working clock.
- All light bulbs must be working.
- Visitor sign-in book and delegate registration sheets should be displayed correctly on reception.

Safety

- The reception area must be free from boxes or deliveries, and these must be stored out of the customer's view.
- A hearing/induction loop should be available at reception. This does not need to be on the main desk, but should be at hand if you have a visitor/delegate who has a hearing impairment.

Uniform and Appearance:

We take pride in the way we present ourselves. It is the responsibility of each member of the team to ensure that our appearance achieves the highest standard at all times.

- Name badges must always be worn by staff members.
- Reception staff must always wear a suit with a jacket.
- Personal Hygiene is important. Hands and nails should always be clean.
- Hair. Neat clean and off one's face. Extreme hairstyles are not acceptable.
- Males must be clean shaven or have well-groomed facial hair.
- Cosmetics. Aftershave, fragrances and make-up should be fresh and lightly worn.
- Jewellery. Discreet jewellery only. Adornments such as facial piercings, tattoos must not be visible.
- Shoes. Clean well polished. Trainers, sling backs and open toe sandals are not permitted, for safety reasons.

VENUE REGISTRATION SERVICE

- Greet and welcome the trainer/organiser in a welcoming manner
- Be courteous, professional and remember to smile
- Confirm which company or event they are attending and ask them to sign in.
- Inform them of the venue's procedure for registering their delegates.
- Check the timings for the day with the trainer.
- Show the trainer the facilities – the meeting room, refreshment area and toilets
- Inform trainers about fire/evacuation procedures.
- Inform them how to get assistance during the day.
- Inform them about WiFi access.
- Explain the venue security procedure and hand over the key to the meeting room
- Tell them rooms will be refreshed at lunch time.
- Ensure any immediate requests by the trainer are auctioned as priority

Remember! This is an opportunity to create a good first impression. A nice idea is to offer the trainer a coffee while they are setting up. Make the trainer feel at ease.

Delegates

- Greet and welcome delegates in a welcoming manner
- Ask them to sign in on their Delegate registration sheet
- Direct them to where they need to go – restaurant or room, waiting area
- Ensure they know where the toilets are

Visitors/contractors

- Greet any visitors in a welcoming manner.
- Ask them to sign-in in the Visitors book provided at reception.
- It is really important that visitors sign in and out.
- Inform the appropriate staff member of the visitor's arrival.
- Show the visitor/contractor to the Café Area or ask them to take a seat at Reception.
- Make them aware the staff member has been informed of their arrival

HANDLING FACE-FACE ENQUIRIES

Majority of the Advice Centres' enquiries are received face-face. Customers seeking advice from the Centre would normally have a pre-booked appointment. In order to provide consistent and high standard of service, the following standards should be observed at all times;

- Ensure that signs for the reception area and enquiry desk are clear and obvious for visitors.
- Keep a supply of appropriate information available on reception.
- Keep the area neat and tidy.
- Greet visitors in a friendly way, and ask them if you can help them.
- If other people are waiting, greet them and tell them you will deal with them as soon as you can.
- Look at the person you are dealing with when you speak to them, and give them your full attention.
- Listen carefully to their question before you try to help, and check that you understand what they are asking.
- Reply clearly, and avoid using any abbreviations or jargon that the person may not understand.
- If you need to contact a colleague for information, or to check some information (for example, on the internet), tell the person that this is what you are doing.
- Answer the enquiry clearly, with supporting written information as appropriate (for example, a procedure to follow or a map).
- Deal with the person's enquiry from start to finish, or refer the person to one of your colleagues if appropriate.
- If you need to refer the person to one of your colleagues, explain what you are doing and why.
- Give them clear instructions as to where they need to go and who they should ask for. If possible, call ahead to tell your colleague who is coming to see them and why.
- Finally, check that the person has the information they need. For example, you could end by asking them if there is anything else you can help them with.

TELEPHONE ANSWERING

- Answer all calls within three rings
- Answer call with , ‘Goodmorning/Goodafternoon’, name of organisation who you are
- Take a contact name and use the name within the conversation
- If you cannot assist the caller, direct the call to the appropriate person. Before transferring the call, ensure you obtain the caller’s permission.
- Provide the caller with the name and extension of the person who will be helping the caller.
- Obtain caller’s permission before place the call “on hold” by asking and waiting before initiating the hold function.
- End the conversation in a courteous and professional way by thanking the caller.
- Wait for the caller to hang up first.
- Return telephone messages within 24 hours
- Always take your calls when in your office

For further support please contact: theteam@leniohospitality.com