Training Manual

Customer Relationship Management

Compiled by

World Bank-Higher Education for the Twenty First Century (HETC) Project
&
University Grants Commission

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Customer Relationship Management

for

Non-Academic Staff

Commissioned Resource Persons

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Preface

Human Resource Development of the University System is one of the statutory responsibilities of the University Grants Commission (UGC) and also a key component of the Higher Education for the Twenty First Century (HETC) Project (2011-2016), the second phase of World Bank assistance provided for higher education sector in Sri Lanka. The UGC being the apex body of the university system bears the responsibility of providing opportunities for growth and career development to as many as possible through in-service training. In-service training for all categories of staff is vitally important not only to impart specific knowledge and skills required to perform in the employee's assigned tasks but also to promote right attitudes and behavioral attributes such as allegiance, commitment, initiative, compliance with codes of practices and ethics, which are indispensible elements required for improving the productivity of employees and that of the entire system.

In executing its mandatory role, the UGC has established Staff Development Centers through the Commission Circulars No. 820 of 20th February 2003 and expanded and strengthened the role of SDCs through the UGC Circular 937 of 10th November 2010. The UGC is providing additional funds beginning from 2011 for improving physical and human resources and expanding the scope of continuing education programmes. This initiative has been assisted by the WB-HETC Project (2011-2015) commencing from 2011.The -HRD-ST sub-project under the direction of the Standing Committee on Staff Development of the UGC has developed a comprehensive programme aimed at human resources development of universities, covering academic and other staff (i.e. senior administrative staff, executive staff, technical staff, non-academic support staff, etc.).

The aim of the UGC-HETC joint endeavor is to design and develop a series of Training Programmes and Manuals on diverse topics relevant to the staff of higher management, academic, executive and non-academic categories. The Training programmes and manuals are developed by the identified resource persons in close liaison and consultation with Professor Harischandra Abeygunawardena, Chairman of the Standing Committee on Staff Development of the UGC and Dr. Gominda Ponnamperuma, Manager- HRD of the HETC Project. All manuals are approved by the UGC for the use in the Staff Development Centers of all Universities.

This Training Manual on **Customer Relationship Management** was developed by **National Institute of Business Management** as a commissioned assignment and would provide details of the prescribed training course. They will also act as training guides for prospective trainers of all universities.

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1st January 2013

1.0 Aims and objectives

- o Expose the participants to modern concepts and practices of customer relation.
- o Emphasize the role of customer relation function in modern organization.
- o Equip the participants with essential knowledge, skills and attitudes necessary to deliver an outstanding customer service.

2.0 Learning Outcomes

At the end of the training program, participants should be able to;
- o Understand well who are your customers and needs and expectations of each customer group.
- o Recognize how to deliver an excellent service to your customers.
- o Realize how to make every customer a special customer.
- o Assess the role of communication as a tool of enhancing customer service and satisfaction.
- o Appreciate the importance of customer relationship management
- o Learn how to handle difficult customers and customer complaints
- o Make out the challenges for an effective customer relation
- o Develop the required qualities, skills and attitude to become a customer champion.

3.0 Target Audience
E.g. Staff officers, Public relation officers, stenographers and clerks.

4.0 Methodology
This is a highly practical and participative course. Participants will work in small groups throughout the course to apply the learning to a real work life.

Day – 01

(Session - I)

Understanding Your Customer

1.1 Who are customers?

Customers are people who need your assistance/service. They are not an interruption to our work, they are the reason you have a job.

1.2 Key Customer Types

1.2.1 Direct Customers

These are the people who directly buy/use the organization's products and services.

1.2.2 Internal Customers

Internal customers are any group (or person) who relies on you to complete a task or function in order for them to get their job done. The ramification of providing poor customer service to your internal customers often leads to providing poor service to your *direct customers*.

Exercise - 01: Identifying Your Customers

List down different customers serve by you.

1.3 Customer Needs & Expectations

Customer need is *"why"* do people come to you and customer expectations are *"What"* do they expect from you/your organization.

Exercise - 02: Identifying Needs and Expectations of Your Customers

For each customer type which you have identified in exercise one, discuss what it is that each of them needs and expects from you. Compare your answers with others.

1.3.1 The Six Basic Expectations of Customers

1. **Friendliness**: Friendliness is the most basic of all customers needs, usually associated with being greeted graciously and with warmth.

2. **Understanding and empathy**: Customers need to feel that the service person understands and appreciates their circumstances and feelings without criticism or judgment.

3. **Fairness:** Customers get very annoyed and defensive when they feel they are subject to any class distinctions.

4. **Control:** Control represents the customers' need to feel they have an impact on the way things turn out.

5. **Options and alternatives**: Customers need to feel that other avenues are available to getting what they want accomplished.

6. **Information:** Customers need to be educated and informed about our products and services, and they don't want us leaving anything out.

Exercise - 03: Understanding and Delivering Customer Expectations

Discuss with your group members, to what extend these expectations of customers are meet in your organization, identify the key barriers and write down some sound suggestions to improve those areas.

1.4 Services and Customers expectations

Services are delivered in real time therefore; if we fail to meet the customer expectations the chances for customer dissatisfaction is more. Therefore, not like selling a product, when delivering a service we should pay more attention on fulfilling the customer expectations. When a customer comes to your organization he or she already has a specific set of expectations about the company/your service. Normally, these expectations are formed through personal past experience, and the experience of others with whom the customer interacts.

1.5 Ten important areas we should know about our customers

1. Who they are?
2. What they want?
3. Why?
4. When?
5. How?
6. What makes them feel good?
7. What makes them feel bad?
8. What they expect from you?
9. What they think about you?
10. What they think about your competitors?

Exercise - 04*: Customer Assessment*

Discuss with your group and analyze your customers' base on above 10 dimensions.

1.6 Happy Customer

Simple way to identify a happy customer is check their facial expression. How many are leaving with a positive impression (E.g. Smile).

1.7 Formula for Creating Happy Customers

Expectation > Actual Performance (Dissatisfaction)

Expectation = Actual Performance (Satisfaction)

Expectation > Actual Performance (Delighting)

Day – 01

(Session - II)

Delivering a Good Customer Service

Exercise - 01: *Understanding what customer service is?*

What does Customer service mean to you? Write down your idea of customer service. Compare your answer with your colleagues.

2.1 Customer service is the provision of service to customers before, during and after a purchase. According to Turban et al. (2002), "Customer service is a series of activities designed to enhance the level of customer satisfaction.

Exercise - 02: *Delivering a Good Service to Your Customers*
With the person next to you, talk about when you've had good service and when you've had bad service. Make a list of aspects of each.

2.2 Customer Service Concerns;

- o Reliability
- o Consistency
- o Tangibles/Outlook
- o Empathy
- o Responsiveness/Timeliness
- o Efficiency
- o Quality
- o First Impressions

Exercise - 03: *Delivering a Good Service to Your Customers*
Identify and evaluate different customer service activities delivered by your organization using the above criteria and identify areas to be improved.

2.3 Customer Interaction Cycle
The customer interaction cycle is a specific pattern of behavior that has been found to respond well to the customer concerns. Customers expect to be treated well in each of the five stages – *greeting the customer, understanding or knowing the customer's needs, agreeing on the customer's requirements, helping the customer, and keeping a positive relationship with the customer.*

2.3.1 Greet
In the first stage of the customer interaction cycle, the service provider begins the relationship with the customer. It is often very brief but it is very important. It creates the first impression that will

shape the customer's judgment about whether the organization cares enough to provide the service and products that the customer wants.

o *Be ready*

o *Welcome*

2.3.2 Know

The second stage of the customer interaction cycle focuses on *understanding the needs of the customer.* It involves listening for facts, observing feelings, asking clarifying questions, and restating important information to assure understanding. It is the most difficult stage of the interaction because you must concentrate on what the customer is saying and avoid being distracted by other things around you. It may seem to be a dull routine to repeatedly ask or answer the same questions all day long. But remember for the customer, it is not repetition. It is a valuable personalized service.

o *Listen*

o *Ask questions*

o *Offer Information*

2.3.3 Agree

The third stage of the customer interaction cycle assures shared understanding and agreement on the desired response. It states the expectations and obligations of customer and the service provider.

o *Restate*

o *Set Expectations*

o *Get Agreement*

2.3.4 Deliver

The fourth stage of the customer interaction cycle delivers the product and service with information and other assistance. It prepares the customer to enjoy a pleasant experience.

2.3.5 Continue

Keeping customers builds future business. It is the fifth stage of the customer interaction cycle. This concludes this transaction with the customer and encourages future business. This stage offers an opportunity to build customer loyalty and to get valuable feedback on the customers' satisfaction with your business.

o *Check Satisfaction*

o *Thank*

o *Bridge*

Day – 02

(Session - I)

Customer Care

3.1 What is "Customer Care?"

The simple idea of "customer care" is how much you *care* about your customers and how do you *show* that to your customers.

It should be in everywhere/each and every customer touch point/contact point in your organization. Therefore, don't just keep it to documents – Vision, mission, policies and standards. Implement/deliver it in real, in each and every customer touch point/contact point inside the organization. So that customers can really feel that they are important to you.

3.2 Importance of Customer Care

o   Create a positive customer experience.
o   More business, more revenue
o   Enhanced public image
o   Edge on Competitors
o   Easy to attract new customers
o   Ensure the long term business viability of the organization
o   Ease the business expansion possibilities

Exercise - 01

Think of a service provider you are loyal to. Why are you loyal to this provider? Discuss your feelings and actions (Past and future) toward this provider.

3.3 How to make every customer a "Special customer?"

Speed
◆ Deliver on time
◆ Operating hours
◆ Quick response to customer inquiries
◆ Simple and straight forward procedures
◆ Don't keep waiting
◆ Explain delays
◆ Be fast with complaints

Personalize Touch

◆ Know your customer well

◆ Cut out jargon, and explain things simply

◆　　Respect his needs

◆ Use the customer name in all written communications and conversations

◆ Accommodate the customers special requests whenever possible

Exceed Expectations – Value for money

◆ Try to deliver sooner, faster, better, cheaper than you promised.

◆　Do something extra

Competence and Courtesy

◆ Be professional

◆ Be friendly

◆ Show courtesy

◆ Know your manners

Be prepared

◆ Know your job well

◆ Know your product well

◆ Know your customer well

◆Know your organization well

Follow-up

◆ Stay in touch

◆ Be proactive

3.4 Role of communication

3.4.1 Greeting/welcoming customers

Exercise – 02

Make note of GOOD GREETING BEHAVIOUR.

3.4.2 Establishing Rapport

Group Exercise – 03

Discuss in brief, how to develop good rapport?

3.4.3 Importance of Listening

Communication is a two-way process.

o   Listening to other (Receiving)
o   Expressing (Sending)

For better communication both are important.

3.4.3.1 How to be a Good Listener/ Qualities of a Good Listener

Group Exercise – 04

List down the qualities of a good listener.

o   Don't interrupt - makes sure the speaker is completely finished talking before making a comment or reply
o   Makes eye contact
o   Pays attention
o   Show interest - Attentive posture
o   Write down important points
o   Ask questions/clarifications
o   Check for Understanding/ Paraphrasing
o   Summarizing

3.4.4 Using Your Voice

Group Exercise – 05

Barnstorm how you might modify your voice in certain situations.

Tone of voice – always convey friendliness and amicability. Do not raise your voice in frustration or anger no matter how difficult or tiresome a customer may behave.

3.4.5 Body Language for Positive Results

Group Exercise – 06

Barnstorm some examples of good body language.

o   *First impression*
o   *Smile*
o   *Welcome*
o   *Shake hands if appropriate*
o   *Be attentive*
o   *Hand gestures*
o   *Personal space*
o   *Posture*
o   *Observation*

Remember, the little, interpersonal actions noted above mean a great deal in the area of customer relations. They can change customer perceptions and ultimately affect the success of your customer relations efforts.

3.4.6 Telephone Etiquette

The telephone is often the first or last place a customer comes in contact with an organization or company. Being telephone friendly is one of the least expensive and cost-effective ways to deliver better customer care/service.

3.4.6.1 Answering the Telephone

How a company answers the phone can tell the whole story of how they treat customers and employees. The correct phrase said in the right order in a positive tone leaves a good impression and starts the customer-client relationship off on the right foot.

Some best practices;
o   *Pick up the phone in three rings.*
o   *Greet the caller; the greeting is key; it sets the tone and style of the whole interaction.*
o   *Give your name*
o   *Ask the customer if or how you can help.*
o   *Put it altogether and you have a good example:*

3.4.6.2 Putting a Customer on Hold

o Ask the customer if you can put them on hold; wait for them to say "yes" or "no" and then explain it will only be for a short period of time.

o Explain to customers why you are putting them on hold.

o Thank customers for holding.

3.4.6.3 Transferring a Call

o Ask the customer if they mind being transferred; wait for them to say "yes" or "no" and explain why they are being transferred and to whom.

o Inform and brief the person whom the call is being transferred.

3.4.6.4 Taking a Messages

o Explain your co-workers absence in a positive light but do not be too specific.

o Explain that your co-worker is in a meeting, conference, briefing, or training. Never say that you do not know where he or she is, or that he or she "was just here".

o Give a reasonable estimate of when the co-worker will return.

o Offer to help the caller, take a message or transfer to another staff member.

o Make sure that you deliver the message on time.

3.4.6.5 Ending the Call

This is the final step in good telephone etiquette. A good customer service representative ends the call on a positive note, repeating any actions agreed to be taken and greeting the customer appropriately.

3.5 Some factors that create a negative impression among customers;

o Making the customer wait

o Not answering the phone promptly

o Not saying "please" and/or "thank you"

o Speaking loudly or condescendingly to customers or colleagues

o Making faces, frowning, acting distant, and not smiling

o Looking disheveled or like you do not care about your appearance

o A poor handshake

o Focusing on another task while addressing or servicing a customer.

Remember once registered; negative impressions are difficult to overcome

3.6 Ten Major Don'ts of Customer Care

o *No*

o *I don't know*

o *That's not my job./That's not my department*

o *I'm busy right now*

o *Call me back*

o *That's not my fault*

Wrong Approach	Polite and Friendly Alternative
"I don't know."	"I'll find out."
"No."	"What I can do is…"
"That's not my job."	"Let me find the right person who can help you with …"
"You're right – this is bad."	"I understand your frustrations."
"That's not my fault."	"Let's see what we can do about this."
"You want it by when?"	"I'll try my best."
"Calm down."	"I'm sorry."
"I'm busy right now."	"I'll be with you in just a moment."
"Call me back."	"I will call you back, what is your telephone number."

3.7 Best Customer Care Practices

o Be on time, open on time, deliver on time

o Follow through and deliver your promises

o Go the extra kilometer for customers

o Offer you customer options

o Treat customers as the MOST important part of your job

o Give customers your name and contact details

Day – 02

(Session - II)

Customer Relationship Management

4.0 Customer Relationship Management

It is the *integrated* effort to develop strong/long-term relationships with customers.

4.2 Goals of Relationship Marketing

o *Getting*
o *Satisfying*
o *Retaining*
o *Enhancing*

4.3 Important Aspects of Customer Relationship Management;

4.3.1 Managing Customer Complaints

"A Complaint Is a Gift," Janelle Barlow and Claus Moller define a complaint as "a statement about expectations that have not been met."

So feedback and complaints are actually really important. They're an opportunity for us to improve ourselves, our products, our services, and our processes – if we act on the feedback that we receive.

4.3.2 Types of Complaints

Group Exercise – 01

Discuss in groups common types of complaints that you receive about your service/organization.

4.3.3 Best Practices for Solving Customer Problems

o **Listen:** It is of primary importance when dealing with an unsatisfied or complaining customer to listen attentively to his/her complaint, gripe, frustration or grievance. Be patient, attentive, and friendly.

o **Express you are sorry:**
o **Do not argue and do not interrupt:** This will only worsen the situation, especially if the customer is angry. Let him speak before you try to discuss with him what has happened.
o **Do not lose your self-control:** If you stay relaxed, customers will calm down.

- **Point out facts:** Listen carefully – and write everything down. Do not make any comments until the customer is finished talking.
- **Admit the problem:** From the very beginning you should believe that the customer may be right. Always be open minded toward the customer's opinion, make them feel they deserve to be listened to.
- **Involve the customer in problem solving:** Suggest the customer alternative solutions, if they exist. Customers appreciate the opportunity to choose the ways of problem solving.
- **Follow-up:** Make sure that the promised measures are taken. If you do not fulfill what was promised and ignore the customer's complaint, the problem will grow. Next time it will be more difficult to solve.
- **Give the customer a "way back":** Sometimes customers are wrong. Prove it with facts.

4.4 Obtaining Customer Feedback

4.4.1 Benefits of Using a Feedback Process

There are several benefits of implementing a feedback process:

- An effective feedback process gives you the data that you need to create real, lasting improvement. Team morale, product quality, and an organization's reputation may all improve as a result.
- A good process helps organizations act on the feedback that they receive. This, in turn, can create a strong bond between the organization, and its employees and customers.

4.4.2 How to obtain Customer feedback

Group Exercise – 02

Discuss in groups different ways to collect customer feedback about your service/organization.

4.4.3 Tips for Managing Feedback Effectively

- **Make it easy** – It should be easy for your customers or your team to give feedback. For example: For internal feedback, encourage people to use suggestion boxes, and make sure everyone knows where the boxes are.

- o **Set up a feedback hotline or specific email address** that allows people to offer comments quickly.
- o **Give your managers and team the power** to do whatever it takes to resolve a problem.
- o **Offer incentives** for people to provide feedback.
- o **Use careful language** – Watch your wording when you speak with, or write to, a customer or employee.
- o **Empathize** – Some people may be angry about a problem. Empathize with them with phrases like "I know you're angry. I would be too and try to see the situation from their point of view.
- o **Prepare for difficult situations**

4.5 Dealing with Difficult Customers

4.5.1 Who is a "Difficult Customer?"

Group Exercise – 03

Write what you mean by a difficult customer and examples of difficult customers. (That you have come across during your work)

The Talkative Customer
- o Ask closed questions
- o Limit the time available for them to interrupt (don't have long pauses)
- o Provide minimal response
- o Smile and be pleasant, but don't encourage them
- o Wind up – thank them for coming, walk them to the door but don't be rude or dismissive

The Angry Customer
- o Listen carefully without interrupting so you understand the problem
- o Stay calm and remain polite
- o Don't escalate the problem
- o Don't take it personally, be defensive or blame others
- o Propose an action plan and follow it
- o Seek support if you are scared, if you can't agree on a solution or if the customer asks to see "whoever's in charge"

The 'know it all' Customer

o   Acknowledge what they say

o   Compliment them on their research

o   Be generous with praise

o   Don't put them in their place no matter how tempting

o   Don't try to be smart – you can't win!

o   Ask them questions and use them to improve your knowledge

The Indecisive Customer

o   Find out what they really want

o   Ask them for the options

o   Reflect back to them what they've said

o   Assume control gently and point out the best course of action from what they've told you they
    need

o   Be logical

o   Confirm a plan of action with them

The Suspicious Customer

o   Establish your credibility

o   Ensure you know your product or service

o   They will try and catch you out so don't guess or tell them something you're not sure of

o   Be careful what you say

o   Be polite

o   Don't take it personally, they don't trust anyone!

Group Exercise – 04

Role Play

In pairs, one person takes on the role of a customer and one is the volunteer

• Create a scenario that represents any of above behaviors

• Show how you handle the customer

Day – 03

(Session - I)

Implementing a Good customer Care/CRM Program in your Organization

5.0 Implementing a Good customer Care/CRM Program in your Organization

5.1 Challenges

o   Culture/Attitudes

o   Structure

o   Leadership

o   Lack of Employee commitment

o   Lack of Teamwork

o   Lack of Proper Training and Development

Group Exercise – 01

Identify the common factors in your organizations that act as barriers to run a successful customer care/CRM program in your organization. Prepare a list.

5.2 How to be Best in Customer Service/care ?

Group Exercise – 02

Brainstorm what can be done to overcome different challenges which you have identified under group exercise -18. Present your answer to the class.

5.3 Some Suggestions

o   Creating your own Customer Charter or Code of Practice

o   Benchmarking your activities against other organizations

o   Creating and monitoring specific measures of customer satisfaction

o   Provide regular training on customer service

o   Continuously upgrade of customer services practices/standards

o   Reward desired behavior

o   A positive organizational Culture/Impression

5.4 *Group Exercise – 03*

Organizational Assessment - Activity

o   Take a look at your organization through the eyes of a customer.

o   What are the first things you notice?

o   What has the organization done to make you feel welcome?

o   Does anything make you feel uncomfortable?

Form small groups and discuss what you can do to improve your organizational image.

Day – 03

(Session - I)

Your Role: How to become a Customer Champion

6 Your Role – How to be more Customer Oriented

6.1 Qualities of a Good customer Service Employee

Group Exercise – 01

Discuss with your group the different qualities you should have to provide a good service to your customer. Prepare a list and compare with other groups.

6.2 How to become a Customer Champion

6.2.1 Acquire Right Knowledge
o Organization

o Job

o Customer

6.2.2 Develop Right Skills
o Effective Communication Skills

o Listening Skills

o Problem Solving skills

o Decision Making Skills

o Negotiation/Conflict Management Skills

o Leadership Skills

6.2.3 Form Right Attitudes

Group Exercise – 02
 Discuss with your group the different attitudes assist in providing good service.

7.0 Programme Schedule

Date	9am - 12pm	1pm - 4pm
Day - 1	Understanding your customer	Delivering a good customer service
Day - 2	Customer Care and Customer Relationship Management	Managing customer complaints and dealing with difficult customers
Day - 3	Challenges for implementing a good customer service/care program	How to become a Customer Champion

8.0 Resource Persons

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