

Managing the Processes

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Objectives

- Illustrate how to translate customer expectations into behaviours and actions that are definable, repeatable, and actionable.
- Explain the process of developing customer-defined service standards.
- Explore the characteristics of mystery shopping

Textbook Reading

- Chapters 8 and 9

Importance of Setting Standards

- Creates Brand Consistency
- Establishes a target
- Communicates expectations
- Enables employees to meet expectations
- Creates a valuable management tool for recruitment, training, performance appraisal

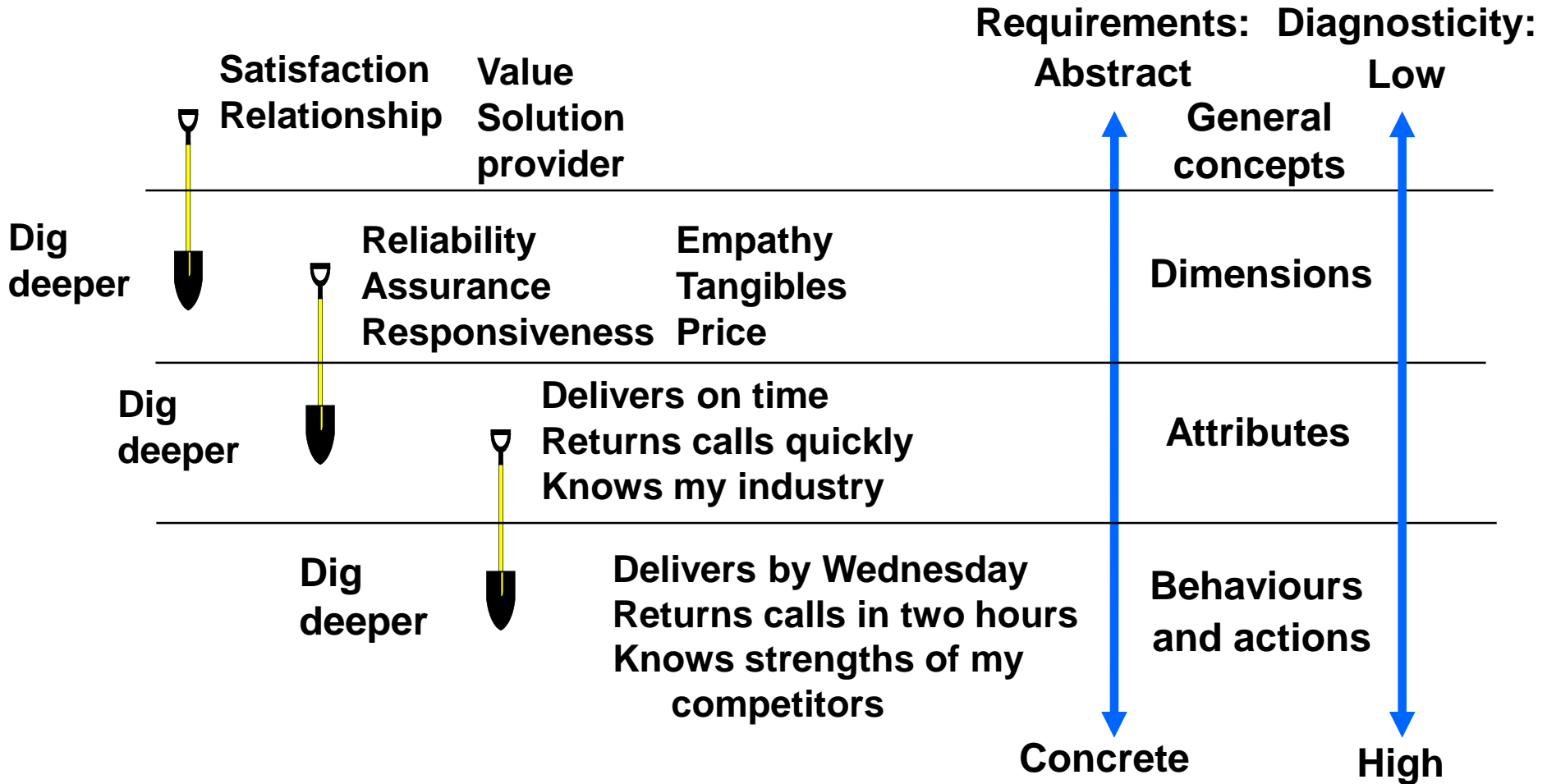
Types of Standard

- Hard Standards – counted, timed, measured
- Soft Standards – perceptual data
- One-time fixes

Criteria for creating service standards: Standards should..

- Be based on behaviours and actions valued by customers
- Cover performance that needs to be improved or maintained
- Cover behaviours and actions employees can improve
- Be accepted by employees
- Be predictive rather than reactive
- Be challenging but realistic

What customers expect: getting to actionable steps



KLM Soft Standards

- Be willing to help customers and be attentive to their needs
- Be involved and proactive
- Be courteous and friendly
- Be impeccably dressed and well-mannered
- Deliver a high level of expertise
- Provide relevant information regularly
- Create a welcoming environment



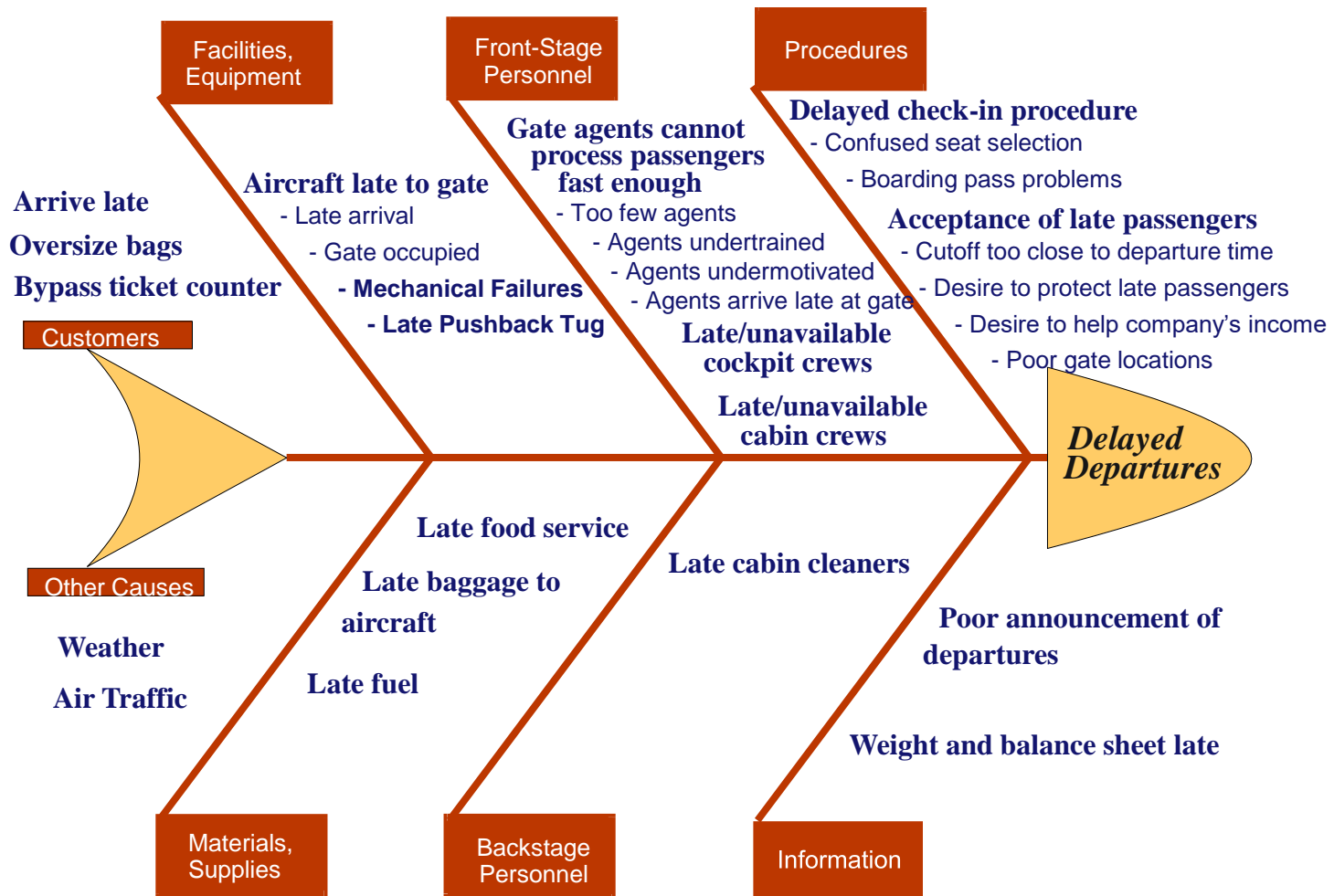
Set Hard and Soft Standards for Café in Sir William Duncan Building

Set Hard and Soft Standards for a Taxi

Standards - Service Guarantees

- Implicit Guarantees - i.e. return of goods
- Specific Guarantees - i.e. speed of service
- Unconditional Guarantees - total satisfaction

Cause and Effect Chart for Airline Departure Delays



Service Blueprinting

- A tool for simultaneously depicting the service process, the points of customer contact, and the evidence of service from the customer's point of view.

Service blueprint components

Customer actions

line of interaction

“Onstage” contact employee actions

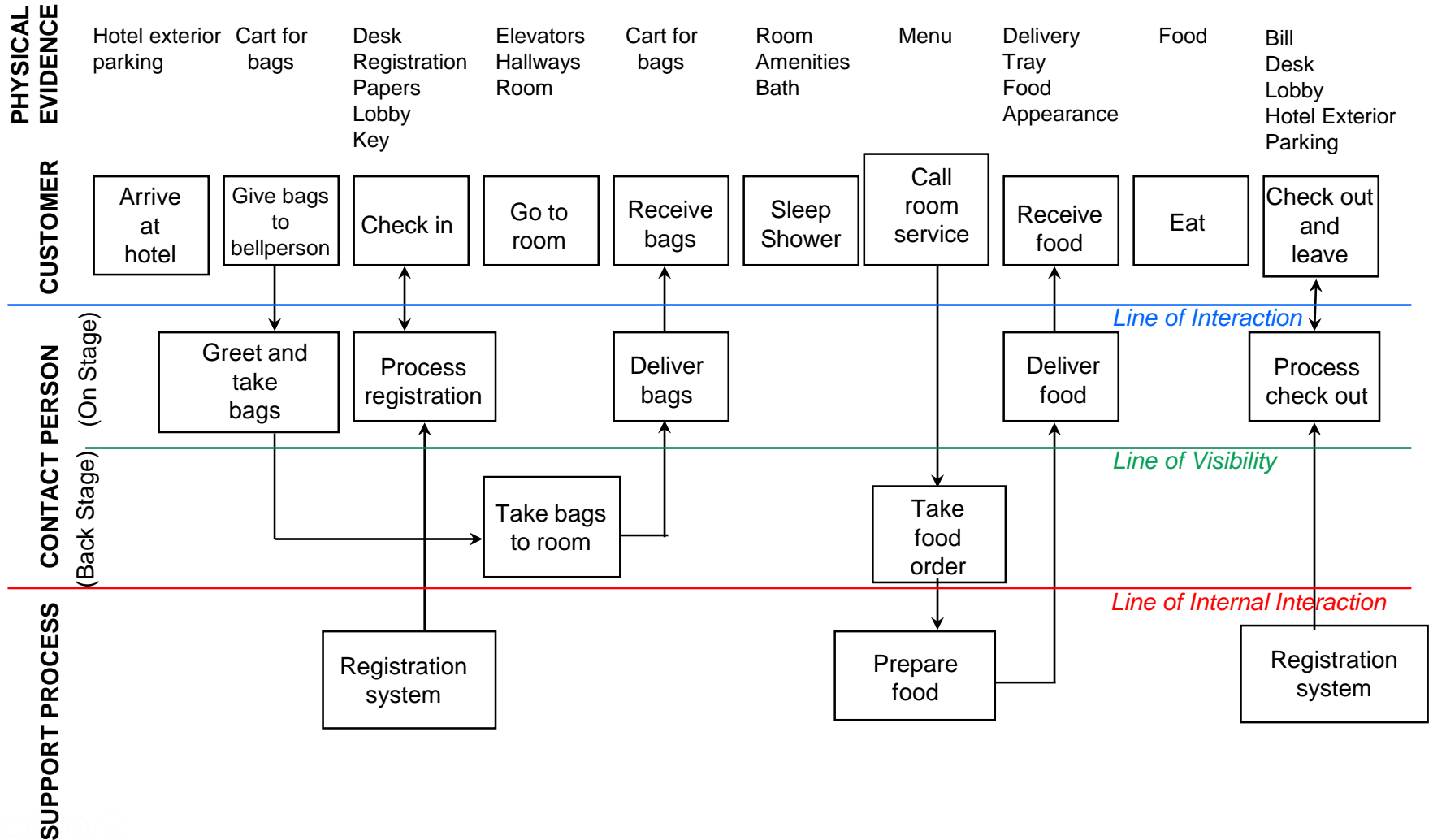
line of visibility

“Backstage” contact employee actions

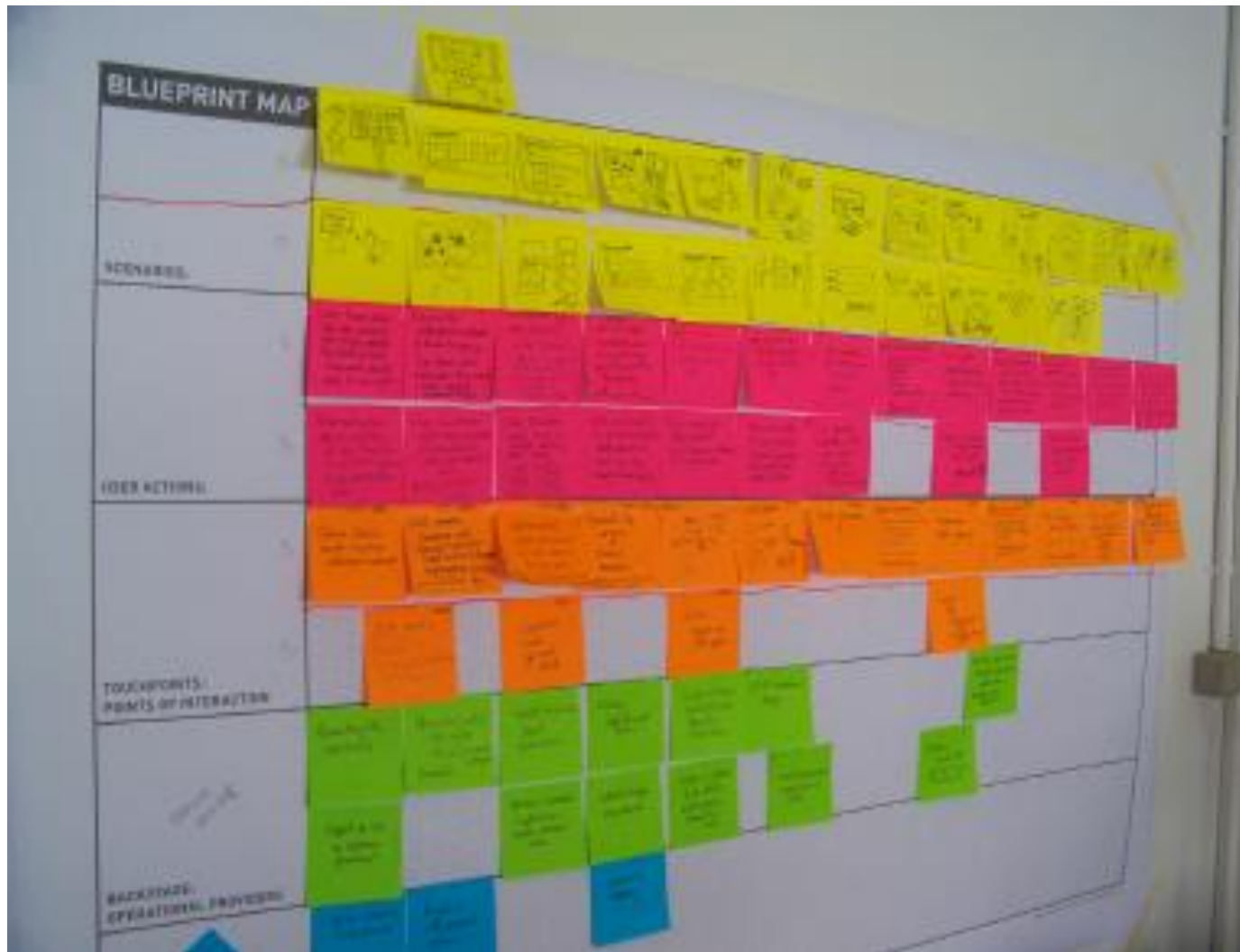
line of internal interaction

Support processes

Blueprint for overnight hotel stay service



Developing the Blueprint



Building a service blueprint

Step 1

Identify the process to be blue-printed

Step 2

Identify the customer or customer segment

Step 3

Map the process from the customer's point of view

Step 4

Map contact employee actions, onstage and back-stage, and/or technology actions

Step 5

Link contact activities to needed support functions

Step 6

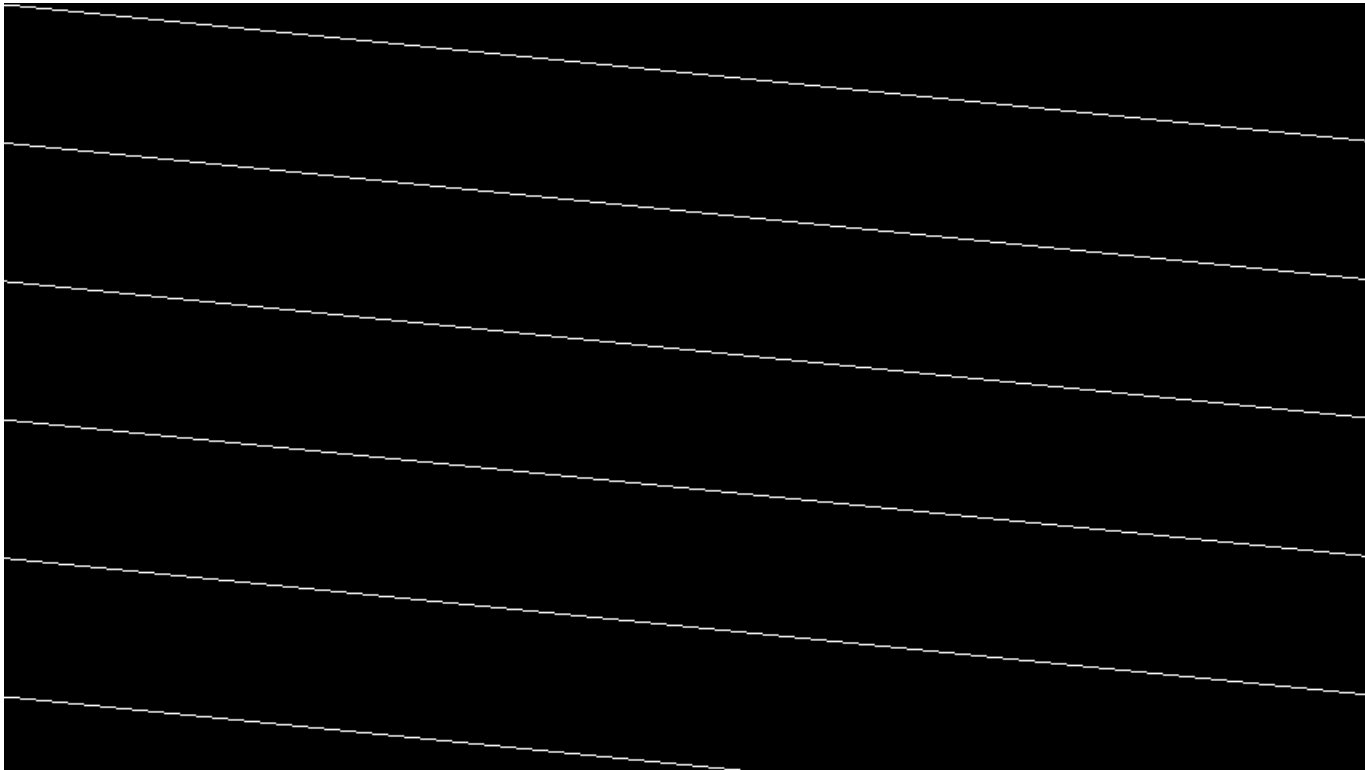
Add evidence of service at each customer action step

Application of service blueprints

- New service development
 - concept development
 - market testing
- Supporting a “zero defects” culture
 - managing reliability
 - identifying empowerment issues
- Service recovery strategies
 - identifying service problems
 - conducting root cause analysis
 - modifying processes

Noodles and Company

Change the process - Starbucks



Mystery Shopping - what does it measure

- Process rather than outcomes
- Emphasis on service experience as it unfolds
- Basic:
 - Environment
 - Transaction / Basic Enquiry
- Advanced:
 - Complex Process / Compliance
 - Empathy / Relationship Building

Mystery Shopping

[Ipsos](#)

Mystery Shopping- Characteristics

- Objective v. subjective measures
- Benchmarks / Competitor Comparisons
- Monitoring and Motivating
- Stick and Carrot
- Plateau of “ No improvement”
- Integration with other service measures

Methodological Issues

- **Objectivity / Reliability**
 - selection and training of shoppers
 - maintaining a bank of credible shoppers
 - using objective measures
 - data recording
 - number of visits / waves

The Savoy

