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CUSTOMER SERVICE MYTHS

If You Believe Them, You're in Trouble

By John Tschohl

If I were to ask 100 CEOs to define customer service, I would guess that 97 of them would say this: Customer service is providing the customer with service that is fast, accurate, and courteous. While those are indeed elements of customer service, there is more to it, so much more.

Customer service is a moving target; it is whatever the customer thinks it is. That includes quality products, convenience, competitive prices, timely responses, reliability, a personal touch, and knowledgeable employees. Customer service means doing what you say you will do and doing it when, if not before, you say you will do it. It is operating on the belief that no transaction is complete unless the service customers receive is sufficient enough to motivate them to return.

Most CEOs and other executives don't fully understand customer service and its huge impact on sales and profits for their organizations. They don't understand what they should (and shouldn't) do in order to provide the best possible service to their customers. In fact, many of them have false beliefs when it comes to customer service.

Here are three myths that hamper organizations throughout the world in their efforts to provide exceptional customer service and, in the process, to attract and retain customers:

1. Adding employees improves customer service.

You can add all the people you want, but it won't improve your organization's customer service. More doesn't necessarily equal better. Too many organizations have too many under-performing employees; you need to weed them out. In developing countries, the typical company has at least 25 percent more employees than it needs.

If you have 50 employees and add 50 more, all you've done is double your workforce. But, if you have 50 employees who are focused on customer service, who are knowledgeable, enthusiastic, and have positive attitudes, you will have a winning team. If you train those employees in the art of customer service and support that training by giving them the tools they need to take good care of your customers, you will see your sales and profits skyrocket.

2. The more you pay employees, the more committed they will be to customer service.

Increasing employees' pay will do nothing more than eat into your organization's profits. I've addressed this myth for more than three decades to clients throughout the world, stressing to them that money is not a motivator. It will not change an employee's behavior. If you doubled every employee's salary tomorrow, it would not improve customer service, and in 30 days you'd be out of business. If you have employees who do not provide good service, who are not committed to taking care of your customers, what you pay them will not change the way they operate.

So, you're probably asking, what will motivate my employees to provide better customer service? The answer is this: Recognition. There is no stronger motivator than positive reinforcement and public praise. Think of it this way: If you are a parent trying to teach your young child to put away his toys at the end of the day, what do you think will be the stronger motivator—a dime each time he does so, or constant praise, especially in front of family and friends?

If you recognize the efforts of your employees who go above and beyond to take care of your customers, they will seek continued recognition by improving the service they provide. A \$200 bonus would be gone in a day or two, but a word of praise will live on indefinitely. Recognition is the most powerful motivational tool you have—use it.

3. Your employees are empowered.

This is more than a myth; it's a delusion for most managers and executives. Empowerment means that your employees have the authority to do whatever it takes to immediately solve a customer's problem—to the satisfaction of the customer, not the organization.

In order to empower your employees, you must train them and give them the skills they need to take such good care of your customers that they wouldn't think of doing business with anyone but you. Don't handcuff your employees with cumbersome policies and procedures. Give them the authority to bend and break the rules in order to serve your customers.

It takes a miracle to get employees to make empowered decisions because they think they will get fired if they make a mistake. Let them know that it's OK to make a mistake in the process of providing exceptional customer service. Without empowered employees, you will never be a service leader.

Don't underestimate the power of customer service. Exceptional service builds loyalty, which in turn builds profits.

John Tschohl, the internationally recognized service strategist, is founder and president of Service Quality Institute in Minneapolis, Minnesota. Described by USA Today, Time, and Entrepreneur as a customer service guru, he has written several books on customer service and has developed more than 26 customer-service training programs that have been distributed throughout the world. John's monthly strategic newsletter is available online at no charge.