EMGT 835 FIELD PROJECT:

Measuring Customer Satisfaction to Assess the Effectiveness of Enterprise Account Teams

By

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Note to the Reader:

In this version, I have removed the names of the Corporations and the names of the people that I interviewed in order to publish this paper and allow distribution. I apologize if the material is less interesting as a result of my generic substitutions. My desire is to disguise the identities, but still convey the findings and recommendations. My best regards to you.

Most Sincerely,

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Acknowledgements

I would like to acknowledge the people that I interviewed at Company A, Company B, Company C, Company D, and Bain & Associates in my quest to find industry best practices to measure Customer Satisfaction. The Business Leaders graciously donated their time to talk about this topic; they engaged in relevant and rich discussions without distraction from their demanding schedules. I appreciate every minute that I consumed. And special thanks to Tina Taylor, Company A Senior Quality Program Manager, who served as a sounding-board for my "next generation" thoughts on measurement improvements.

I am truly blessed to have a spouse that serves as my partner, confidant, and even critic. His intelligence, wit, and insight provide a fabulous daily forum to discuss concepts. He is my secret to success. I am also thankful to have a tremendous support structure that allows me to focus on my research without my children feeling neglected. I could not have completed this project without the support of my mother, Faye Ann. She is an intelligent, loving caregiver…and a proud KU alumna ☺ She encouraged me throughout this process.

I am certainly grateful to have such terrific Committee Members. I appreciate your trust and confidence in my abilities. I have learned a great deal from each of you; you openly shared your experiences and provided guidance throughout my years in this EMGT program. I look forward to discussing this material with you in-person.

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Sections under revision to remove company identities & competitive findings.

Sample of my "cleansed" content revision:

The Survey Mechanism

Once the survey audience is determined, the next consideration in the design of the survey mechanism is the "touch" to the Customer. The word "Touch" represents the method in which the customer is invited to participate in the survey. For example: if the invitation to participate in the survey is sent via email from a nameless entity, then that is "low touch". This method is generally used when a large population is requested to take the survey. A corporation may choose to spam a sample of purchasers from the prior year. If the delivery mechanism is via email, there is typically a link to an online survey in the body of the message. If the delivery mechanism is by mail, the recipient receives a standard cover letter with a paper survey along with a (hopefully postage-paid) return envelope. The invitation is not customized other than the name field.

Therefore when a survey invitation is customized then that becomes Medium-Touch. There are many methods to include some degree of customization. The Account Managers of Company C will send an invitation for their Customer to participate, reinforcing the importance of the survey.

Even though the customer has to click on link and the survey is administered online (same mechanism as low-touch), the simple modification of a personalized invitation from a known representative with the Account differentiates the approach to medium touch. The Account Manager may go as far as determining the optimum timing of the survey – perhaps after a successful order fulfillment. Or the personal note may include key contributions the Account Manager's team has delivered to date. This customization may be considered to taint the mindset of the respondent – which will be discussed later – however, there is a personal flavor to the survey request even though the survey itself is not customized.

Before discussing the third method, one should recognize that the cost to administer the survey does not increase drastically between low and medium touch. However, the response rate is expected to increase using the medium-touch method based on the investment of time in the customization. Figure X, shows the three methods of touch in order of increasing investment. For the high-touch method, the investment is significant.

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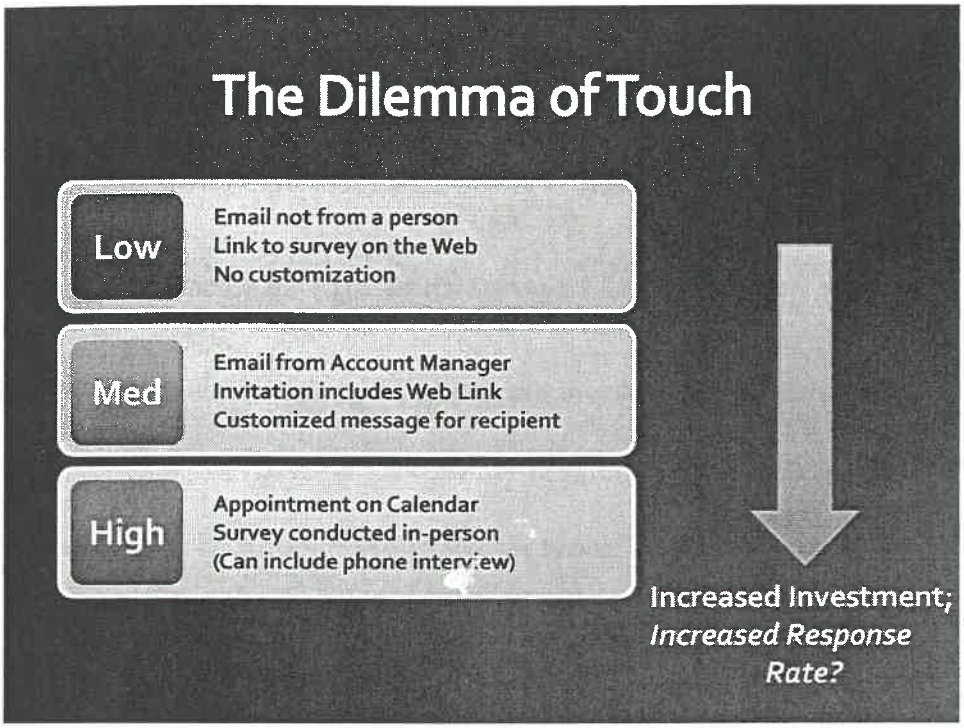

Figure...

The third method is High-touch; this method is centered on the customer. One example of high-touch is when a company representative will conduct an in-person interview with the Customer to ask the survey questions. The invitation to take the survey is not only highly customized, but also the survey itself may be tailored real-time to adjust to the Customers responses or to focus on his industry, product line, and purchasing patterns. High-touch surveys can be conducted by a third party, an independent party, or the Account Manager... the touch factor is not based upon whether the representative is familiar to the customer. Instead it is based upon the method used to gather the survey responses. The differentiator to the methods is the notion that a conversation with the survey recipient is used in place of the recipient responding without assistance. Therefore, a phone-survey CAN be categorized as high-touch, but the choice of interviewer is a strategic decision.

Interviewer Choice for High-Touch Surveys

When a company is making the significant investment in a High-touch survey mechanism, the design team needs to carefully consider their options for who will be conducting the interview. There seem to be 3 common interviewer types: a third party, an independent party, or the Account Manager himself. A third party is usually a contracted firm that is hired specifically to conduct and compile the survey results from interviews. The companies that use a third party are seeking candid objective feedback that is untainted by bias of the interviewer. A third party is commonly used when the compensation of the Account Team is based upon the Customer Score. However, the limitation of using a third party is the inability to derive product-specific feedback that is critical to competitive advantage.

Therefore, an Independent Party option is used by some companies. The definition of Independent party is a person that may be an employee of the corporation, but not involved in the Customer account under interview. This interviewer type can theoretically conduct an unbiased interview, yet has the product & industry knowledge to customize discussions to identify root causes that shaped the Customer experience.

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Using the Account Manager to interview his own Customer is a controversial option, yet it is an intriguing strategy. Of course, Account team compensation tied to the score should be abandoned due to the possible gaming that would exist. However, Company B utilizes the survey interview to expedite their true intent: to grow the account relationship. Therefore, the Account Manager begins the interview with the relationship survey, but uses the opportunity to engage in robust business dialog. This tactic potentially positions their Account Manager as a trusted advisor and key business partner for the Customer. The limitation of this option is obvious: if the Customer is unhappy with his relationship with the Account Manager, then the Customer is not provided an avenue outside of that primary contact to give feedback. This option would assume that the Account Manager would either fix the strained relationship or remove himself from the account to allow for growth. That is the controversy surrounding this interviewer option.

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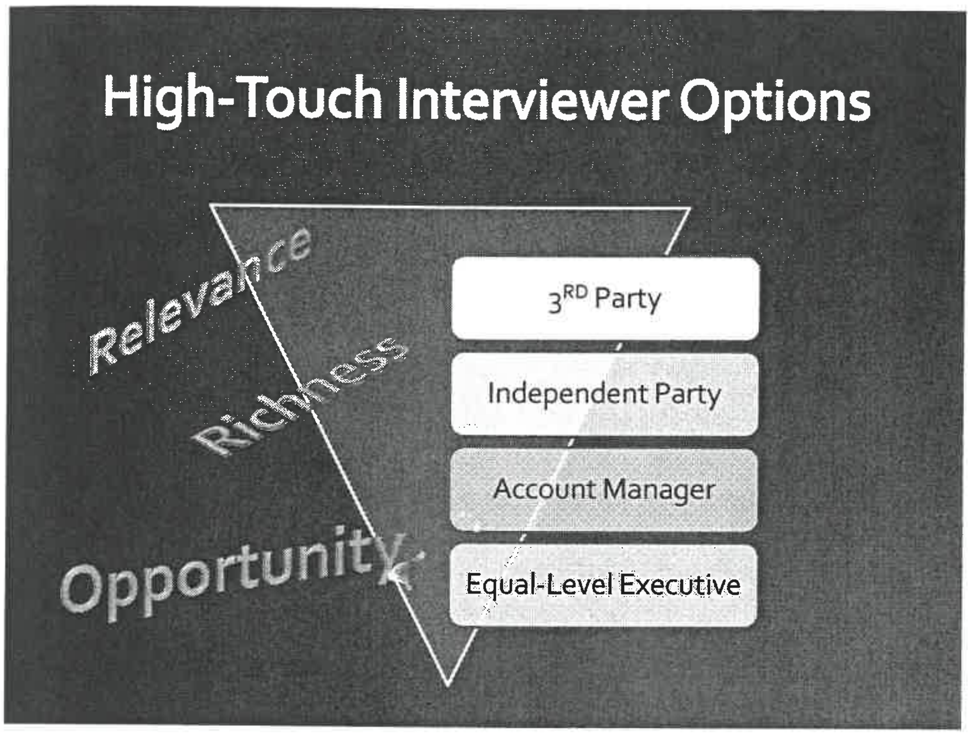

Figure...

The inverted triangle in Figure X is a visual representation for the common-to-uncommon types of interviewers. The 3rd party interviewer type (at the wider portion of the triangle) is more commonly used. As the triangle narrows the interviewer types appear less common. Notice the concept of an Equal-level executive conducting the high-touch relationship survey. The schedule logistics and time consumption of the executive for the surveying corporation would be extremely challenging. Yet for a subset of strategic accounts, this may be the option to insure participation & response.

xxxx

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Appendix A: Benchmark Interview Talking Points

1. What is your strategy with regards to measuring Customer Satisfaction?

2. How are your survey questions selected? Standard NSat question for year-over-year trending? Customized section for Marketing use? Variable length, based on role of respondent?

3. Describe the vehicle for collecting customer satisfaction responses

4. How do you administer the process?

    a. Is it an annual invitation? Sent to all customers at the same time or staggered?

    b. Timing flexibility? Customer receives invitation after a sales event (Executive sponsor visit, account plan review, normal account manager way of doing business, etc.)

    c. What roles in the Customer are surveyed? Is the respondent limited to certain roles (i.e. C-suite?) Is there a targeted number of customers per account that are contacted?

    d. Target different customer contacts levels in order sequence?

    e. Utilize multiple methods to invite survey participation?

    f. Is the account team directly involved in the survey (inviting, conducting, collecting?)

5. What is your expected & actual response rate? Year-over-year trending?

6. What happens if the customer does not respond? (reminder, high-touch, nothing)

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7. Is the Account Manager (AM) compensated on customer sat?
    a. If yes, is compensation based on overall NSAT or AM-controllable variables
8. How do you deal with Global and Multi-national customers that might have AMs in multiple countries? Do the AMs get a single score for the global account or do they get a separate sat score for each entity?
9. Who gets paid on Customer Sat if not AM? (Culture question)
10. Do you analyze to understand satisfaction at an account level or a statistical-representative (roll up) level?

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Appendix B: Summary of Company B Benchmark Interviews

The content of this section was removed due to company-specifics that would allow easy identification of the participant and expose competitive strategy of their corporation.

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Appendix C: Summary of Company C Benchmark Interviews

The content of this section was removed due to company-specifics that would allow easy identification of the participant and expose competitive strategy of their corporation.

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Appendix D: Summary of Company D Benchmark Interview

The content of this section was removed due to company-specifics that would allow easy identification of the participant and expose competitive strategy of their corporation.