

Recognize Employees for Improving Customer Experience

by Lynn Hunsaker

Humans, as well as all living things, align their behaviors with the rewards in their environment. For example, only 42% of companies agree that they can do what is right for customers despite the pressure to make current-period financial numbers. Interestingly, the same number of companies are actually using customer metrics to evaluate organizational performance.¹ To engage executives and employees in customer experience management, walk the talk, and put your money where your mouth is.



Most Rewards are Invisible

There is a wide spectrum of influencers on human behavior, spanning a simple smile of approval, to a sixth sense of what gets you ahead or penalizes you, to fabulous attention and monetary increases. All of these influencers should be included in a change management strategy for employee engagement in creating superior customer experiences. Intrinsic rewards (e.g. meaningfulness, choice, competence, progress) are much more powerful than extrinsic rewards (e.g. prizes, money) in our contemporary society. As Colin Shaw points out in his book, *The DNA of Customer Experience*, emotions account for over 50% of an experience.

You Get What You Reward

Only 30% of companies are using customer metrics (e.g. profitability, campaign response) to evaluate individual performance. The same number of companies align incentive compensation to customer metrics.² Among those companies that do tie compensation to customer experience, employee behavior often does not match what was intended. For example, using customer satisfaction surveys as a basis for the employee bonus program often leads employees to coach customers to help them get their bonus by giving them a highly satisfied rating. When the survey results are reported, how much confidence can the company have that the survey is valid? Coaching negates the value of the survey, and of the bonus program as well, making them largely a waste of effort, time and money for all parties involved. Instead of tying compensation heavily to survey results, tie it primarily to leading indicators: action plan progress metrics.

Let Employees Toot Their Own Horn

At Applied Materials I managed a self-reporting team recognition program, which guided employees in expressing their achievements according to established categories and criteria designed to strengthen customer focus in the company culture. Both formal and grass-roots teams get constructive feedback from a panel of executives, which enriches their projects and team satisfaction, and has resulted in thousands of hours and millions of dollars in savings for the company and customers alike. An online user interface gives employees worldwide easy access and visibility to lessons learned for synergy and knowledge management. The program is evaluated by company-wide participation and participants' satisfaction, with continual

improvement over the years, evolving from a variety of problem resolution categories to exclusive focus on problem prevention for superior customer experience.

Recognize Desired Behaviors & Outcomes Incessantly

To weave employee engagement for superior customer experiences into the fabric of your culture, don't wait for end-of-quarter opportunities to express gratitude for stellar performance. Help your employees make CEM a habit by reinforcing what you like when you see it. Be sincere. Be creative in expressing your appreciation. Involve employees in recognizing their peers. Recognition can be contagious and buoyant.

Coca Cola Enterprises' Director of Global Employee Engagement, Ashley Jensen, says "Engagement is an employees connection and commitment to a company. Engaged employees bring more to work each day, and are better able to build customer relationships. A study by Powers Watson shows that companies with engaged employees financially outperform lower engagement workplaces, with 5.75% difference in operating margin, and 3.44% in net profit margin. We see engaged employees driving business performance. And as levels of engagement rise, so do levels of customer satisfaction. Among our 72,000 employees worldwide we have 600 engagement champions to connect employees to the company's four strategic initiatives, one of which is Customer Focus, in our quest to be considered a high-performing benchmark company."³ *Access the 30-minute online radio interview at Employee Engagement & Customer Focus (<http://tinyurl.com/cem-show>).*

81% of companies with strong capabilities and competencies for delivering customer experience excellence are outperforming their competition.¹ Make it hard for competitors to copy your strengths, by engaging your employees in designing and delivering superior customer experience. Use these best practices to establish your customer experience management strategy:

- Consistent and vivid image of customers company-wide.
- Customer-focused decision-making.
- Monitoring of customer interaction quality.
- Recognition for customer experience improvements.



This article is part of the complimentary whitepaper Employee Engagement in Superior Customer Experience.

¹Customer Experience Maturity Monitor, Peppers & Rogers Group, 2009.

²Customer Experience Management, Aberdeen Group, 2008.

³Employee Engagement & Customer Focus, BlogTalkRadio Customer Experience Optimization, 2010.

Let's discuss how to customize this to your situation; contact us at OptimizeCX@ClearActionCX.com