

## **Walking in your customer's shoes:**

### ***Using perspective taking to create a client-centric organization***

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In the midst of a global economic downturn, competition among businesses has gained speed and focus. Business strategies may differ across industry and geography but one thing is certain: Improving the customer experience is the cornerstone of long-term business success. Unfortunately, while most organizations recognize the importance of customer satisfaction, many still fall short of fully achieving it.

A recent survey of call center interaction with customers across eight industries discovered that nearly 20 percent of callers came away from their experience with unresolved issues. Among those customers, 53 percent said they were likely to defect from the company to a competitor. This is a clear example of a lost client service opportunity – studies show that 95 percent of customers who have a satisfying customer experience will do business with the same company again, compared to only 35 percent of dissatisfied customers. Moreover, 92 percent of customers who have a satisfying contact center experience will recommend the company to others, compared to only 9 percent of dissatisfied customers.

New customer acquisition – estimated at five times the cost of retaining existing ones – often includes advertising, price promotions and other incentives. Since the potential costs of customer defection far outweigh the cost of retaining customers, it makes good business sense to invest in methods that will help focus the organizational culture intently on the customer experience. Enhancing the customer experience will help the organization retain its valued customer base as competition increases for a shrinking market. One way to do this is to create and maintain a business environment that not only caters to the customer, but actually teaches employees how to “walk in the customer's shoes” so that customer needs are met and he or she feels listened to, respected and well served.

How should an organization go about creating a culture that places clients first in all circumstances and anticipates their needs and expectations? Such a culture must identify, train,

motivate and reward front-line employees who interact regularly with customers and are therefore instrumental in creating a client-centric organization. One creative way that leading service firms help their employees establish client centricity is by infusing “**perspective taking**” throughout their core service strategy.

Perspective taking is the ability to feel what the customer feels and genuinely express empathy to convey that understanding. Perspective taking not only helps organizations drive customer satisfaction through excellent customer service, it enables the organization to actually become, and demonstrate that it has become, *empathetic* to its customers. What better way to engender customer loyalty?

There are several reasons why perspective taking is the new imperative. First, since our economy has become one in which customer service is paramount to success, every business that is thinking strategically understands that it must differentiate itself in the area of customer service. Yet, based on Aon's monitoring of millions of call center calls, employees only exceed customer expectations 27 percent of the time. Most times, when employees do exceed customer expectations, it is related to procedural courtesies and process-related behaviors. Rarely do organizations project to customers a sense that they are understood and cared for. Therefore, while most organizations talk about customer service, few excel at delivering it.

Secondly, as customer expectations become more complex the bar has been raised as to what customers expect from service providers, and the burden – or opportunity – to please the customer increasingly lies with front-line employees. The more likely these employees are to take the customer's perspective, the more likely they are to go out of their way to help customers and solve their increasingly complex problems.

### *Perspective taking: the missing ingredient*

While perspective taking has never been fully explored or exploited in building a customer-centric culture, it is not a new concept. In 1938, the Swiss developmental psychologist Jean Piaget defined it as the cognitive act of imagining oneself in another's position and adopting his or her viewpoint. Perspective taking has considerable business value: When customers interact with front-line employees who exhibit this skill, the customers feel understood, their problems are more completely resolved and they feel that the customer representative actually cared. As a consequence, perspective taking increases customer loyalty. In our challenging economy, as

markets tumble and confidence wanes, customer loyalty is arguably one of the organization's most precious assets.

Best practice service organizations typically have monitoring strategies in place to evaluate the ways in which customers are treated. However, even best practice companies with fairly solid client cultures miss an important point – they do not sufficiently take into consideration the emotional components of building client relationships; the ability to understand and *feel* what another person is going through and to be able to see a complex situation from that person's perspective.

Yet, emotionally based as it may be, perspective taking is not an elusive concept nor is it antithetical to a strategic business environment. It can effectively be put into action through careful selection, training, motivating and rewarding of front-line staff in a manner that will create a stronger emotional link with the customer to strengthen customer loyalty and thereby to retain that customer,.

### ***Step 1: Hiring- identifying dispositional differences***

The first step to building a workforce that embraces perspective taking is identifying individuals in the hiring process who have natural tendencies toward empathy and understanding. This dispositional difference is important when selecting front-line staff, and organizations must develop ways to evaluate and measure this difference in applicants.

Techniques for measuring dispositional differences in perspective taking include personality indicators that target empathy, flexibility and agreeableness, as well as simulated role playing exercises that uncover emotional intelligence, or the ability to recognize and identify with what others are feeling. Additionally, structured behavioral interview questions can be designed to reveal perspective taking skills or tendencies. For example, a behavioral question might ask a potential employee to describe a time when he or she had to persuade someone to share a particular viewpoint – the employee's response would reveal perspective taking if he or she indicated that only by adopting the other person's perspective first was this task possible.

### ***Step 2: Training – initial and ongoing***

It happens too rarely that organizations, when initially training new customer service representatives, ask newly hired representatives to actually place calls to the customer call center, or to anonymously go to a branch and become the customer.

Ongoing training exercises that promote perspective taking include customer role playing to help the newly hired client service representatives achieve a genuine feeling of walking in the customer's shoes. Ongoing training also includes providing employees with a fully integrated understanding of the organization's products and services, which fosters a feeling of ownership and accountability in the business and underscores where the individual employee's role fits into the broader range of the company's services. Another useful approach to fostering perspective taking is having employees rate the customer's likely satisfaction level after listening to recorded customer calls.

The way an employee's job is structured, and especially the degree to which it is imbued with autonomy, also goes a long way in developing the accountability required to build a genuine customer-centric culture. It has been said that the culture of a company is in the conversation. How often is the customer in internal conversations referred to as "them" and how often are customer issues derided or dismissed? The use of insider jargon puts barriers between employees and customers, impeding perspective taking. Ongoing training and coaching can clear the way to really hearing, supporting and respecting the voice of the customer.

### *Step 3: Performance management through measuring and rewarding*

Before perspective taking can be managed, a behavioral agenda – with standards and guidelines – must be created. In 2006 and 2007, Accenture's customer service and support studies of the technology industry surveyed two separate audiences – executives at 35 global technology companies and 1,200 consumers in Italy, United Kingdom, France, Germany, Japan and the United States. These studies showed that an enormous gap exists between companies' and consumers' top priorities. For example, while creating self-help was a top priority for companies, the use of online tools was a low priority for customers. Customers first and foremost wanted their problem solved completely, while improving call resolution times was only ranked sixth by companies.

Aon's database of monitored calls across industries reveals that service providers express sincere empathy only 10 percent of the time when empathy is needed. It is consistently one of the most poorly performed behaviors. This indicates more than anything else how difficult perspective taking can be if not deliberately fostered. Furthermore, the art of developing real rapport with the customer – picking up on conversational cues and knowing what to say and when to say it – occurs less than eight percent of the time. This too is clearly a missed opportunity for service organizations.

If there is a risk in perspective taking, it is that front-line employees will develop much greater emotional investment in the organization's customers, which can result in emotional exhaustion or "burnout." Also, it is important to note that empathy is a one-way street in these situations – customers are not expected to reciprocate and feel empathetic toward the customer service representative, which creates an additional stress for the front-line employee. Rotating employees out of jobs with intense customer contact on a regular basis may be a way to mitigate this risk.

### *The Diagnostic: 10 questions that can lead to a client-centric organization*

Hiring the right people and putting them in the right situation, giving them appropriate training as well as the autonomy they need to do the right thing for the customer, and finally, providing them with products and processes that actually work all contribute to a client-centric organization.

While some individuals are more natively endowed with perspective taking than others, training can have a profound effect on many employees. A key is constant, client-centric communication in which client issues and challenges are identified and understood, effective solutions are outlined, and front-line staff has the authority to provide those solutions.

The following 10 questions will help you determine whether your organization is adept at the skill of perspective taking. This diagnostic will also help you uncover areas to improve your organization's perspective taking competencies.

#### **Our 10-point Diagnostic:**

1. Our hiring process evaluates job candidates at all levels on their ability to take the customer's perspective.
2. Our training and on boarding process involves putting new hires in the customer's shoes.
3. We ask customers how easy it is for them to do business with us.
4. We monitor and measure the performance of our front line staff with standards that are truly customer-centric.
5. Employees at every level talk directly with customers several times each year.

6. We share “voice of the customer” feedback with our front-line employees.
7. We have a process to rotate employees through the organization so they get a feel for the jobs of their colleagues.
8. Stories about customer issues, and how we addressed them, are shared on a regular basis throughout our company.
9. We reward employees for demonstrating “above and beyond” service to both internal and external clients.
10. We have a strong mechanism to actually measure the gap between our organizational service priorities and those of our customers.

Now that you have assessed your organization’s perspective taking practices, we encourage you to take the next step to shore up any gaps you have found. Today’s market demands deep customer insight and effective servicing – make the most of this key ingredient.

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