



## EffortlessHR February 2009 Employer's Advantage Newsletter



**FYI – For Your Information - "Can You Make an Angry Customer Loyal?"**

***I don't know if you have checked out our EffortlessHR Blogs, but we have some pretty good material there for the world to see. These blogs are written by the staff of EffortlessHR. The following blog was written (but not yet published) by Darrell Griffiths, Executive Vice***

***President and our resident Customer Service guru. I thought it appropriate to share in this newsletter.***

One of the most difficult situations we come across in business is the "angry customer". We want nothing more than to slap this person and send them on their way. Please resist this urge as it's not worth losing that customer or going to jail. Seriously, fighting will just make the situation worse and you could lose the customer or even lose many customers.

Understanding where that anger comes from will help you avoid being sucked into a fight with a customer. Psychologists say that anger is not a primary emotion. Anger usually comes from fear or a feeling of hurt. Once you realize that yelling and strong words come from fear or hurt then you can figure out how to calm that customer down.

If a friend came to you upset and in tears, what would you do? Would you yell at them or kick them? No, you would sit there and listen to them and validate them. Even if they aren't right in what they are saying, they just want to be heard and validated. Try to remember this when dealing with an angry customer.

So if you remember that anger is a fight or flight emotion and that fighting back will not work, you will be able to handle the angry customer in way that is not confrontational. Remember their anger is not personal, they are afraid or hurt.

When you listen, validate, and talk calmly, and once the customer has calmed down, you can resolve the problem and calm their emotional state. When you take care of their emotional need, you will form a bond to that customer that will be hard to break. Their confidence and trust in you will grow tremendously and you just may have that customer for life. All it takes is a little understanding and you can turn an angry client into a loyal customer.

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## FROM JIM SIRBASKU'S DESK

### How to Keep the Customers You Have

If anything strikes fear in the heart of a business owner who is proud of his company's customer service, it's the unhappy customer telling others how displeased he is. The old adage was that one person upset by Company X's treatment told an average of eight to ten friends. Then those people told even more, and before long, maybe one hundred people knew of the bad experience at Company X.

Now, one unhappy person can tell hundreds, thousands, millions or more people just by typing his tale into a blog or a broadcast e-mail and pressing send. Soon the tale, fair or not, is on its way around the world! If the old eight to ten figure gave you chills, the eight to 10 *million* is likely to knock you off your feet. If your company truly values great customer service and backs it up with actions, then you have a good foundation to survive the occasional dissatisfied customer. Loyal customers will forgive a stumble if you quickly put it right. But if you treat the mistake casually or repeat it, your most solid supporters are likely to remind you that they have choices, and take their money elsewhere.

Given that the cost of acquiring each new customer is ten times the cost of keeping the ones you already have, you need to get out the polishing cloth and burnish the skills of everyone in the organization. That's right—everyone. The customer sees you as Company X, not just a loose collection of departments under the same roof. If one department errs, it's Company X's responsibility to correct the error as quickly as possible. That means no telephone tag, no sending the customer from person to person, no shoulder shrugging and no instructions to the customer that begin with, "*You will have to*" or "*You need to*".

Because you know the actions that drive customers away, emphasizing to employees the behaviors and qualities that keep your loyal clientele returning is a positive step you can take. A wise manager will observe his employees at work and ask his customers often what they like and how to improve. Some of these will pertain only to certain businesses, but many customer answers are universal, and here is a sampling from various surveys:

- **Customers want knowledgeable, helpful staff.** This means employees must know both the product and the company well. Your goal is to build trust and credibility in the workers as well as the rest of what you sell. If someone likes your brand of appliances but your service or delivery department has a poor reputation for timeliness, your whole company is operating at a disadvantage.
- **Customers want flexibility.** If a loyal customer needs help now, not tomorrow or the next day, what can you offer him? Do you know your customers by name – well enough to know their special needs, and do you listen when they have a problem? Or do you operate by a rigid set of one-size-fits-all rules?
- **Customers want to feel they are getting an item equal in value to the price they paid.** If you sold an expensive product that doesn't hold up under normal conditions, your customer will likely feel cheated. If she brings the product back for a refund, you might have to swallow the loss. But you will have gained a customer for life, and probably learned an important lesson about the product – and maybe about your vendor, depending on what he does about the product.
- **Convenience.** Are you easy to find in the phone book? If someone wants to visit your store, is your address clearly visible from the street? Is your parking lot cramped and always full, or is

parking always available? If customers dial your number, will they talk to a real person? If you use an automated phone system, is it clear and easy to operate?

- **Help when you need it.** Twenty-four hour service is only good if it's actually 24 hours. Don't promise more than you are willing to deliver. If you prefer not to have someone answering the phone at ten at night and seven in the morning, or on weekends, don't advertise 24-hour service. Don't put phone customers on hold for "a minute" that stretches into five, then seven, then more. If researching the issue will take longer than a minute or two, offer to call the customer back the same day.

This customer wish list is deceptively simple. Just because it makes sense does not mean every worker agrees with it and does everything on it. Good leaders will state specifically what they want – but that's only half of the job. The next step is hiring people who buy into your organization's values and training them continually to deliver what your customers want. Monitoring customer service behavior throughout the organization and correcting missteps quickly are always good ideas.

The excellent customer service you offer may mean you are soon worrying about another kind of math – so many happy customers telling so many others about you that you and your workers almost can't keep up with demand.

Jim Sirbasku, CEO  
Profiles International

### **POP QUIZ -- What's Your Customer Service IQ?**

1. Conventional wisdom says that upset customers tell eight to ten people if they were unhappy about a company's poor customer service. Now they can tell eight to 10 million or more because of \_\_\_\_\_.

- a. the Customer Service Reporting System
- b. the increasing population
- c. the local media
- d. the Internet

2. The software process a company uses to track and organize current and future customers is called:

- a. customer service reporting
- b. customer relationship management
- c. customer care
- d. human resources universal software

3. The software process mentioned in question 2 above is not foolproof because some organizations \_\_\_\_\_.

- a. fail to maintain their computer systems
- b. employ too few customer service employees
- c. do not take full advantage of the software after installing
- d. have outdated computers

4. Each year, the average business loses \_\_\_\_\_ of its customers because of poor customer service.

- a. 10 to 15 percent
- b. 50 percent
- c. 90 percent
- d. 1 percent

5. What department of any company should carry 100 percent of the load of good customer service?
- the Customer Service department
  - Human Resources
  - no matter the department, it is every employee's responsibility to supply excellent customer service
  - the CEO's office
6. The word(s) used to describe the number of customers lost over a period of time is \_\_\_\_\_.
- slash
  - churn
  - the ones who got away
  - rollover
7. The most important thing to do when confronted with a customer service problem is \_\_\_\_\_.
- listen to the customer's concerns
  - say you are sorry for the problem
  - correct the problem quickly
  - all of the above
8. What's the best thing to do when confronted by an angry customer?
- deny everything; after all, your company is always right
  - put the phone receiver down and walk away while he details the problem
  - let him/her do a certain amount of venting as long as it's not personal
  - let him bully you personally because someone at your company deserves it
9. \_\_\_\_\_ customers are usually more profitable to an organization.
- Long-term
  - Wealthy
  - Older
  - Complaining
10. Complete this quote Walt Disney made about customer service: "Do what you do so well that they will \_\_\_\_\_."
- copy it in their own organizations
  - want to see it again and bring their friends
  - return to see you at least once a month
  - call everyone they know to report what a good time they had

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*Answers: 1. d; 2. b; 3. c; 4. a; 5. c; 6. b; 7 d; 8. c; 9. a; 10. b*

*Source: Various customer service experts*

### **PRODUCT FOCUS -- Put Muscle Into Customer Service with CSP™**

True or false? All employees should flex their customer service muscles, even those who do not wear the job title.

The answer is "true," of course, but the reality is that some workers are more inclined than others are to see customer service as part of their job. It is also true that each organization must clearly define what customer service means to that organization, then strive to recruit, hire and develop workers who match the definition.

The Customer Service Profile™ can help.

A well-rounded definition of customer service includes several universal ingredients: attention to detail, consistent performance, a helpful attitude that includes a smile. From there, a company needs to define other elements that pertain specifically to its operation. This might include everything from the basics – how employees answer the telephones – to the more complicated – how much freedom an employee has to solve problems on the spot, without seeking supervisory approval.

With such a definition in place, CSP™ can aid in the recruitment and selection of employees who match the organization's standards. It can also shine a spotlight on the areas where the company would benefit from coaching.

Communicating what good customer service looks like is easier if you hire people with the right attitudes. This is where the CSP™ provides invaluable help by assessing the beliefs and customer service proficiency of both current employees and job candidates. This gives you important information you need to hire people with the skills you desire, improve training in a vital area and broadcast the message that every employee has a role to play in customer service.

CSP™ measures such characteristics as tact, trust, empathy, conformity, focus and flexibility. It also assesses skill level in vocabulary and mathematics. It measures how each person's perspective on serving customers aligns with the organization's policies and attitudes.

With Customer Service Profile™, you receive three types of reports:

- **A Placement Report.** The Job Match Percentage section of this report tells you how well job candidates match your standards and the degree of alignment between a candidate's perspective and the company's.
- **A Coaching Report.** It reveals the areas in which individualized training/coaching will instill the attitudes you want in all employees.
- **An Individual Report.** Through heightened awareness, each employee gets the opportunity to improve his skills.
- **An Alignment Report.** It compares your company's service perspectives with that of other companies. It also displays the percentage of a selected group from your company who do not agree with the perspective held by your company.

True or false? You need to keep your best customers. True. And Customer Service Profile™ is your answer. Call us at (520) 346-3947 today.

## **STRATEGIES FOR WINNING --**

### **Talk 'Em Down!\*** **Make Customer Complaints Work for You**

One day, we received a call from one of our Strategic Business Partners who said she was about to lose her biggest client because of a glitch in our e-mail system. How did this happen?

The first step in fixing the problem was to gather facts. The e-mail problem had originated when we installed new software that was not properly configured. The situation got worse when the client called our office seeking technical assistance and was given instructions that didn't work.

We quickly called a meeting of the people involved and soon had a temporary solution to use until we developed a permanent solution. Our Operations Vice President implemented the appropriate actions immediately. We called the Strategic Business Partner and gave her an update on the situation. Next, we contacted the client and explained our situation, apologized for the inconvenience, and presented the temporary solution.

We not only saved the account, we were also complimented for how quickly we responded to the situation. Through quick attention to the problem and attention to the client, we turned a potentially bad situation into a very positive one.

We recommend you consider customer complaints in a positive frame of mind and see them as suggestions for improving your products and the way you do business.

No matter how good you and your people are, or how good your products/services are, you will occasionally encounter an angry customer. A normally reasonable, happy customer who gets angry transforms into a flesh-eating beast, bent on your destruction. Sometimes they come at you foaming at the mouth and demanding satisfaction. How do you talk 'em down?

There are two traditional ways. The first is to eat crow immediately, accept the blame fully, beg forgiveness, kiss up, and do everything the customer-turned-beast asks in order to satisfy them. You'll likely keep the customer, but after you've crawled like that more than a few times, can you look at yourself in the mirror and smile?

Another approach is to get angry back at the customer, slug it out (verbally, at least), exchange blame and insults, deny all responsibility and tell the customer where to get off. That way you needn't worry about repeat complaints. After all, no customers, no complaints.

Calming angry customers and resolving complaints to their complete satisfaction need not mean sacrificing your self-respect. Experts have demonstrated that the following guidelines will resolve more problems more easily, and turn a complaint into a more positive experience for the customer. And you will still be able to look at yourself in the mirror and smile!

**1. It may not be your fault, but it's still your problem.** Approach all angry customers with this attitude. Even if it is your fault, don't take the complaint personally. Customers complain because they want you to address a perceived shortcoming, not because they don't like you. Resist the temptation to fight back. Even if you win the battle, you'll lose the war. And the customer.

**2. Listen** In order to address the customer's problem, you'll need to know exactly what the problem is. As with all other endeavors, listening is a key skill. Besides giving you some insight into the reason for the customer's distress, it also helps to exorcise some of the initial anger the customer is feeling.

**3. Don't Interrupt** Let complainants express themselves. Don't stop them mid-flow. Let them vent their anger; it will be easier to reason with them afterwards.

**4. Calm Your Complainant and Clarify the Problem** When your customer has finished complaining, show some empathy. Explain that you understand why he or she is so upset, and you're going to try to sort things out. Then clarify your understanding of the problem. Ask questions and qualify comments. This will calm your customer and ensure that your suggested solution will address all aspects of the perceived problem. Step into your customer's shoes. Look at your company, your products, the problem and your actions from the customer's perspective, and then decide whether or not the complaint is justified.

**5. If it's Your Fault, Say So. If it's Not, Don't** When you fully understand the complaint, decide whether or not your company is at fault. Don't automatically accept blame before you know it's warranted. But if it is clearly your fault, admit it early in the process. Accept responsibility and don't hide; don't try to pass the buck. Adopt a genuinely humble tone.

**6. Solve the Problem** Think about how best to solve the customer's problems. If you need some time to come up with a response, tell him so and commit to getting back to him on a specified timetable. Do so. Make sure all of your responses project a clearly concerned, but calm, manner. Stress your eagerness to resolve the problem, and project a calm confidence that you are the person to do it. When you have a suggested solution, agree with the customer about the steps you'll take and the timeframe for correction. Assure the customer that you'll take personal responsibility for seeing the resolution through, and do so.

Nothing is more important than resolving customer complaints. Attend to them with the utmost urgency. Research shows that it costs as much as ten times more to recruit a new customer than to retain one you already recruited.

**7. Don't Accept Abuse** Don't accept it if a complainant steps over the line between the reasonable right to complain and outright personal abuse. Calmly explain that you will address problems, but you can do so only if they speak and act courteously and respectfully. If the complainant continues the abuse, terminate the conversation. You don't need that kind of customer!

**8. Pin Down Moving Targets** If you're dealing with a problem that seems to grow every time you implement an agreed solution, ask your customer to put the complaint in writing so you can better understand and address it. This will help you to focus upon an agreed solution. Also, working things out on paper can sometimes make a complainant recognize if his is an unreasonable viewpoint.

**9. Stop it from Happening Again** Try to prevent angering customers in the future:

- .. At purchase time, let your customers know it is your policy to resolve any difficulties they might encounter with their purchase. Then, should they call to complain, their stress levels should be a little lower given their confidence of receiving good support.
- .. Keep in touch. If something's about to happen that might upset customers, let them know before it's an issue.
- .. When a customer identifies a problem, change what you do to minimize the chance of the problem recurring.

Customers who take the time to complain are generally telling you they want to continue doing business with you, but with some changes. Put a high priority on resolving their difficulties, but don't ever feel you must sacrifice your own self-esteem to do so.

\*From the book 40 STRATEGIES FOR WINNING IN BUSINESS by Bud Haney and Jim Sirbasku. © S&H Publishing Co., 5205 Lake Shore Drive, Waco, Texas 76710-1732. All rights reserved. Contact S&H Publishing Co., (254) 751-1644, for reprint permission.

### **ANNOUNCEMENT:**

Check out the Effortless Employee Handbook Builder!! We have it all together for you.

