The 2010 Customer Service and Employee Engagement Conference

Integrating Customer Service with Strategy and Culture

Cornelius Chirairo
Managing Consultant PPB Africa
Kaplan & Norton
BALANCED SCORECARD CERTIFIED
18 October 2010
Key Questions....

► What is our Strategic Agenda?
► Is Engagement on our Strategic Agenda?
► If not, how can we bring Engagement on board?
► If yes, how can we improve our Engagement game?
Employee Engagement

“...no company, small or large, can win over the long run without energized employees who believe in the mission and understand how to achieve it...That's why you need to take the measure of employee engagement at least once a year ...” (Jack Welch)
Employee-Customer-Value Chain: Sears Model

Engagement and the Strategic Agenda

► We need to have the right conversations with both our internal and external customers

► When repeated over and over again, the right habits become part of our culture

► We need to embed engagement into our strategy and measure progress

► The way the organisation is structured enables or frustrates effective service delivery

► What gets measured gets done
BSC Four Perspectives

- Financial Perspective
- Customer Perspective
- Internal Perspective
- People Perspective

External:
- Profitability
- Growth
- Cash Flow
- Sales
- Retention
- Market Share
- Satisfaction
- Relationship

Internal:
- Cycle Time
- Cost
- Productivity
- Rework
- Market Innovation
- Continuous Learning
- Skills Level

VISION
And Realize our Vision

We will Deliver on our Mandate...

and Engage with Customers to Deliver on their Unique Needs...

and Improve our Processes..

If we Empower and Engage our People...

Skills, Knowledge, Enabling Tools and Culture
Strategy Map - Financial Services Organization in Botswana

**Theme: Cost Effective Service Provision**

- Increase Revenue Base
- Improve Cost Containment

**Theme: Client Satisfaction**

- Increase Customer Satisfaction
- Strengthen Stakeholder Relations

**Theme: Process Efficiency**

- Improve Process Efficiency
- Improve Corporate Governance and Enterprise Risk Management
- Improve Strategic Management

**Theme: Performance Excellence**

- Leverage IT for Superior Service Delivery
- Build Employee Competencies and Leadership Capability
- Build and Sustain Performance Oriented Culture

**Themes:**
- Financial
- Stakeholder / Customer
- Internal Processes
- Learning & Growth

**Financial**
- Increase Revenue Base

**Stakeholder / Customer**
- Increase Customer Satisfaction
- Strengthen Stakeholder Relations

**Internal Processes**
- Improve Process Efficiency
- Improve Corporate Governance and Enterprise Risk Management
- Improve Strategic Management

**Learning & Growth**
- Leverage IT for Superior Service Delivery
- Build Employee Competencies and Leadership Capability
- Build and Sustain Performance Oriented Culture
Cascading Strategy

Corporate Scorecard
Used to Guide Organizational Mandate Delivery

Functional Scorecards
Used to Guide Operational Management in the Organization

Personal Scorecard
Used to Guide Employee Performance Management
How HR Creates Value

- Align HR and business strategy
- Recruit, retain and develop the right talent
- Drive employee engagement and performance management
- Advocate the link between employee engagement and customer service
- Facilitate change
## HR Scorecard - Financial Services Organisation in Botswana

<table>
<thead>
<tr>
<th>PERSPECTIVE</th>
<th>STRATEGIC OBJECTIVE</th>
<th>MEASURE</th>
<th>TARGET</th>
<th>STRATEGIC INITIATIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer/ Stakeholder</strong></td>
<td>Increase Customer/Stakeholder Satisfaction</td>
<td>Staff Satisfaction Rating</td>
<td>90%</td>
<td>Develop and Implement Service Charter and Service Level Agreements</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Conduct annual Climate Surveys</td>
</tr>
<tr>
<td><strong>Core Business Processes</strong></td>
<td>Improve Key Business Processes</td>
<td>Compliance with Service Charter</td>
<td>100%</td>
<td>Map Key HR processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Turnaround Time</td>
<td>100%</td>
<td>Conduct Familiarisation Training on HR Policies &amp; Procedures</td>
</tr>
<tr>
<td></td>
<td>Leverage IT for Superior Service Delivery</td>
<td>Level of Automation of Key HR Process</td>
<td>100%</td>
<td>Automate Key HR processes</td>
</tr>
<tr>
<td><strong>Learning and Innovation</strong></td>
<td>Embed a Culture of Performance</td>
<td>Employee Performance Index</td>
<td>3 (4 Point Scale)</td>
<td>Performance Management Training</td>
</tr>
<tr>
<td></td>
<td>Improve Employee Competencies</td>
<td>Competency Gap</td>
<td>10%</td>
<td>Develop Competency Framework and Assess Competencies</td>
</tr>
<tr>
<td></td>
<td>Build Leadership Capability</td>
<td>Leadership Engagement Index</td>
<td>90%</td>
<td>Talent Management Strategy</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Leadership Development Programme</td>
</tr>
<tr>
<td><strong>Financial Stewardship</strong></td>
<td>Ensure Effective Resource Utilisation</td>
<td>Budget Variance</td>
<td>100%</td>
<td>Budgetary Techniques Training</td>
</tr>
</tbody>
</table>
How Marketing Creates Value

► Identifies clients and client needs

► Develops products and services to meet current and future client needs

► Develops value proposition
  ► Product and service level
  ► Organizational level

► Solicits feedback on levels of customer satisfaction
### Marketing Scorecard (Suggested) - Financial Services Organisation in Botswana

<table>
<thead>
<tr>
<th>PERSPECTIVE</th>
<th>STRATEGIC OBJECTIVE</th>
<th>MEASURE</th>
<th>TARGET</th>
<th>STRATEGIC INITIATIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customer/ Stakeholder</strong></td>
<td>Increase Customer/Stakeholder Satisfaction</td>
<td>Customer Satisfaction Index</td>
<td>90%</td>
<td>Develop and Implement Service Charter</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Brand Tracking Index</td>
<td>90%</td>
<td>Conduct annual Customer Satisfaction Surveys</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Conduct annual Brand Tracking Survey</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Implement Customer Relationship Management Strategy</td>
</tr>
<tr>
<td><strong>Core Business Processes</strong></td>
<td>Improve Key Business Processes</td>
<td>Compliance with Service Charter</td>
<td>100%</td>
<td>Map Key Marketing and Customer Service Processes</td>
</tr>
<tr>
<td></td>
<td>Leverage IT for Superior Service Delivery</td>
<td>Level of Automation</td>
<td>100%</td>
<td>Automate Key Customer Service Processes</td>
</tr>
<tr>
<td><strong>Learning and Innovation</strong></td>
<td>Embed a Culture of Service Excellence</td>
<td>Customer Satisfaction Rating</td>
<td>90%</td>
<td>Customer Service Training</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Employee Performance Index</td>
<td>3 (4 Point Scale)</td>
<td>Performance Management Training</td>
</tr>
<tr>
<td></td>
<td>Improve Employee Competencies</td>
<td>Competency Gap</td>
<td>10%</td>
<td>Assess Customer Service Competencies</td>
</tr>
<tr>
<td></td>
<td>Build Leadership Capability</td>
<td>Leadership Engagement Index</td>
<td>90%</td>
<td>Leadership Development Programme</td>
</tr>
<tr>
<td><strong>Financial Stewardship</strong></td>
<td>Ensure Effective Resource Utilisation</td>
<td>Budget Variance</td>
<td>100%</td>
<td>Budgetary Techniques Training</td>
</tr>
</tbody>
</table>