

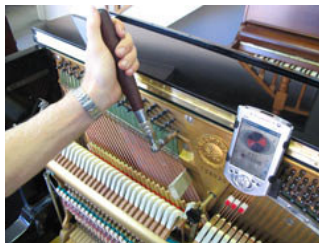
Achieving quality of services via processing customers feedback

White Paper by Dr Ilia Bider of IbisSoft (www.ibissoft.se)

Abstract. It is impossible to design a perfect new product from the beginning, the product users' feedback is needed to make it perfect. It is impossible to set up a perfect new service, the service customers' feedback is needed to make it perfect. To ensure quality of products, periodical tuning of production lines is required. To ensure quality of services, periodic overhaul of business processes behind the services is required. To make such an overhaul, information is needed on how well the processes are tuned to the current customers needs/requirements. The most effective way of getting this information is via processing customers feedback. Is it possible to create an effective quality control system based on the customer feedback? Is it easy to do? Read how such a system can be established and what difficulties need to be overcome when setting it in a real operational environment.

Motivation

Nowadays, the economy becomes more and more service-oriented. The service sector is growing not only due to the expanding public sector, but also because the industry becomes more service-oriented. To be able to survive and grow in the today's service-oriented economy with global competition, an organization, or enterprise needs to pay close attention to the quality of services delivered to its customers. A production line requires periodical tuning for ensuring the needed level of quality of the products. In the same way, business processes behind a service delivered to the customers require periodical overhaul.



The overhaul of business processes is impossible to complete without information on how well they satisfy the current customers requirements/needs. This information is not easy to acquire. As we live in the fast changing business world, these requirements/needs constantly change. A service that was quite satisfactory yesterday may not be so today, or tomorrow.

There are a number of methods of getting information on the suitability of services provided to the customers, like analysis of economical parameters, questioning the customers, etc. However, the most effective and efficient way for an organization to get reliable information about the suitability of services it provides is by gathering and processing the feedback from its customers. The advantage of this method is three-fold.

1. In difference from analysis of economical parameters, it provides information in real-time, not with a considerable time lag.
2. In difference, from the periodical questioning of customers, it is inexpensive. The signals always come in, the only thing that is needed to catch them is to have the "ears" opened.



3. While other methods provide general, statistical information, processing customer feedback provides both statistical information and concrete information. Statistical information is represented by numbers of negative/positive signals over a period of time. Concrete information is supplied by each signal referring to a particular service case. This case can be analyzed in order to understand how to improve the suitability and quality of services. In the same way as problem reports help to find and fix bugs in products (e.g. software systems), customer complaints on services can help to find and fix “bugs” in business processes.

Overview of the customer feedback process

The customer feedback consists of signals transferred in written or oral form (e.g., via phone) during communication between the customers and members of staff. Roughly, the feedback signals could be divided into two categories: complaints and acclamations. Normally, the companies and organizations pay attention only to complaints, i.e., negative signals. Processing the positive signals (acclamations) is, however, at least as important as processing the complaints.

Processing signals that concern business processes is not a trivial task. The customer never directly complains about a process or praises it. A signal will concern something else, for example, improper behavior of a member of staff, or an event that has not happened in time, e.g., goods have not been delivered. A complaint can even concern a product, but detailed investigation may show that the problem originated from the sales process. For example, the sales personnel have not analyzed the needs of the customer properly, and a “wrong” product has been sold to the customer (i.e. a product that does not satisfy the customer’s needs).

The above deliberation shows that processing the feedback that concerns business processes requires recording all signals that various members of the staff are getting from the customers, independently of how they are coming in, to whom, and what is the immediate subject of the signal, e.g., a product, person, event, etc. This requires introduction of the common rules of signal registration in the whole organization.

The next steps after the signal has been registered belongs to the analysis:

- The first task is to find out which business process the given signal concerns, e.g. sales, delivery, reparation service, etc. This task requires good understanding of which processes take place in the given company, or organization.
- Next step is to point out on which stage of the process something good or bad has happened. This task requires understanding of what steps (activities) are included in the process.
- The next task is to understand whether the process that the given signal concerns has been driven according to the standard rules/policies, or with deviations from the rules (e.g. some or all rules has not been obeyed). This task presumes that there are some rules, written or existing as a tradition, according to which all processes of the given type are driven.
- If the process deviated from the standard, it is worthwhile to find out why it has not been driven according to the rules, e.g., personal was not aware of the rules existence, somebody decided to take an initiative, something unpredictable had happened, etc.

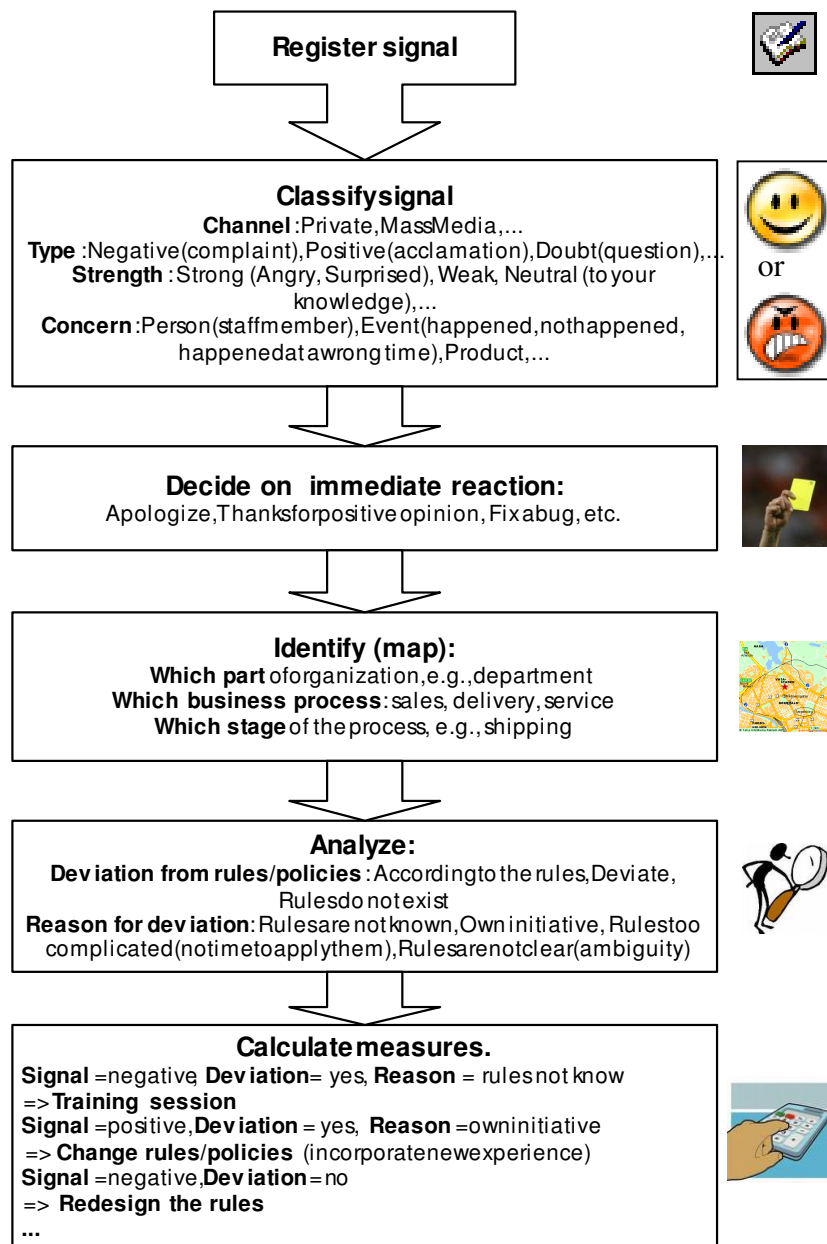


Figure 1. Processing customer feedback

After analysis has been completed, the feedback signal can be used to improve the overall functioning of the organization. In case of a negative signal (complaint), some immediate actions should be undertaken to solve the problems with the current instance of the business process; the more important job is, however, to use the signal to improve the operational procedures in general. Depending on the type of the signal, and the results of the analysis, various measures can be undertaken, for example:

- Suppose the signal is negative, the process deviated from the standard (did not follow the rules and policies), and the staff did not know the rules. A new training session could help to avoid the problems in the future.
- Suppose the signal is positive, the process deviated from the standard, and a member of staff has taken an original approach in driving the process. Changing

the operational rules so that they include the new approach, and teaching the rest of the staff the new rules may improve the quality of services delivered to the customers.

- Suppose the signal is negative and the process was driven according to the rules/policies. The process rules should be revised in order to avoid the problem in the future.

The simplified scheme of the customer feedback that summarizes the above discussion is represented in Figure 1.

What is needed to introduce customer feedback processing

The customer feedback processing is a business process on its own, and as for any other new business process, its introduction in operational practice requires thorough planning. Two properties of the feedback processing should receive special attention:

- Firstly, to be of help for quality control, a substantial volume of feedback signals should be ensured. Without it, it will be difficult to measure changes in the quality of services based on the changes in numbers of negative/positive signals over a period of time.
- Secondly, analysis of each signal should be performed to see whether it necessitates changes in business processes behind the services. Such work will require cooperation of various members of staff, the ones that register signals, the ones that trace them to particular issues in particular business processes, and the ones that decide on and complete measures to tune the business processes.

Substantial volume and needs for cooperation make it impossible to introduce feedback processing manually, e.g., with a help of paper forms. A specialized IT support system is required to help in handling large volumes of data and process them. Such system should support four important tasks of feedback processing:

1. Gathering feedback signals
2. Operative processing of feedback signals – decide upon and carry out actions to minimize the immediate damage that a negative signal can cause
3. Strategic processing – processing that can lead to introducing changes in business processes
4. Statistical analysis of gathered data

Though having an IT support system is an important prerequisite for introducing effective customer feedback processing, acquiring a system constitutes only the first step in the process. Having the system in place does not automatically guarantee that it will be used. Both customers and the organization's employees should be encouraged and stimulated to provide and register the feedback. Otherwise, nobody will use the system, or the volume of the feedback will be too low to be of use for quality control.

To encourage and stimulate the customers, two things should be done:

- Firstly, it should be easy to submit a feedback. Following situations will discourage the customer from providing feedback, unless he/she has a very serious

complaint: long time in the telephone queue, advice to make a written complaint, advice to call somebody else. The feedback should be registered by the first person that a customer comes into contact, every other suggestions should be made only after the initial registering is completed. If the organization/enterprise, has fairly sophisticated customers, a simple WEB interface to the internal feedback system could be a good solution to solve the submission problem.

- Secondly, the customer stops providing feedback if the organization/enterprise does not response to the previously submitted signals. To arrange prompt response, the operative processing of feedback signals should be set in place. This processing should include at least a minimum kind of response, like apologizing for the trouble caused, thanking for making the customer's opinion known, etc.

Encouraging and stimulating own staff to register feedback, is not a simpler matter than encouraging the customers. First, majority of the staff do not consider registering customer feedback as part of their responsibility. Secondly, register customer feedback, is a sensitive matter, especially as far as complaints are concerned. As we said earlier, the customer, normally, does not complain about a "bug" in a process, but very often complains about people who, in his/her opinion, have done something wrong. It feels not very comfortable, to register a complaint, when it concern your colleagues or yourself. Several measures can be undertaken to encourage and stimulate own employees to register customers feedback, e.g.:

- Make it easy to register customer feedback. This requires simple enough interface to registering feedback in the support system. The registration function should be easily available on any machine at any time, including remote registration from outside the office. One of the solutions to ensure simple registration of feedback signals is having a WEB interface to this part of the support system.
- Give detailed explanation to the staff why it is important to register all feedback. Promise fair processing of each signal, which will be made in order to find a "bug" in business processes, rather than blame a particular person. Show that this promise is kept in reality.
- Create a reward system, praising those who filled the biggest number of feedback signals, for example, with a bottle of champagne. 🍾

As was mentioned above, to stimulate customers to submit feedback, prompt response on the signals needs to be ensured. This requires setting up operative processing of the feedback signals. The following two measures can help to set it up:

- The acquired support system helps in operative processing of feedback signals. It should support forwarding a new signal to the person who will process it. It should also help in planning and completing actions aimed at speedily processing the signal, including giving a response to the customer who submitted the feedback.
- Some members of staff are assigned to be responsible for processing the signals. This task is included in the areas of their concern, while, possibly, they are relieved from other tasks to stress the importance of the new assignment. In addition, some procedures of how to process the signals should be designed as well.

Setting up operative processing of feedback signals will certainly help in maintaining high volume of feedback signals. However, if we become satisfied and do not set up strategic processing, we will lose the most valuable information from the feedback signals. We will be bound to get the same kind of complaints again and again, as we are not concentrating on finding what the cause of all these complaints is. To set up strategic processing of feedback signals is a more difficult task than setting up operational processing. As with operational processing, it will require designating some members of staff to be responsible for strategic processing. However, this is not enough. To be able to identify what is wrong (or excellent), the responsible for strategic processing of feedback needs to fully understand what business processes exist in the organization, and how they are driven today. To facilitate this understanding the following steps should be undertaken:

- Identification and mapping of business processes existing in the given organization/enterprise. This will give a general understanding of how things are/should be done.
- Acquisition of an IT system that supports business processes, and registers how each particular case (instance) is being handled.

Without completing these two steps, it will be difficult to set up strategic processing. As we mentioned in the previous section, strategic processing of feedback signals requires identification of to which part of which process the given signal refers, and analysis whether the particular case was handled according to the rules/policies or with deviation. To do this we need to know both what the rules are and whether they were obeyed in a particular case.

From the four important tasks of the feedback processing, only the last one, statistical analysis, does not present any special problems. If we can ensure high volume of feedback signals, statistical processing of them is a matter of computer programming, and it does not imply any new “disruptive” changes in the work of the organizations employees.

Though the whole task of introducing feedback processing seems quite complicated, the organization and enterprises should not be discouraged to start the introduction process. The introduction of feedback processing can be done in stages. For example, there is no need to set processing part until there is a sign that gathering of feedback signals started to function in practice.

For more information on our products and services, please contact IbisSoft at info@ibissoft.se.

Short information about the company: IbisSoft (www.ibissoft.se) is a consulting company based in Stockholm, Sweden. It specializes in the borderland between Management and IT, the main focus being on organization of operative work in non-manufacturing business processes.

Short bio of the author: Dr. Iliia Bider (ilia@ibissoft.se) is a cofounder and Director R&D of



IbisSoft. He has MS in Electronic Engineering and PhD in Computer and System Sciences, and combined experience of 30 years of research (in the fields of business modeling, computational linguistics, databases), and practical work (business analysis, and software design, coding, sales, and marketing) in five countries (Norway, Russia, Sweden, United Kingdom, and United States). Dr. Bider has published over 30 research papers as well as a number of articles for practitioners. His main specialty is finding research topics in his business practice, and testing research results in the business practice. Dr. Bider is an inventor of the state-oriented approach to business process modeling that is based on the application of the conceptual ideas of the Mathematical system theory to the realm of business processes. This approach has been successfully tested in business analysis and application development practice of IbisSoft and its partners. Dr. Bider puts a lot of effort in bridging the gap between the academics and practitioners. He co-founded a series of international workshops on business process modeling where both academics and practitioners meet for fruitful discussions. He holds tutorials at international conferences to highlight the needs of practitioners for academic public. He sits on the editorial board of the Business Process Management Journal as a representative for practitioners.