

Increasing The Power Of Customer Satisfaction Measurement: "Barrier Surveys" Facilitate Improvement Breakthroughs And Customer Focus

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The pursuit of high levels of customer satisfaction has led many organizations to measure customer satisfaction. Their efforts however, often fail to maximize customer loyalty and positive word-of-mouth. Measurement frequently falls short of its potential because employees fail to buy-in to the process. If employees have a chance to participate, instead of watching from the sideline, measurement effectiveness will improve dramatically. Barrier Surveys help, because they engage front-line employees in the core issues of customer satisfaction. Their involvement results in better measurement surveys, and provide a catalyst for customer-focused change.

Barrier surveys are the core element in a process that facilitates a stakeholder-driven measurement system. Some important benefits of barrier surveys are that they:

- Identify barriers that prevent customer satisfaction.
- Foster ownership of the satisfaction mission among line employees.
- Identify root causes of problems reported by customers.
- Enable alignment of stakeholders' collective improvement priorities.
- Provide a solid foundation for customer satisfaction measurement surveys.
- Strengthen the "partnering" vision with suppliers.

Barrier surveys differ radically from traditional organization climate surveys. While they can address employees' sense of well-being, their prime intent is to draw attention to the key barriers preventing customer satisfaction, within the service delivery system.

Traditional Measurements Fall Short

Observations of many satisfaction measurement systems have helped us understand some major factors limiting the effectiveness of satisfaction measurement. Two emerging themes related to these limitations are problem-solving value and process ownership (Figure 1).

Problem-Solving Value

The ways organizations use customer feedback varies widely, especially with regard to how the data supports problem solving. At the most limited level, problem-solving value is strategic, serving as a "report card". Problem-solving value improves when feedback contains both strategic and tactical elements. Maximum problem-solving value is achieved when the organization evolves to an empowered, team-based problem-solving state.

Report Card (Strategic): Emphasis is on numeric performance scores, such as "percent satisfied". Senior and middle managers use results to establish strategic directives. Detailed results are closely held. The limited results seen by employees are insufficient to drive process improvement.

Strategic & Tactical Monitoring:
 Here, emphasis is on supporting both strategic and tactical decision-making. The two levels of reporting usually provided are: senior / middle management, as well as line functions. Management asks line functions to improve performance based on area-specific feedback. Both line workers and supervisors may view the "numbers" with skepticism or distrust.

Team-Based Problem-Solving:
 Emphasis is to support all levels of problem solving, including issues relating to strategy, operations, and team level charters. Corrective action, process improvement, and other standing teams measure performance based on criteria developed by the team. Problem-solving value is high because feedback is highly relevant.

Problem-Solving Value

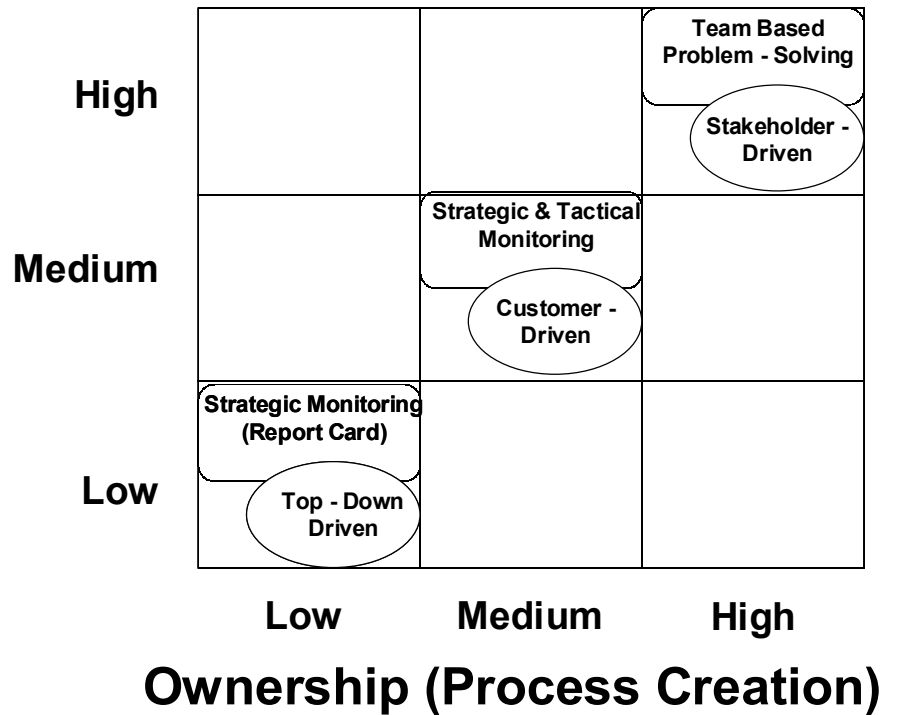


Figure 1

Process Ownership

Customer satisfaction surveys are usually created either from a top-down, or a more textbook, customer-driven approach. A less common practice is a stakeholder-driven approach.

Top-Down: Customer feedback created in this manner usually measures performance on criteria identified by management. In some cases, the factors measured have little bearing on customer satisfaction, needs or expectations.

Customer-Driven: Customer feedback created in this manner usually measures performance on criteria identified by the customer as being important as well as overall satisfaction. Creation is usually by the "textbook approach", which includes focus groups (qualitative) followed by quantitative customer satisfaction surveys.

Stakeholder-Driven: Customer feedback created in this manner builds on the customer-driven approach, balancing criteria identified by customers with service delivery process issues identified by frontline employees and other stakeholders.

Problem-solving value and process ownership can each be understood as a continuum. As illustrated above, the two appear to be related. Most organizations' customer feedback processes fall in the lower two-thirds of potential. To maximize effectiveness, feedback systems should be stakeholder-driven, and facilitate team-based problem solving. Without increased employee participation, efforts for increased loyalty and advocacy (positive word-of-mouth) will fall short.

Why Stakeholder Involvement Is Important

Hal Rosenbluth is CEO of Rosenbluth Travel, an industry leader in customer satisfaction. He believes that organizations must behave as though their people come first, and their customers come second¹. While client satisfaction is imperative to his firm, Rosenbluth claims employees cannot provide exceptional service to customers until they know themselves what it's like to be first in someone else's eyes. Only then will they strive to share that feeling with others. The primary responsibility of Rosenbluth managers is to create an environment where people feel supported and cared about. (*Barrier surveys identify opportunities for management to facilitate trust and nurture a supportive environment.*)

Heskett and Jones, et. Al., suggest that customers and frontline workers should be the focus of management concern, instead of profit, or market share². They illustrate the extensive linkage of factors that drive profitability in service (Figure 2).

The Service - Profit Chain

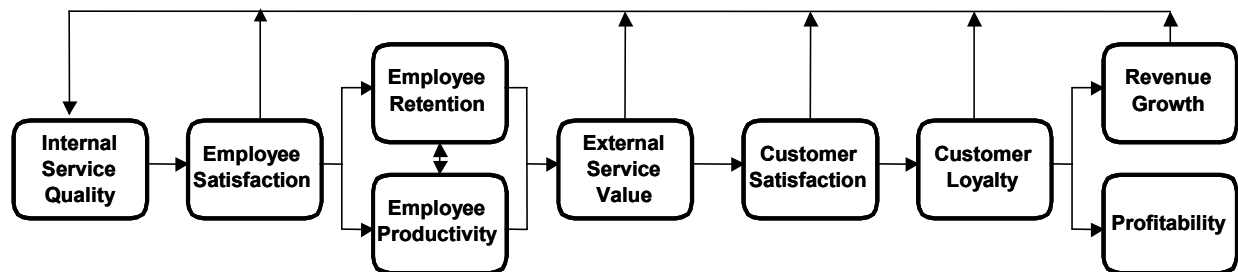


Figure 2

Heskett & Jones, et. Al, Harvard Business Review
March - April 1994

Profit and growth are stimulated primarily by customer loyalty. Loyalty is a direct result of customer satisfaction. Satisfaction is influenced by the value provided to customers. External service value results from satisfied, loyal, and productive employees. Employee satisfaction is linked to high quality support services and policies that enable employees to deliver results to customers. (*Barrier surveys identify major impediments preventing customer satisfaction. This allows improvement of internal service quality, the first pivotal link in the Service-Profit Chain.*)

Jan Carlzon, President of SAS, is the service visionary who created the "Moments of Truth" concept.³ Carlzon implored his frontline employees to manage satisfaction with each and every customer transaction. He suggests employees who work out in the front lines are the ones who best know what the customer wants. (*Barrier surveys are a tool for asking employees about customer needs.*)

In describing the concept of the "inverted pyramid" organizational structure, Karl Albrecht places customers at the top of the organizational chart, with the frontline employees right below the customer⁴. Frontline employees are charged with meeting and exceeding customers' expectations in every "Moment of Truth". Managers' roles are to enable the frontline's service to customers, rather than to direct or control them. The leader's role is to create and nurture the values of a customer-driven organization. (*Barrier surveys help leaders and managers act as coaches, to facilitate excellent customer service.*)

Schneider and Bowen show customer satisfaction is highest when employees feel their work is facilitated. Employees thrive in a climate that allows them to meet customer service objectives.⁵ The imperative they send to leaders is to create two climates in the organization; one for service and one for employee well being. Their idea of work facilitation is equivalent to the previous idea of enabling employees. (*Barrier surveys focus on the creation of a climate of service. They foster ownership of the notion that work is being facilitated.*)

Building the Climate of Service

Traditional approaches to customer feedback (top-down, or qualitative / quantitative surveys) have not gone far enough to foster the evolution of a customer-focused culture. This raises the question, "How can organizations facilitate involvement and ownership?" The answer lies in the concept of stakeholder alignment.

Key stakeholders include external and internal customers. They sometimes include frontline workers, management, support staff, and leading suppliers. Unfortunately, the textbook approach for measuring customer satisfaction is one-dimensional, gathering feedback only from customers. It ignores the knowledge, experience, and emotions of other, key stakeholders.

To create service strategy, a balanced approach is needed (Figure 3). The organization should consider key stakeholders in addition to customers. Employees who have direct customer contact should be thought of as critical contributors, as should key internal staff and external suppliers.

Elements of a Stakeholder-Driven Feedback System

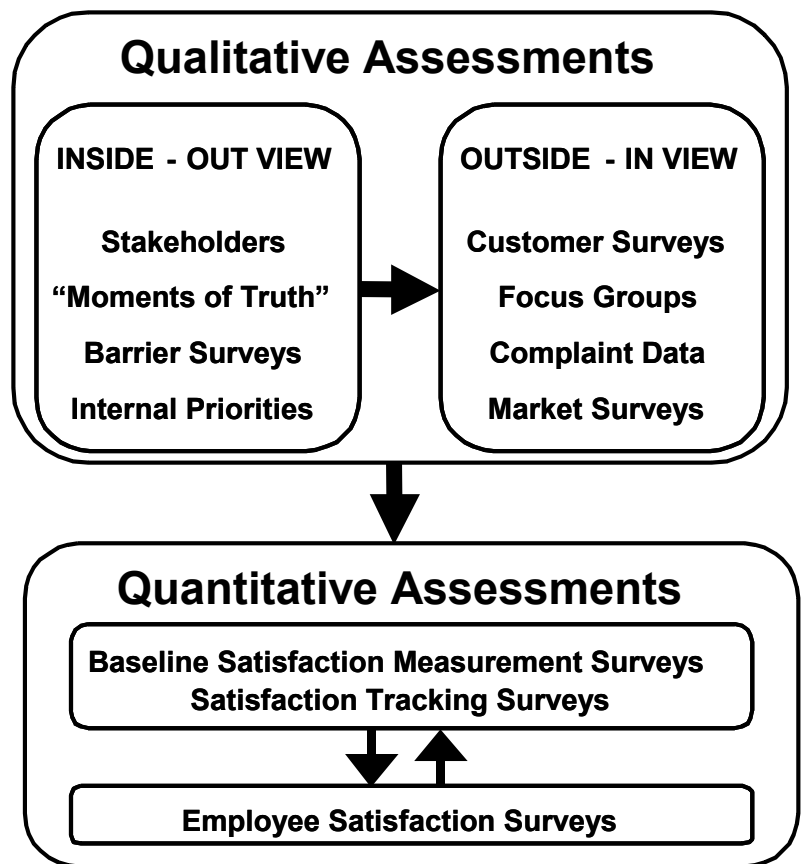


Figure 3

How can we achieve stakeholder alignment? In **"Steps To Create A Successful Customer Satisfaction Measurement System"**⁶, a front-end customer satisfaction measurement process, called "Customer Defined Quality", was defined as including both employee and customer views of service priorities (Inside-Out and Outside-In Views, respectively). It is the synthesis of the two views that facilitates a stakeholder-driven customer feedback system. This synthesis fosters improvement breakthroughs and ownership of a customer-focused culture.

Barrier surveys are an integral part of the "Inside-Out" perspective. In contrast, the "Outside-In View" can only be compiled with direct customer feedback. The conventional approach uses qualitative and quantitative customer survey methods to determine customer expectations and perceptions of performance. The "Inside-Out View" should be constructed prior to conducting customer surveys.

Creating The "Inside-Out View"

The following figure illustrates the sequence of key activities to construct the "Inside-Out View" of service improvement priorities.

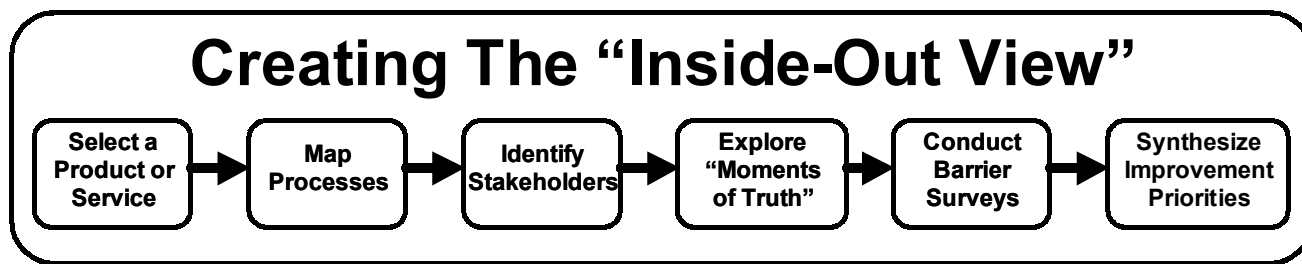


Figure 4

1) Selecting a Product or Service of Interest

In order for improvement efforts to be effective, it is important to collect data relevant to a particular product or service. In addition, a narrow focus maintains simplicity. By limiting the scope to a single or related group of products or services, the needs for relevance and simplicity are enhanced.

Candidate products and/or services might be selected based on internal criteria. One product might be selected because of its impact on the viability of the organization. In another example, a service might be targeted because of a poor customer retention rate.

2) Mapping the Service Delivery Process

Several process-mapping tools are available and may be applied to help understand complexities of the service delivery and production processes. Four common process-mapping tools include flowcharts, work flow diagrams, top-down flow charts, and interfunctional charts. Hronec suggests that companies need to use two of these maps to really understand their processes⁷.

The service delivery process is a focal point of customer satisfaction. Using process-mapping tools, it is possible to visualize service as a process, including "Moments of Truth". Discrete operations are identified, with product and/or service flows indicated. A cross-functional team should create process maps, with members representing each of the relevant operations included in process.

Service organizations and product manufacturers have considerably different service delivery processes. In a service organization, much of the value created for customers is in the real-time interactions between the firm's employees and the customer. Most, if not all of the "Moments of Truth" are directly controllable by the organization providing service.

Manufacturing organizations need to look at both production processes and service delivery processes. The former highlight internal customer needs, while the latter focus on needs of external customers. In a manufacturing organization it is common to have both direct and indirect (downstream) customers. Often there is little, if any, direct contact with the end customer. However, "Moments of Truth" still exist, even if in a different context. Product performance, and conformance to customer requirements tend to drive customer satisfaction, but service factors are becoming increasingly important.

3) Identifying Key Stakeholders

Based on product and service flows in the process maps, it is fairly easy to identify the stakeholders involved in customer satisfaction. Some stakeholders who do not appear on the initial process maps, may impact customer satisfaction. Two examples include shareholders and indirect customers. Shareholders expect a return on investments in "customer loyalty". Indirect customers are also stakeholders, to the extent they are affected by our products or services (e.g., In education, the community at-large is affected by quality of student education).

In service organizations the key stakeholders are the external customer, frontline employees, and employees who support the frontline. The degree that feedback needs to be gathered from each stakeholder group is related to the extent their role has a bearing on customer satisfaction.

In manufacturing organizations, it is important to recognize that internal customers (employees serving other employees) are important stakeholders. It is also important to look at customer requirements at each level, whether direct or indirect. Each group of customers should be considered for their potential as a key stakeholder.

4) Exploring "Moments-of-Truth"

Exploring "Moments of Truth" is a facilitator-lead group discussion. As a rule, frontline employees are the core group of interest, along with the employees who support the frontline. In many organizations, employees see only part of the service delivery process. This hinders big-picture understanding. To enable collective understanding, groups are usually comprised of a cross-section of employees, representing all possible "Moments of Truth". In a manufacturing setting, it may make sense to facilitate groups of employees further upstream, supporting the frontline indirectly.

The facilitator encourages service providers to see their products and services through the eyes of their customers. As a group, participants characterize "Moments-of-Truth". A typical outline for areas of exploration is likely to include:

- Value sought by customers, benefits provided
- Identification of all related "Moments of Truth"
- Interpersonal factors that drive customer satisfaction
- Important product or service factors related to cost, quality, and timeliness
- Causes of customer dissatisfaction

As a result of this exercise, employees gain a clear perspective of how their performance supports the customer's overall experience with the organization. Participants are sensitized to issues

impacting customer satisfaction, providing the perfect window to proceed with the next step, implementing the barrier survey.

5) Conducting Barrier Surveys

At a minimum, barrier surveys should be conducted with all employees having direct customer contact. In some situations, the benefits of conducting barrier surveys with other groups of stakeholders are evident. It is suggested that stakeholders be included when their role impacts customer satisfaction in some way. In some instances, organizations might survey both suppliers and internal customers, in addition to front-line employees.

Barrier surveys are generally self-administered. An assurance of confidentiality encourages open and candid responses. Specific wording of questions should be customized to match the characteristics of the particular organization, its customers, and their service delivery systems. The key questions in any barrier survey will likely address the following themes:

- Reasons for customer dissatisfaction
- Examples of why we are "difficult to do business with"
- Problems and complaints of customers
- Benefits of value to customers
- Sources of "customer delight"
- Barriers that prevent delivery of excellent service
- Problems that are company, employee, or customer based⁸
- Changes that would minimize barriers to excellent service
- Opportunities for better stakeholder teamwork
- Changes that would improve supplier relationships

While barrier surveys should be tabulated and analyzed according to traditional survey conventions, this analysis is of secondary importance. Of primary interest is the facilitation of ownership of the customer satisfaction mission, especially as it relates to the service delivery process. To achieve this level of "ownership", synthesis is superior to analysis.

6) Synthesizing Internal Improvement Priorities

Synthesis is an alternative to traditional analysis, and is the key to engaging employees in the customer satisfaction mission. To achieve the "synthesis", front-line employees (and possibly other key stakeholders) participate once more in a group discussion format. Group size and number of groups should be dictated based on the number of stakeholders who participate in the barrier survey. Groups with up to 15 participants are generally manageable for a facilitator. Ideally, group composition should include employees representing a cross-section of "Moments of Truth" involved in the service delivery process. Between three and four hours are generally sufficient for each group, depending on objectives.

Each session resembles a focus group in many ways. Participants bring completed barrier surveys with them to the session to refer to their responses as needed. A discussion guide, prepared by the facilitator in advance, provides a road map of the session. Selected questions (likely from the barrier survey) are discussed and debated as a group. The remaining questions form the basis of the synthesis that leads to the creation of the "Inside-Out View" of service improvement priorities.

Post-it™ notes are used to record responses to some key barrier survey questions that reflect each employee's view of existing problems (opportunities). Some general questions include:

- Common and severe customer complaints
- Barriers to excellent service
- Problems caused by the company, employee, or the customer

Then, using the quality tool known as affinity diagramming⁹, participants begin to sort and classify service problems. By consensus, the group agrees on final classifications and assigns names for each category.

Once the categories are named, each participant receives ten sticky-dots. Using multi-voting, participants use their sticky dots to show their personal priorities for improving service to customers. Using a limited budget analogy, participants are asked to allocate their ten dots in any manner that they feel will maximize customer satisfaction. Sticky-dots can be color coded to enhance analysis. One variation is to give two dots of one color and eight of another. The two dots symbolize the top 20% of desired improvements (e.g., "You have only two thousand dollars, not ten, so where would you spend the two?").

On conclusion of multi-voting, the organization's top improvement priorities are summarized, with participants sharing a strong sense of ownership in the creation of the "Inside-Out View". At this point, managers should proclaim a commitment to acting on these findings, while at the same time stressing the importance of merging these results with customer's perceptions of needed service improvements.

Some internal improvement suggestions can be acted on without regard to customer feedback. Organizations using participative management can either charter ad-hoc teams, or turn priority issues over to standing process improvement teams. At this point, employees may be eager to volunteer to join a customer feedback steering group, which is another means to facilitate ownership of the measurement process.

Improvement priorities from the "Inside-Out View" will impact satisfaction measurement tools, and identify opportunities to clarify customers' needs and expectations. Following the synthesis of the "Inside-Out View" is the ideal time to implement the more well-known qualitative, and quantitative baseline customer satisfaction surveys. Bringing the "Inside-Out View" together with the "Outside-In View" fosters a stakeholder-driven feedback system, which is the key that unlocks the power of customer satisfaction measurement.

The arguments presented earlier provide compelling evidence of that organizations need to foster employee ownership in their cultures. Failure to create a climate of facilitation and trust internally has a high cost for any organization. Lack of facilitation obstructs efforts to attain service excellence. Worse yet, over the long term, it could be a prescription for disaster.

Customer-focus begins with leadership. To be effective, leaders must go beyond mere declarations of customer satisfaction. They must actively engage, involve, and serve those charged with direct support of the customer. Shifts to a customer-focused culture can only occur when employees are involved, and take ownership of the customer satisfaction mission.

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Bio For Jeff Israel

Jeff Israel is Principal of **SATISFACTION STRATEGIES**, a consulting firm founded in 1991. The firm specializes in customer and employee surveys that drive improvement. He helps clients create and improve customer feedback systems. Mr. Israel holds an M.B.A. from Washington State University, specializing in Market Research and Quantitative Methods. He also holds a B.A. in Business Administration, with a Marketing emphasis. Mr. Israel is a Past Chair of ASQ's Customer-Supplier Division; an associate with The Performance Center; Senior Member of The American Society for Quality and an Executive Member of the American Marketing Association.