

The Customer is always right

When it comes to Business Improvement the customer is always right, or are they?

The phrase “The customer is always right” was originally coined in 1909 by Harry Gordon Selfridge, the founder of Selfridge’s department store in London, and is typically used by businesses to convince customers that they will get the best possible service and convince employees to give customers good service.

The problem is that the customer isn’t always right, and sometimes thinking otherwise can result in serious disservice to you, your team, and your customers.

Voice of the customer

The Voice of the Customer is a process used to capture feedback from Customers (internal or external) in order to better understand their requirements and in response provide them with the best in class service or product quality. The process is about being proactive and innovative to capture the changing requirements of the customers.



If we want to capture needs and expectations and understand their issues or concerns, we must listen to the customer. We need to remember that, different customers may have different needs and expectations, different categories of customer may have different priorities, customers often express their needs, expectations, issues etc. in vague, general terms. We therefore may need to seek clarification via:

Direct discussion, interviews, surveys, focus groups, customer specifications, observation, warranty data, field reports, complaint logs, etc.

This information and data is used to identify the Critical to Quality (CTQs) attributes needed for a supplied product or service to be incorporated into the customers process, product or service.

Critical to Quality

CTQs are the key measurable characteristics of a product or process whose performance standards or specification limits must be met to satisfy the customer.



These outputs represent the product or service characteristics defined by the customer (internal or external). They may include the upper and lower specification limits or any other factors related to the product or service.

Establishing CTQs is vital for a company to meet customer needs and keep up with the competition. Typically, they must be interpreted from a qualitative customer statement to an actionable, quantitative business specification. They are the select few, measurable key characteristics of a specific product, service or process that relate to customer satisfaction e.g. – delivery, cost, performance.

CTQs have the following attributes, they are customer issues expressed in a way that is measurable, for any one issue there may be more than one CTQ also they could be internal and external.

Translating CTQ's

The Key is translating the information gathered from the voice of the customer into effective CTQs, in order to do this, there are four steps:

1. Collect the Voices

Reach out to your customers, stakeholders, and whoever is involved in the delivery process; understand what they expect from the process and what "good" looks like to them (and not to you). Do not make assumptions regarding what they think, let them speak, let them tell you what they want and do not want from the process. Make sure you involve ALL the customers; you can use SIPOC to help define who the customers are.

2. Consolidate the Voices

Behind the actual words collected from the customers, some might have similar ideas and similar expectations. Consolidate what looks similar and distill a list of criteria critical to make the customers of the process satisfied with the outputs (quality, safety, timeliness, cost...).

3. Define the CTQs:

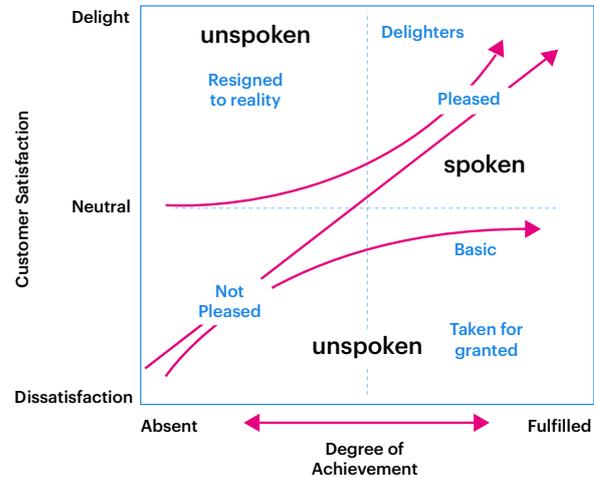
From the critical criteria, define the specific indicators needed to measure the level of satisfaction. The CTQs are specific metrics with a starting measurement point and a target state (e.g.: cycle time to answer clients queries to be reduced from 10 days to 3 days; number of man-hours without injuries to be increased from 10,000 to 30,000; number of defectives parts coming out of the process to be reduced from 10 to 1 per production day etc.)

4. Prioritise Customers expectations and CTQs

Among the critical criteria, identify which ones are Basic (what the process MUST achieve as the customers take it for granted), which ones are Performance (by improving their performance, the customers satisfaction will increase), and which ones are Delighters (the customers do not even yet think about asking for it, and their satisfaction would jump up to excitement if they get such outcomes). The Kano model can be used as a framework for this analysis

"Understand what they expect from the process and what "good" looks like to them (and not to you)."

The Kano Model



Basic characteristics are generally taken for granted – unless they are absent!

Customers generally discuss or bring up issues related to **Performance**

Delighters are generally not mentioned, since the Customers are not dissatisfied with their absence

Conclusion

By following this process, you shall ensure that you will meet and exceed your customer expectations. So perhaps it is better not to say that 'the customer is always right' but to recognise the customers intentions are key to satisfaction, it is up to us to decipher their goals and translate those into an actionable plan with clear measures of success. I recognise this is not as succinct a statement, but it will lead to delighted customers.

Bourton Group has supported many businesses from a wide range of industries to implement Lean improvement techniques via tailored engagement programs.

We work collaboratively to deliver on efficiency objectives and targets, with returns on investment of over 20:1 being reported, along with wider benefits of reducing waste, decreasing time to complete activities and improvements to quality – all of which have been directly attributed to Lean.