

editorial Pg.02

From the Editor's Desk

inspirewire Pg.02

What's new at InspireOne?

cover story Pg.03

In Conversation with Bindu James & Mayur Bharath, GBS, Hewlett Packard

features Pg.05

Flexing for Customer Focus; Listen, Leverage and Lead

products Pg.09

Customer In Focus: 90 Minute Series; InspireOne | TMI: Complaints Culture Survey

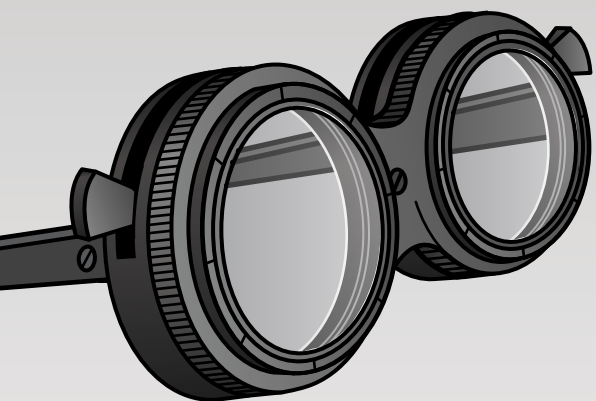
unwind Pg.10

Open Programs Calendar; Unwind with Dilbert

U&I

The InspireOne Newsletter

■ VOL 2 ISSUE 1 ■ Apr 2009 — Jun 2009



THE STRATEGIC BREAK

THE BRINGING THE CUSTOMER BACK IN FOCUS

"The single most important thing to remember about any enterprise is that there are no results inside its walls. The result of a business is a satisfied customer"

— Peter Drucker

TMI

Centre for
High Performance
Development

TACK
INTERNATIONAL

From the Editor's Desk

Dear Friends,

It is believed that customer and employee engagement interact to promote an enhanced level of financial vigor throughout the organization. The equilibrium between the two is key to creating the highest business impact.

For engaging the customers, companies are now getting creative ...weaving topical themes such as the slowdown into TV and print advertisements to create that connect. Companies across industries are realigning themselves to deliver what the customer wants, not what they can sell. The slowdown has, it seems, brought the customer back in focus.

The reason we call it "back" in focus is because in the last decade or so, the war for talent had skewed a large focus towards the employees. Employee engagement and satisfaction have been high on the priority, even taking the form of appeasement in some cases.

This focus on keeping employees engaged and happy sometimes even came at the cost of diluted focus on the customer, consequently impacting the customer-employee equilibrium.

The current slowdown seems to have acted like a "strategic break" for companies...resulting in a correction in a system that was becoming heavily focused on the internal customer. The focus now is to go back to the drawing board and put the customers centre stage. One of the strategic means to ensure that they come first is to put employees first...it is imperative that people are externally aligned to needs in the market and driven to never lose sight of the customer at all times. As the war in the cluttered market place continues, organizations that align all their systems to create customer focus will emerge as battle ready and victorious.

This edition of U&I will address how companies can create and sustain the internal alignment to the customer and create maximum business impact.

2

InspireWire:
What's new at InspireOne?

Customer in Focus:
90 Minute Series



As the current economic situation puts pressure on all of us to rationalize our training expenses, you would agree that we have to find innovative ways to develop our people. A unique InspireOne offering that can help you to create a customer centric organization in just 90 minutes!

To know more, turn to page 9.

**InspireOne | TMI and FMS
Complaints Culture Survey
2008-09**



InspireOne | TMI and FMS Complaints Culture Survey report 2008-09 can help your company explore ways to analyze your service recovery systems, culture and processes vis-à-vis industry standards.

The survey, has been conducting research into complaints handling via national surveys since 1999. It is designed to take a "snapshot" of your current culture to provide a benchmark and assist you in analyzing strengths and development areas.

Does your organization measure up?

To purchase your own copy or participate next year, turn to page 9.



As you know, TMI Associates is now InspireOne. Our name is in keeping with our evolution and growth, and enables us to effectively align with our three global partners TMI Global, CHPD, UK and TACK, UK.

InspireOne reinforces two facets of our philosophy:
Inspiration: ability to activate positive change by connecting to the minds and hearts of people.
One: our aspiration to be the ONE Partner for all people development needs and to enable our customers to be No. 1 as individuals, teams and organizations.

Our new corporate logo, shown alongside, portrays how a single unit from "I" is inspired to break away to a new direction, thus revealing the "1"

Despite the change of our name, our promise remains: to bring the best global HR training and consulting know-how to customers in India.

In Conversation With....

INSPIREONE | TMI's WORLD RENOWNED CONCEPT of Putting People First is known for transforming organizations such as British Airways and Scandinavian Airlines. The business success of both the organizations demonstrates that putting employees first ensures that customer expectations are met and exceeded. However, it is imperative that the former is perceived from the standpoint of a means to an end rather than an end in itself. Hewlett Packard, one of the world's largest IT companies has been partnering with us in the area of "Customer In Focus" for four years now.

In this U&I Special, we are in conversation with *Mayur Bharath, Centre Director (Prime) at Global Business Services, HP* and *Bindu James, Manager-Learning and Development, Human Resources Group* for a chat on how HP perceives customer centricity and ensures it is driven from top to bottom consistently.



Bindu James: Manager – Learning and Development, Global Functions, Human Resources Group, HP



Mayur Bharath: Centre Director (Prime), Global Business Services, HP

How would you rate Global Business Services, HP as an organization in terms of its customer focus? Is customer centricity a part of organizational culture?

Mayur Bharath: Customer is the epicenter of the work culture at GBS. We are driven by metrics and our end-to-end (E2E) metrics are oriented towards strengthening the Balance Score Card of the customer. Besides, we have gone much ahead of our Service Level Agreement by taking several initiatives, which add value to the customer's business.

Bindu James: I would agree with Mayur and rate us 100 out of 100 on our customer focus. Right from the internal processes to employee development, we have ensured that the organization has a very customer centric culture.



A leader has a critical role to play in the short and long term, to ensure that he or she remains customer oriented at all times and is able to deploy the same orientation in teams. Comment.

Mayur Bharath: This statement looks simple but has profound connotations. Our commitment to the customer manifests itself in the monthly reviews done by leaders at various levels in the organization. These reviews ensure that focus on the deliverables for the customer remains robust and the leader is able to deploy customer orientation consistently.

Bindu James: Completely true! This is the very reason we have adopted a top down approach towards development of employees in this particular area.

Internal service quality can never exceed external service quality. Your comment Bindu?

Bindu James: I completely agree with this. In fact at GBS, we have taken several initiatives to ensure that our internal teams are totally aligned to the external customer. We have recently conducted a two-day residential initiative with the management team and managers (90 people) to reinforce the message that customer orientation should be consistently exhibited to strengthen internal customer focus and to deliver exceptional external service.



Do you think it is important to consistently send out signals to the employees, communicating the one point focus towards the customer?

Mayur Bharath: Yes, it certainly is important to keep reiterating the message from time to time.

Bindu James: If you want any particular behavior to be adopted by your employees and embedded it in the culture, continuous communication is important. For instance, at HP, our communications team is highly structured, well planned and aligned vis-à-vis the messages to be communicated and the right people are involved at the right time. This way, the message dissemination is fairly well planned and is driven by the right people.

What business impact do you expect to create by deploying customer centricity as a core value? Are there any processes or systems that failsafe this customer orientation?

Mayur Bharath: We perceive considerable value-add, quality outputs, do-it-right the first time attitude as some of the business impacts. Reviews of the E2E metrics, customer reviews, reporting CAPA (Corrective and Preventive Action), even the presence of the ADM (Account Delivery Management) organization / Engagement Lead are some of the processes in place.

What are the initiatives undertaken by GBS, HP for development of customer centricity, in terms of skill building and attitude related development?

Bindu James: We have been conducting programs such as Customer In Focus, Customer Service Excellence and other residential programs to help align internal stakeholders to meet external customer demands. These programs target the skills as well as attitude development. However, what we also do is align our processes to the external customer. For instance, our internal metrics are mapped according to the external ones and this ensures that right from the closure of a deal through the delivery, the customer is never lost

sight of.

InspireOne has been conducting “Customer In Focus” workshops for GBS, HP for the last four years. What do you think has been the impact of this intervention?

Bindu James: The programs conducted by InspireOne | TMI have created an impact at the skill and attitude level. The programs have enhanced understanding of what service means to HP at a sensitization level, whereby there is more clarity on the meaning of customer service. We consider this the first important step to ensuring service standards and quality expectations are maintained. Moreover, the external customer satisfaction has been linked to internal behaviors of people as a result of the consistent workshops. They are not just workshops, done and forgotten; they are integrated with business and recognized as important drivers of business impact.

Mayur Bharath has been with HP since 1996. After brief stints in the Quality and HR functions, he currently heads one of the transaction processing centers in India that cuts across the Finance and HR verticals. He is also chartered with leading the India Process Training Team across all the four centers in the country.

Bindu James has about 13 years of work experience in various HR streams like Competency Development, Leadership Development, Succession Planning, Performance Management and Learning & Development. She has been with HP for last 2+ years, part of Global Functions Learning and Development as Workforce Development lead for GBS India.

The Global Business Services (GBS) organization provides business process outsourcing services to HP internal clients. As part of the Corporate Administration and Shared Services (CASS) global function, GBS shares with CASS, the goal of maximizing shareholder value through relentless pursuit of administrative process excellence. GBS works relentlessly to drive operational efficiency and effectiveness company-wide.

Flexing for Customer Focus

Anupama Sharma, Associate Practice Head - Leadership, InspireOne.



ORGANIZATIONS THAT EXPERIENCE sustained growth year after year have several things in common. One of them is superior customer service.

Superior customer service relies on a committed and motivated workforce that in turn is possible when the leadership team is oriented towards sustained customer focus. When this focus is driven through strategy, organizational culture and values, and cascaded to the front level, then the organization is really in sync with the customer.

Typically, strategies and tactics that drive an organization's goals are determined at the start of the year. It is then up to the leaders to drive the achievement of these goals through the months. Increasingly, it has been observed that in the process, leaders tend to become more goal focused than customer focused. This drive to achieve goals without taking into account change in customer expectations may lead to discrepancy in meeting market needs and demands.

Leaders, especially during current times, are challenged even further to not just drive performance but also innovate and be flexible to meet external demands. This innovation comes from specific behaviors

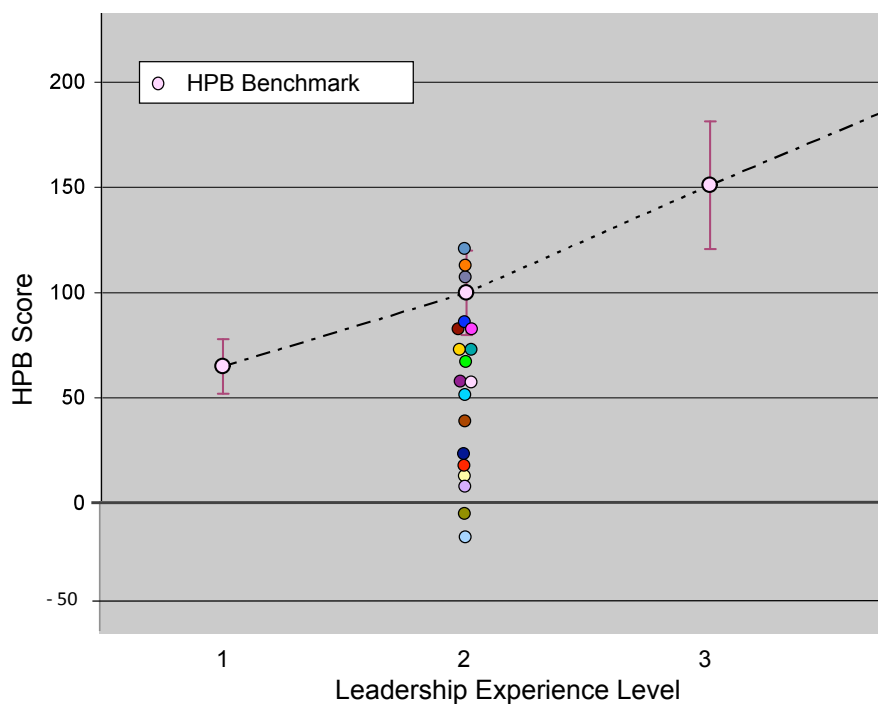
demonstrated distinctly by high performance leaders. Our leadership partner, Centre^{for} High Performance Development (CHPD) has researched 12 such behaviors that globally distinguish average and high performers... we call these High Performance Behaviors (HPBs) [Refer to the diagram for a sample HPB Benchmark report]. **Conceptual Flexibility and Customer Focus** are two that are especially relevant to ensure customer orientation.

According to research conducted by CHPD worldwide for over 30 years, it has been found that globally conceptual flexibility and customer focus are the least developed competencies in leaders. However, in the current dynamic business environment characterized by shorter but sharper economic cycles and ever changing global demands, these become especially relevant; the really good leaders at this time should conceive and almost imagine new possibilities that would further excite their customers and employees.

"When customer focus is driven through strategy, organizational culture and values, and cascaded to the front level, then the organization is really in sync with the customer."

For instance, while conducting a Work Shadowing for the Director of a large corporation, we observed that the entire day went by without a single mention or notice of what the external customer wants. This leader had all the ingredients needed to implement a successful strategy...from innovative ideas that would create a strong impact, a step by step implementation plan, an enthused team to work with; but what was missing was a key element of the jigsaw: the **external people focus**. Once he realized this missing link, the strategy was realigned to ensure the plans for the company were sharper and clearer with a distinct line-of-sight to the external customer.

Global High Performance Behaviour Benchmarks



The diagram depicts the mapping of leadership competencies against global HPB benchmarks. It helps organizations identify the current level and create plans for development towards global standards.

Similarly, the ability of leaders to innovate and solve complex problems depends on their ability to see things from more than one perspective. Evaluating alternatives and assessing pro and cons enables leaders to perceive problems through various lenses and arrive at the most optimal solution that is most befitting the customer demands.

“There is only one boss. The customer. And he can fire everybody in the company from the chairman downwards, simply by spending his money somewhere else.”

Sam Walton (Founder of Wal-Mart Stores Inc)

While working on a coaching assignment with a senior project manager of an IT solutions company, conceptual flexibility emerged as one of the development areas. Incidentally, this organization had aspired to make a foray into erstwhile USSR for three years. They tried traditional business models such as joint ventures, local partnerships etc; however because of unstable political conditions, they were unable to enter the market. For the same reason, even company employees were uncomfortable with spending long durations in the country. While coaching the project manager, a completely different approach was explored...a

system of stationing the team members by rotation to the country worked as a compromise and turned out to be a hugely successful model. Today, the business relationships established in the region have been successful and the ability of the manager to think out of the box has borne fruit.

In fact, an example that further elucidates the need for customer focus is one shared by one of the country's pharmaceutical giants in a recent dialogue. Their sales strategy is unique and defocuses on the product; their success lies in their complete focus towards the customer. While the rest of the industry remains product and discount driven, this major maintains its market position by offering products at full price, but focusing on the customers and providing them with a gamut of value-adding solutions that consistently exceed their expectations.

Evidently, it is time to demonstrate flexibility to meet market needs. Unless this strategy is led and driven from the top, customer orientation can remain restricted to tactical service levels.

Anupama Sharma has over eighteen years of experience in the field of teaching, training and facilitating individuals and teams. Her key areas of expertise include: developing leadership, emotionally intelligent leadership and management development. You can get in touch with her at anupamasharma@inspireone.in.

Listen. Leverage. Lead.

Sumit Sahni, Head - Service and Organization Development Practice, InspireOne.



THE WORLDWIDE BUSINESS COMMUNITY became increasingly concerned during the 1970's and 80's as Japanese companies began to dominate several industries, including electronics and automobiles. This prompted a serious rethinking of the way business was conducted... something that compelled organizations across industries to focus on creating a distinctive position in the minds of consumers.

The conclusion?

Satisfying customers is the primary purpose of every business. This conclusion recognizes the power of reciprocity – satisfy customers' needs and customers reward you with continuing business. This leads to profits and increased shareholder value.

Once the leadership has been oriented towards envisioning and cascading the line-of-sight to the consumer, the culture of the organization is made conducive for customer centricity to be a pervasive value. How do we then ensure that this value is driven through the chain to the customer himself?

We all know service is one of the biggest market differentiators. The Taj and Oberoi brands work for

us because of their exceptionally 'On-Brand' and impeccable customer service. McDonald's appeals to all classes because of its precise service that makes you want to go back again and again.

"Right or wrong, the customer is always right"
Marshall Field

A critical moment of truth for any customer in his or her interaction with the company occurs in the event of dissatisfaction. Mouthshut.com, and other retail blogging websites have become powerful means by which customers ensure that they remain the king. Consumer courts have further supported this by airing widespread public interest advertisements on consumer rights. Added to this, the current market scenario has raised the bar in terms of customer expectations. That's why we have to be sharper than the competition, and listen to our customer.

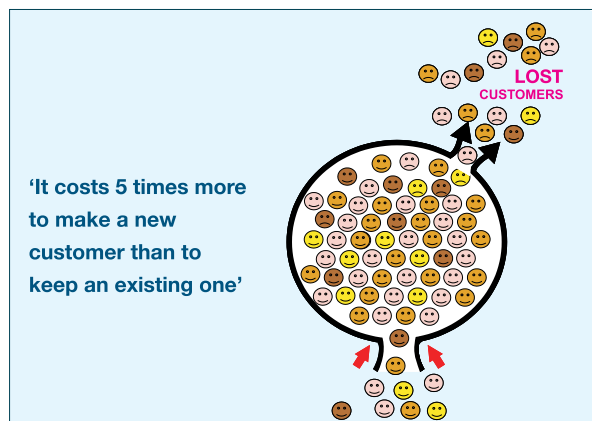
There are two ways of knowing what the customer wants. Proactively...whereby companies employ expensive qualitative questionnaires and market research, etc. to get customer feedback.

"The economic tsunami has made organizations realize that "Customer Lip Service" just won't do and cannot replace good old fashioned and genuine "Customer Service". Organisations are using this lull to side and up-skill employees with additional training, and equipping their key leaders through Executive Coaching to swiftly and sharply bring back the focus on the customer. Organizations that do not ensure this will end up as permanent casualties of the tsunami."

- Ritu Arora, Associate Director - Organization Development, Xerox India Limited

However, it is the inexpensive and valuable information that is received as a reaction to a product or service

that can serve as a critical market information tool in the form of complaints. Welcoming the voice of the customer and allowing it to resonate across levels within the organization enables a feeling of unison with the customer and helps in building a loyal base.



It is imperative to remember that if customers are complaining, they are still engaged. It is when they don't complain that there is a problem.

In keeping with the endeavor to help organizations enable customer responsive cultures, InspireOne | TMI, in association with FMS, Delhi conduct a *Complaints Culture Survey* that benchmarks organizations against companies on their service recovery ability. Our survey revealed that for most organizations, only 5 out of 10 unhappy customers complained.

Why is that?

One of the major reasons is that the process of complaints is too complicated. At the same time people feel that even though they complain, the situation will not change. People do not know who to complain to, or what procedure to follow.

And in the process, that customer is lost... as also an opportunity for service recovery and customer loyalty. The truth is that companies should not fear complaints. And they wouldn't if they knew how to handle them. Something to leave you behind with, research has proved that customer retention is key to profitability and consistent growth – it costs five times more to get a new customer vis-à-vis retaining existing customers; existing customers spend 33% more than new customers and also help to get in new customers through word of mouth!

Furthermore, our survey found that when partnering with a company, 37 % of the customers looked at past experiences as the critical factor, 50% give importance to brand and 45% rate customer service levels.

"It is imperative to remember that if customers are complaining, they are still engaged. It is when they don't complain that there is a problem"

In a nutshell, when the customer speaks...listening is paramount. What he will experience during your moment of truth cycle, he will discuss, transmit and certainly...remember.

READY RECKONER

- It costs 5 times more to get a new customer than to retain an existing one
- Existing customers spend 33% more than new customers
- 5 out of 10 unhappy customers complain. The rest walk away
- 82% of the people that complain want the feedback and to know if the issue was taken care of
- 40% expect that the complaint should be resolved on the same day or within 2-3 days
- Customers are more frustrated when they see lack of ownership on part of the companies

Sumit Sahni is a Principal Consultant and the Practice Head for Service and Organizational Development (OD) at InspireOne. He has successfully spearheaded organization development interventions in Telecom, Logistics, and Healthcare sector. His last OD assignment has been recognized as a TMI worldwide best practice and went on to win the award for one of the "Best HR Initiatives in 2006" in the client's organization. Apart from leading culture transformation projects, Sumit has also inspired close to 3000 people through training programs he conducts in India, U.S. and South Africa. You can contact him at sumitsahni@inspireone.in.

Product Showcase

At **INSPIREONE**, it is our constant endeavor to not only highlight the key issues in the business world, but also partner with you to help address them effectively. This showcase gives you a snapshot of two of our products that we think will help you align your internal and external customers.

Customer in Focus: 90-Minute Series

As the current economic situation puts pressure on all of us to rationalize our training expenses, you would agree that we have to find innovative ways to develop our people. It is now imperative to maintain the focus on customers and their needs. This will require your people to:

- Understand the needs of the customer
- Find innovative ways to meet them
- Retain customers and reduce churn
- Maintain internal service level agreements for external customer satisfaction
- Build stronger relationships with customers

In this series of 90 minute sessions your employees will be exposed to various customer centricity related best practices, skills and tools. You can choose to:

- Conduct only a few 90 minute sessions that you find most relevant to your organization or,
- Introduce a weekly/ fortnightly or a monthly calendar in your organization on "Customer In Focus"

A unique InspireOne offering that can help you to create a customer centric organization in just 90 minutes.

To know more about the Customer in Focus: 90 Minute Series and the modules we cover, please contact us at research@inspireone.in or call us at 011 41663349.

InspireOne | TMI & FMS Complaints Culture Survey 2008-09



While the impact of customer loyalty on the profitability and growth of an organization cannot be doubted, our experience

shows that considerable dissatisfaction remains within the systems, processes and attitudes of many organizations in their handling of the critical moments of truth with customers such as complaints.

HOW DOES YOUR ORGANIZATION MEASURE UP?

InspireOne | TMI in association with Faculty of Management Studies (FMS) Delhi, design and prepare the Complaints Culture Survey to provide industry and national benchmarks on service culture related parameters; and determine the state of an organizations' responsiveness to customer needs, feedback and the

pervasiveness of "customer focus" within the company.

The Complaints Culture Survey is based on the premise that customer retention is not the responsibility of only those who have a customer interface role but everyone within the organization. The survey assesses an organization's level of preparedness and ability to handle complaints, enable service recovery and loyalty through a differentiated experience.

This year's report is based on the survey conducted across five major industries – Banking, Insurance, Telecom, Healthcare and Hospitality. The survey was conducted across hierarchical levels: from the top leadership all the way to the first line supervisors and executives.

Contact us at research@inspireone.in or at 011 41663349 to obtain your copy of the report or take the first step towards service recovery by participating in the survey for 2009-10.

Open Programs Calendar

10

U&I

VOL 2 ISSUE 1

Apr 2009 – Jun 2009

| Program | Location | Date | Special Price for 1-3 Nominations* (Rs.) | Special Price for 4+ Nominations* (Rs.) |
|--|-----------|-------------------|--|---|
| JULY 2009 | | | Register by 5th July to avail Early Bird Discount of 5% | |
| A Complaint Is a Gift | Pune | 24 July | 7000/- | 6500/- |
| A Complaint Is a Gift | Chennai | 24 July | 7000/- | 6500/- |
| A Complaint Is a Gift | Delhi | 24 July | 7000/- | 6500/- |
| AUGUST 2009 | | | Register by 5th August to avail Early Bird Discount of 5% | |
| Achieving Results - <i>Proactively</i> | Delhi | 18 August | 8500/-** | 8000/-** |
| Achieving Results - <i>Pro-actively</i> | Bangalore | 21 August | 8500/-** | 8000/-** |
| Profitable Negotiations | Hyderabad | 20 August | 7500/- | 7000/- |
| Profitable Negotiations | Mumbai | 21 August | 7500/- | 7000/- |
| SEPTEMBER 2009 | | | Register by 5th September to avail Early Bird Discount of 5% | |
| Stepping into Leadership - <i>Leadership Skills for New Managers</i> | Delhi | 18 & 19 September | 14500/-*** | 13500/-*** |
| Stepping into Leadership - <i>Leadership Skills for New Managers</i> | Mumbai | 18 & 19 September | 14500/-*** | 13500/-*** |
| Stepping into Leadership - <i>Leadership Skills for New Managers</i> | Bangalore | 18 & 19 September | 14500/-*** | 13500/-*** |
| Winning Sales Presentations | Hyderabad | 11 & 12 September | 17500/- | 16500/- |
| Winning Sales Presentations | Pune | 11 & 12 September | 17500/- | 16500/- |

** The price is inclusive of MS Outlook / Lotus Notes tool @ Rs.1500/- per participant

*** The price is inclusive of a Leadership assessment tool

For further details/registrations, please contact:

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Unwind With Dilbert

