

'WE MEASURE, YOU MANAGE'
A CASE HISTORY ABOUT HOW PEOPLE AND BUSINESSES HAVE
SUCCESSFULLY USED THE MBee.M MEASUREMENT SYSTEM

All you need is love? THE TCS TECHNIQUE

Love, loyalty, satisfaction – TCS has them all. So why spend money on measuring them?

TCS has a special place in the affections of Swiss consumers. More than 50% of Swiss households have a relationship with this 110 year old non-profit membership organisation with its 1400 employees. Satisfaction and renewal rates are sky high for its principal product - roadside assistance at home and abroad. It has other travel and insurance-related products and has recently launched a credit card. The 37 TCS travel agencies have no ties with any tour companies and so constitute the largest independent chain in Switzerland.

Small but perfectly formed. But with a lot to lose.

The individual TCS member can look to TCS for a number of service products. Satisfaction with one product creates the confidence to buy the others. Conversely a bad experience with one puts this relationship at risk.

So TCS cannot afford to rely on its history however successful. Younger people are less impressed by this venerable Swiss institution than their parents and grandparents. Car dealers and other insurers are now supplying their own breakdown and 'get you home' services. Internet booking of holidays bypasses travel agencies. Lots of people offer holiday insurance.

No immediate threat to TCS but the company decided to act now.

What TCS needed

What were the major needs?

- the need to guard against complacency and to keep staff involved
- the need to create an integrated, unified view of TCS customers
- the need not just to 'do things right' but to 'do the right things'
- the need to manage proactively the customer relationship at every level of the organisation

As Sonja Betschart, Customer Relationship Manager at TCS said “our TCS businesses all know what to do – that, after all, is their job. What we wanted to find out from our customers is how they wanted the job to be done.”

TCS needed to find a means of managing based on knowing the connections between:

- the customers' experience and their loyalty
- company action and outcome
- company investment and return
- training and customer satisfaction

A single unified management information system was needed to pull together all these elements. This would make it possible for TCS to create a common 'service language' based on shared values which would be the basis of its relationship with all its customers.

This ambition relies on what the company call 'its four pillars':

1. the adoption of Values and Behaviour Processes for “How to do Business with Customers”
2. training to provide the means of meeting those objectives
3. take-aways from the training to record personal priorities and achievements , integrated with the company's Management by Objectives approach – goals, targets and actions undertaken to improve customer satisfaction

4. a measurement system that measures the rational (objective) as well as the emotional (subjective) factors of customer satisfaction

The erection of the fourth pillar was what the Mbee.M system was asked to do.

The process to be piloted

TCS wanted a way of establishing customers' satisfaction with services and processes right across the business - for both internal and external customers. It needed to discover the core dimensions of success based on what customers value and then develop a common language of service management based on those values.

How could TCS first measure and then manage this in a consistent way in all its businesses and across all its customers?

Recognition of the world of feeling

When it comes to customer satisfaction, feelings about the service or product received count for far more than the product or service itself.

Based on intensive qualitative research with customers, TCS has come up with six value-based dimensions that drive the customer's perception of good service.

These six drivers of satisfaction and loyalty are:

- a positive contact experience
- easy access to the company and its services
- trust
- reliability, time after time
- respect for customers' needs and feelings - along with respect for TCS people
- recognition and knowledge of the customer

What did TCS want from the Mbee.M measurement system?

TCS called on Mbee.M to pilot the system to:

- measure and so help manage the **internal customer** relationship in the same way as the **external customer** relationship by reference to the six value-based drivers of satisfaction
- organise the sharing of information amongst people at all levels of all the businesses, tailored to their function and place in the hierarchy
- provide everyone with the detailed actionable information they needed on the service that they were responsible for, together with an awareness of the bigger picture from the point of view of both customer and company
- focus on data that lead to action and avoid information overload

The Mbee.M system is designed to do this – the two examples that follow show how.

What Mbee.M did for the travel division

For ***external customers*** – the SMILE VOYAGES pilot for travel agencies

Mbee.M measured the satisfaction of customers at the frontline in the 37 TCS travel agencies. Over a period of two years, we used both survey techniques and a mystery shopper programme. We took the results from both exercises and consolidated them into reports that gave managers information on:

- the value-based drivers of satisfaction
- the processes involved e.g reception and greeting, choosing and buying a holiday
- internal benchmarks of performance – good and bad
- priority areas for improvement

And all these reports were customised to focus on individual managers' areas of responsibility.

In addition, Mbee.M produced customised reports that allowed customer satisfaction performance to be compared across all TCS businesses. The system did this by allocating specific findings (for example whether staff were welcoming or unwelcoming, whether the travel agent gave the customer a card with his/her name and contact details) to the most appropriate of the six drivers of satisfaction and loyalty – the six success dimensions.

In our examples, the attitude of staff (welcoming or unwelcoming) relates to a positive contact experience. The giving of the card relates to easy access to the company and its services.

The way Mbee.M handles the data, transforms findings into identified areas for improvement action. The traditional response to a survey question such as “How satisfied were you with the reception in the travel agency?” is an answer like “30%”. Mbee.M relates that sort of answer to the appropriate success dimension - in this case positive contact experience - and compares it with the target or benchmark performance as well as with the best and worst performance delivered by other TCS agencies.

After all, a result showing that as few as 30% of customers are satisfied, might be a good level of satisfaction in a situation where the target level was 25% and everyone else got 15%. [*this is an area where an explanatory graphic would be very handy*]. In that case, no need to panic and the manager can prioritise some other aspect of the service for improvement.

Much the same again for internal customers – the SMiLi way

The second part of the pilot was measuring ***internal customer satisfaction***. This put the backroom boys and girls under the same spotlight as the frontline staff. The Mbee.M system used the same principles and approach as the customer surveys for the travel agencies. There was no need to use mystery shoppers.

Three services areas were chosen – HR, IT and Finance: all vital to the quality of customer service and business performance. We put together a questionnaire in two languages with some questions in common and others specific to the particular internal service involved. Again we delivered reports to individual managers tailored to their particular areas of responsibility.

Not just function-related

Most importantly we were able to give all those involved information not just about their department or their bit of the process but an overall and cross-functional appreciation of how they compared to other departments in the quality of service they delivered.

Managers and staff could see at once how much their work contributed to the ratings of each of the six drivers of customer satisfaction. And they could directly compare their achievements not with other backroom departments but also with frontline services such as the travel agencies.

It is thanks to Mbee.M's standardised reporting techniques focusing on the common components of the customer view that all these reports are capable of comparison. Each department can benchmark itself against another – is it better than the worst? Is it above the norm? Does it meet its target? Is he or she the best in class?

360° view of strategic achievements

These results trigger action to improve – so internal (backroom) activities are also driven by external success (customer satisfaction). The Mbee.M system can bring together results from these different types of survey by the way it allocates the results to the six common drivers of success. This consolidation gives a 360° view of the company and how well it is following the strategies laid down by the Board. In this way, the experience of the user remains central to TCS's vision of success.

WHAT RETURN ON INVESTMENT HAS TCS HAD?

During the five years that TCS has been using the Mbee.M system, the company has made the journey from scepticism and suspicion ("just another 'customer first' campaign") to acceptance ("survey costs are stable") and beyond to anticipation of the output from the next round of surveys ("where is our data? We need it now."). (*This could be the quote?*). The main reasons for this are:

- The Mbee.M system meets the needs and purposes of TCS – not the other way around where the ambitions of the client are frustrated by inflexible systems
- The questionnaires are easy to use and encourage high levels of participation by both internal and external clients.
- The way the data are presented encourage improvement without wasting time on discussion about what the data might mean
- The cross-company and cross-process approach brings externally-facing staff and their backroom colleagues closer together, highlighting their shared responsibilities for keeping customers loyal and happy
- Costs are low and stay much the same once set-up costs in the first two years have been absorbed, encouraging continuing commitment to the measurement system in all parts of the company
- Costs are the same if not lower than they used to be when each part of the business commissioned its own research
- Different bits of the business can choose the frequency of surveys and customers are not asked too many questions too often.

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OVERALL CONCLUSIONS ON Mbee.M and TCS

FEASIBLE, FLEXIBLE, EFFECTIVE

- Common approach possible for internal and external customers
- Satisfaction measurement techniques encourage and support this common approach and attitude
- Tailoring of both surveys and reports delivers actionable data
- Attitudes, behaviours and departmental cultures change as a result

TRANSPARENT, OPEN

- Basis for open comparison between different businesses and departments
- Elements making up the customer relationship clear and seen to be fair
- Availability and sharing of data minimises fear of 'blame culture' and maximises opportunities for local action
- Above and below the line costs of measurement known

ACCOUNTABLE, CLEAR LINES OF RESPONSIBILITY

- Responsibility for decisions and corrective action at each operational level – local, regional, national
- Corrective action included in TCS Management by Objectives reviews
- Businesses learn how to use their own data and take responsibility for their own corrective actions
- Consciousness of customer needs raised at all levels.

Mbee.M THANKS TCS

Mbee.M thanks TCS for permission to share their experience in this way. Clearly this brief case study can only skim the surface and does not do justice to the amount of work within the company on the other three pillars that support the Esprit Club programme. For example, we have not mentioned the extensive and intensive training designed to create consistency and excellence in the way TCS people deal with each other as well as customers. Nor have we described in any detail the preliminary research done with small groups of customers to isolate what they thought was really important when it came to good service – the basis for the six drivers of satisfaction.

So many thanks to TCS people for their work in helping the pilot programmes succeed. Congratulations to you all and give yourselves a very high score on the 'pleasure to do business' attribute.

Olivier Saurais

Chief Executive and project manager for the TCS pilot programmes
Mbee.M

Call Olivier for more detail on what the Mbee.M system can do for you.