

Foreword

The Hong Kong Association for Customer Service Excellence was formed in February 2000. In pursuance of the Association's objective to promote customer service excellence in Hong Kong, we have embarked on a series of research projects aimed at identifying best customer service practices in Hong Kong's leading service organizations.

The first research, involving some 600 customers and nine organizations from different service sectors renowned for their exemplary service performance, centred on "The Best Organization Structure and Human Resource Practices for Delivering Excellent Customer Service". The findings of this study are summarized in this document – "A Practical Guide to Delivering Excellent Customer Service". It is written in a readable and easily comprehensible format so that it can serve as a ready reference for service organizations in Hong Kong of any size and business nature.

We hope this publication will contribute to fostering a culture of customer service excellence in Hong Kong, thereby enhancing the competitiveness of the service industries.

Allan CHIANG

Chairman

Hong Kong Association for Customer Service Excellence

February 2001

Founding Members

(In alphabetical order)

Centaline Property Agency Limited

CLP Power Hong Kong Limited

Dah Chong Hong (Motor Service Centre) Limited

Hewlett-Packard Hong Kong Limited

Hongkong Post

Motorola Asia Pacific Limited

Pacific Century CyberWorks

Pacific Century Insurance Company Limited

Shell Hong Kong Limited

The Kowloon Motor Bus Company (1933) Limited

Honorary Patron

Mr. CHAU Tak Hay

Secretary for Commerce and Industry

Commerce and Industry Bureau

Honorary Advisor

PricewaterhouseCoopers

List of Executive Committee Officers (Year 2000-2001)

| | |
|----------------|--|
| Chairman: | Mr. Allan CHIANG Deputy Postmaster General Hongkong Post |
| Vice-Chairman: | Mr. KONG Wood Ning Customer Services Manager CLP Power Hong Kong Limited |
| Secretary: | Mr. CHEUNG Chi Wah Director, Quality & Efficiency Pacific Century CyberWorks |
| Treasurer: | Mr. Patrick WONG Director – HP Services Hewlett-Packard Hong Kong Limited |
| Convener: | Mr. Buston CHU Senior Marketing Manager Dah Chong Hong (Motor Service Centre) Limited |
| Convener: | Ms. Esperanza MA Regional Vice President & General Manager Pacific Century Insurance Company Limited |
| Convener: | Miss Kay LEE Manager – Customer Service Centre Shell Hong Kong Limited |

Acknowledgement

The Executive Committee would like to thank sincerely the organizations and the interviewees participating in the research. Without their invaluable input, this project could not be completed. We would also like to express our appreciation of the professional work done by Dr. Geoffrey Tso of the City University of Hong Kong and Mr. Jack Poon of Integrated Management System Consulting in the design of the research and carrying out the field work on behalf of the Association.

CONTENTS

| | |
|--|--|
| (I) Understanding Customer Expectations | |
| (II) Hiring the Right People | |
| (III) Support System | |
| • Organization | |
| • Service Oriented Process | |
| - Empowerment | |
| - Motivation and Excitement | |
| - Service Pledge | |
| - Communication | |
| - Escalation Management | |
| • Training | |
| • Personal Development | |
| • Guidelines and Tools | |
| - Intranet | |
| - Control and Monitoring | |
| - Performance Appraisal | |
| (IV) Retaining the Right People | |
| • Compensation and Benefits | |
| • Reward and Recognition | |
| (V) Levels of Importance of Customer Expectations for Different Services | |
| • Call Centre | |
| • Customer Service Centre | |
| • Retail Outlet | |
| • Website | |
| • One-to-one Service Agent | |

(I) Understanding Customer Expectations

Understanding customer needs and expectations is very important to a service-oriented organization as it protects against dissatisfied customers or, even worse, those who take their business elsewhere without voicing their complaint.

After customer needs and expectations are identified, customer satisfaction must be monitored and the findings used to generate improvements. Proactively conducting customer satisfaction surveys also generates a positive impression on customers about the organization's interest in them.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|---|---|----------------------------|
| <i>Gather information on</i> | | |
| Customer needs and expectations | Telephone or mail surveys Focus groups | From quarterly to annually |
| The industry | Purchase syndicated data | Annually |
| <i>Monitor customer satisfaction</i> | | |
| Random telephone surveys | Computer Assisted Telephone Interview System (CATI) – computer software to facilitate sampling and data capturing | Ongoing |
| Benchmarking | Company visits | Ad hoc |
| Customer transaction study | Interviews with recent customers | Ongoing |
| Focus group | Customer Advisory Panel or small ad hoc groups | Quarterly |
| Outreach programs | Communicate with Focus Teams or other organizations | Ongoing |

TIPS ON UNDERSTANDING CUSTOMERS

1. Interview staff at critical processes areas or conduct in-depth interviews with customers to design a questionnaire before conducting a survey.
2. Typical topics covered in a Customer Satisfaction Survey include:
 - Overall satisfaction
 - Performance of frontline staff, including:
 - Punctuality and appearance
 - Service skill
 - Enthusiasm
 - Tidiness and cleanliness after work
 - Level of support provided
 - Decision to continue to purchase goods/service
 - Decision to recommend goods/services to others
 - Comparison of goods/services with competitors
3. Design a feedback form and ask customers to rate service quality where appropriate in order to obtain instant feedback.
4. Use a consultant to design and, if necessary, conduct a survey. Many organizations still need to commission research projects to external consultants even though an in-house research team is available. This is because additional human resources such as fieldwork staff who may not be maintained as regular full-time staff are often required in ad hoc projects. Sometimes, consultants are hired to seek an independent design, which is not affected by the organization's culture.
(Customer expectations for call centers, customer service centers, retail outlets, websites and one-to-one sales or service agents are detailed in Section (V)).

(II) Hiring the Right People

Organizations concerned with service quality believe that, despite the traditional emphasis on hiring people with the right “service attributes”, it is more effective to emphasize personal development (i.e. to attract, develop and retain staff) via extensive training.

Organizations also rely on the judgment of management, systematic evaluation and selection procedures.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|---|--|-------------------------|
| <i>Recruiting</i> | | |
| Develop job descriptions | Describe the overall functions of the job and why it is important to the organization | Ongoing |
| Interview | <ul style="list-style-type: none"> – Face-to-face or telephone interviews – Psychological evaluation – Work simulation – Written tests | Ongoing |
| <i>Development</i> | | |
| Place emphasis on training and personal development | Establish sub divisions under the Human Resources Department (e.g. workforce development, training and people development, etc) | Ongoing |

TIPS ON HIRING THE RIGHT PEOPLE

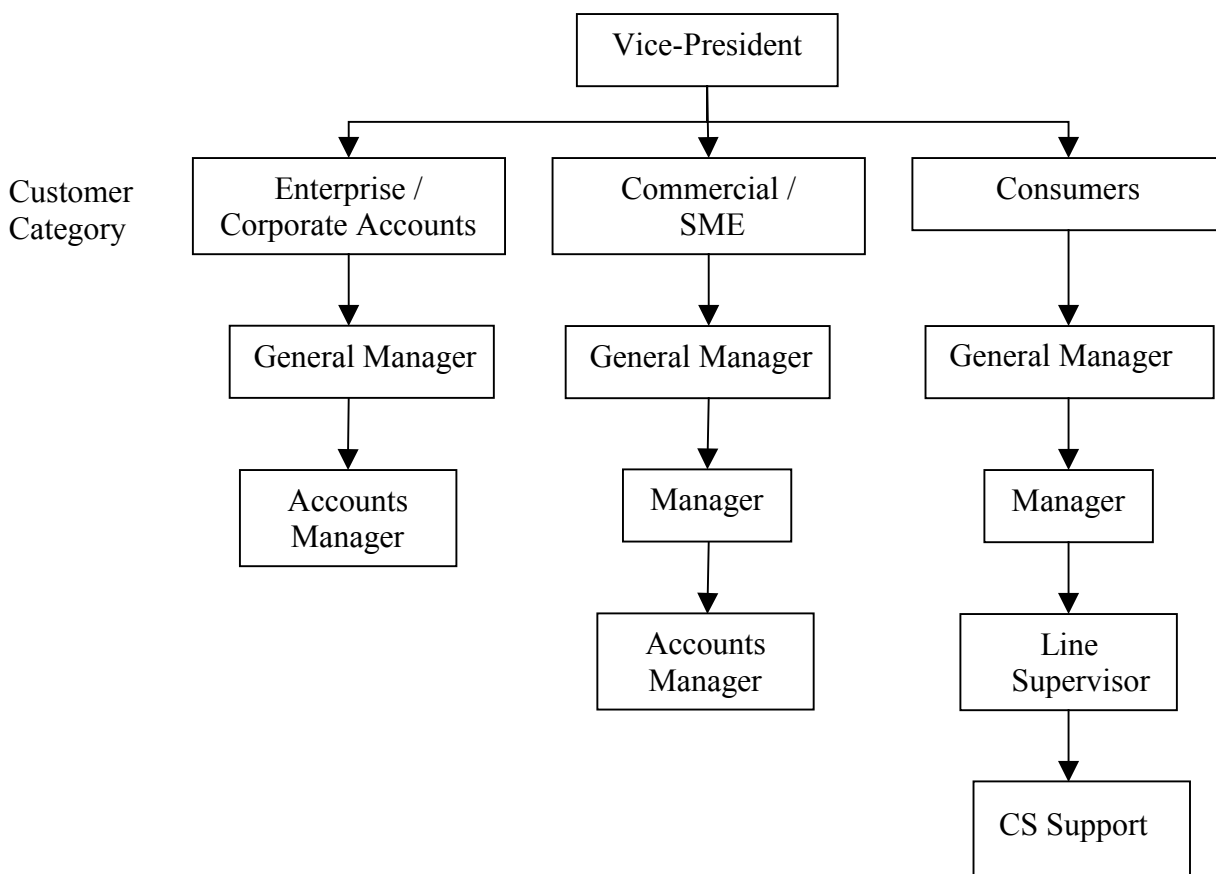
1. Service attributes include:
 - Reliability
 - Responsiveness
 - Empathy
 - Helpfulness
 - Thoughtfulness
 - Sociability
 - Being well-adjusted
 - Likeability
 - Willingness to follow rules
2. Typical face-to-face interviews examine:
 - Communication skills (e.g. by self introduction or interviewing in groups to see how candidates interact)
 - Selling skills (e.g. by requesting a candidate try to sell a familiar product)
 - Handling difficult situations
 - Innovation (e.g. how to increase overall sales by, say, 10%)
3. When hiring frontline staff who handle customers by phone, candidates are requested to make a cold call (by telephone) to test their telephone manner and responses under unfamiliar situations.
4. Software for job profiling is available commercially whereby:
 - A job profile for each position is developed and each attribute is ranked for importance so that a written test can be developed for the respective position
 - Candidates are tested using character or aptitude tests accordingly
 - The best candidate can be matched against the attributes listed in the job profile

(III) Support System

- ***Organization***

In a service-oriented organization, an individual Customer Service Department is established. Everyone in this department is responsible for delivering excellent customer service. The focus is on satisfying the customer under whatever circumstance. In addition, dedicated teams are established according to the characteristics of an organization's operation or types of customers so that the unique needs of each customer are better served.

A typical customer-based organization structure will consist of:



This structure will ensure the focus on customer or market and keep the organization aware of changes in customers' needs and expectations/preferences.

- ***Service Oriented Process***

Empowerment

Frontline staff are trained to perform as customer champions capable of using good judgment when quick action is needed to satisfy a customer or to diffuse a potentially difficult situation. Empowerment provides frontline staff with the necessary authority to resolve on the spot most or all problems with customers, eliminating the need for a customer to complain beyond the first personal contact. Empowerment also motivates frontline staff to exceptional performance.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|--|--|-------------------------|
| <i>Empowerment</i> | | |
| Establish clear empowerment guidelines | Identify decision-making opportunities (rule benders): | Ongoing |
| | – Waiving charges | |
| | – Replacement or refund | |
| | – Trade-in of products | |
| | – Emergency service appointment | |
| | Communicate empowerment | Ongoing |
| | Ensure no multi-level approval is required | Ongoing |

TIPS ON EMPOWERMENT

1. The frontline staff doing the job know best how to handle a potential conflict. Use their knowledge and experience (e.g. by asking for their input on the potential impact on customer service of changing rules).
2. Problems should be solved at the lowest competent level in an organization.
3. Different empowerment levels should be defined according to different customer value models (i.e. low, medium or high). In case of customers' "severe dissatisfaction", escalation to a higher value may be justified.
4. The empowerment authorization should be reviewed subject to market forces.

Motivation and Excitement

The motivation of frontline staff to improve performance and productivity is important. After all, it is the frontline staff, not senior management, who deal directly with the customer every day. Employees are also motivated by recognition in the form of bonuses or awards and praise. Positive reinforcement by senior management can be just as effective as bonuses.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|---|---|--|
| <i>Develop motivation</i> | | |
| “Catch” frontline staff doing the right thing | Monitor frontline staff behavior via: <ul style="list-style-type: none"> – Direct observation – Customer transaction survey (i.e. to survey the satisfaction level of customers who have used the service in the past week/month) | Ongoing |
| Encourage competition | <ul style="list-style-type: none"> – Employee of the Week/Month – Best Team – Superior Quality Service Award – Best Bulletin Board | Ongoing Quarterly Semi-annually Monthly |
| <i>Create excitement</i> | | |
| Celebrate success | Organize: <ul style="list-style-type: none"> – Award presentation ceremonies – Monthly dinners with the General Manager – Team celebrations | Ongoing |
| Publicize achievements | <ul style="list-style-type: none"> – LCD monitors in common areas – Screen-savers on company intranet – Newsletters – Bulletin board postings | Ongoing |

TIPS ON MOTIVATION AND EXCITEMENT

1. Present awards as often as required (e.g. as soon as possible after targets are achieved).
2. Superior quality service awards are often provided to more than one team and are seen as an encouragement tool rather than a stringent competition.
3. Celebrate success publicly (e.g. at company-wide events).

Service Pledge

Aimed at providing customers with the best possible service, a Service Pledge guarantees customers a specific level of service commitment. This delivers a clear message to frontline staff regarding the importance of customer satisfaction and also demonstrates the organization's commitment to customers.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|--|--|------------------|
| <i>Define details of Service Pledge</i> | | |
| Reliability | <ul style="list-style-type: none"> – Uninterrupted service – Prior notification in case of service interruption – Restoration of service | Ongoing |
| Emergency service | <ul style="list-style-type: none"> – Emergency hotline / team | Ongoing |
| Appointments | <ul style="list-style-type: none"> – Choice – Availability – Dependability – Flexibility of time/date | Ongoing |
| Speed and convenience | <ul style="list-style-type: none"> – Customer service hotline – Fast service – Choice of bill payment – Location and operating hours of customer service centers | Ongoing |
| Service attitude | <ul style="list-style-type: none"> – Courteous and friendly | Ongoing |
| Handling suggestions | <ul style="list-style-type: none"> – Receive via hotline, written comments or suggestions | Ongoing |

TIPS ON SERVICE PLEDGE

1. Frontline staff should participate in developing details of the Service Pledge because they are more likely to generate service improvement suggestions.
2. Details of the Service Pledge are documented in Service Pledge booklets, which are available to the public and contain the following information:
 - A letter to customers
 - Description of the different items of the Service Pledge
 - Previous year's achievements
 - Service goals and targets for the coming year
3. These customer service goals are incorporated into the personal objectives of all frontline staff (e.g. in their job description) and is used as part of the performance appraisal process.

Communication

Communication is vital if an organization wants to be successful in delivering excellent customer service because it affects people’s expectations, perceptions and attitudes towards customer service. Externally, stakeholders need to know what an organization is doing to provide excellent customer service. Internally, frontline staff need to be kept up-to-date with the organization’s customer service programs.

| PURPOSE | TOOLS | FREQUENCY |
|----------------------------------|--|------------------|
| External communication | | |
| Establish communication channels | <ul style="list-style-type: none"> – Company website for the public – Newsletters and annual reports – Press conferences – Meetings – Special events | Ongoing |
| Internal communication | | |
| Establish communication channels | <ul style="list-style-type: none"> – Meetings and briefings – Bulletin board postings or electronic mail – Company intranet – LCD monitors in common areas – Screen-savers to display achievements such as Employee of the Month, company news, discount merchandise, etc | Ongoing |

TIPS ON COMMUNICATIONS

1. Typical special events include Customer Service Week, competitions, visits to other organizations or vice versa, etc.
2. A company intranet contains information about:
 - Our company
 - Our customer service culture
 - Pay and benefits
 - Performance and development
 - Staff Corner
 - Feedback channels
 - Compliments
3. Our Customer Service Culture describes:
 - What our customers want
 - What our customers get
 - Our commitment to providing excellent service
 - Examples of how to exceed customers’ expectations
4. Screen-savers are capable of continuously conveying customer service messages, such as individual achievements, e.g. Employee of the Month, company news, discount merchandise, etc.
5. A 10-minute briefing each morning before opening or during shift changes is an effective way to remind frontline staff of the skills and behavior they need to apply.

Escalation Management

Complaints are best resolved when and where they happen, before they breed negative word-of-mouth advertising or escalate to a higher level. Escalation management is particularly important when dealing with Corporate/Enterprise customers. Frontline staff must be trained and provided with guidelines and tools to prevent escalation.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|-----------------------------------|---|-------------------------|
| <i>Escalation criteria</i> | | |
| Define escalation criteria | – Number of days order remains open or does not progress | Ongoing |
| Establish escalation procedures | – When complaint needs to be escalated, appoint a Customer Satisfaction Manager to ensure the customer and their business needs are addressed – Set up escalation team (e.g. Customer Satisfaction Manager, Customer Service Supervisor, senior Customer Service staff) to handle problems | Ongoing |

TIPS ON ESCALATION MANAGEMENT

1. The Customer Satisfaction Manager should be a senior member of staff and act as the link between the customer and the escalation team.
2. Further escalation is needed when:
 - There is no further progress after different attempts
 - Customer anxiety is high, or
 - Customers incur high financial losses

• **Training**

Successful customer-oriented organizations devote considerable resources to training and developing their employees. Training assists in developing a service-oriented culture within the organization and equips frontline staff with the tools they need to deliver excellent customer service, which will earn customer satisfaction and loyalty and, ultimately, improve productivity.

| PURPOSE | TOOLS | FREQUENCY |
|---|---|------------------|
| Training needs | | |
| Prepare training curriculum and plan for individual positions | Perform training needs analysis (i.e. determine who needs to be trained for what) | Semi-annually |
| Provide training | | |
| Induction | Content: <ul style="list-style-type: none"> – Organization history, important milestones and core business – Organizational structure – Mission, vision, goals and objectives – Career development | Quarterly |
| Technical | <ul style="list-style-type: none"> – Product/service knowledge – System operation – Telephone system operation – PC skills and application – Mandatory training (as required by law) | Ongoing |
| Customer service | <ul style="list-style-type: none"> – Service culture – Effective communication skills – Negotiation skills – Complaint handling skills – Trouble shooting – Consultative selling and call handling | Ongoing |
| Management | <ul style="list-style-type: none"> – Effective leadership – Coaching and counseling – Team building – Leading effective meetings – Presenting effectively – Train-the-trainer – Problem solving – Time management – Project management – Change management – Attracting, hiring and keeping great people | Ongoing |

TIPS ON TRAINING

1. Training needs analysis and the corresponding training plans are prepared in advance; for example, at the beginning of the fiscal year (as opposed to completing training records after training has been conducted).
2. Prioritize “must do” and “nice to do” training and conduct programs accordingly.
3. All new employees are required to attend induction training, with induction CD-ROMs available for new employees in the interim.
4. New employees are not allowed to serve customers before they have been trained.
5. It is helpful to use facilitators to train the trainers who will be responsible for conducting the actual training. Using a facilitator is usually effective for workshop types of training.
6. Organize outdoor training activities (e.g. rock climbing, outward bound trips, etc) to focus on team building, leadership development, development of self-confidence and problem solving.
7. A successful organization normally commits a certain percentage of its budget to training.
8. Self-learning is an effective way to stretch an organization’s training budget.

• ***Personal Development***

Organizations that emphasize training and personal development enjoy competitive advantages in attracting new employees and retaining good people. A clear mandate for personal development also increases employee morale and motivation.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|--|--|-------------------------|
| <i>Personal development program</i> | | |
| Career planning | <ul style="list-style-type: none"> – Career planning seminars – Develop individual career path profiles – Special career development programs for excellent performers or potential managers | Quarterly |
| Coaching | Managers spend up to 50% of his/her time coaching frontline staff | Ongoing |
| Attachment | Assign attachment to an experienced frontline staff for a period of from one week to three months | As required |
| Mentor program | <ul style="list-style-type: none"> – Choose mentors and develop clear roles and responsibilities for both mentors and mentees – Hold regular mentor-mentee meetings to focus on one improvement area at a time | As required |
| Job rotation | Arrange job rotations according to a succession plan | Ongoing |

TIPS ON PERSONAL DEVELOPMENT

1. Mentors should be chosen carefully, based on language, personality, experience, background and physical proximity.
2. Coaching can be used as a tool for monitoring the development of individual staff and determining the cause of non-performance (attitude or aptitude).
3. Inform frontline staff who have not performed up to par as soon as possible and independently (i.e. out of sight from other staff).
4. Determine appropriate recognition and incentives for outstanding mentors or coaches (e.g. Mentor/Coach of the Year).

• **Guidelines and Tools**

Intranet

Most companies have an IT department that designs a company intranet as an effective means of communication. Training on use of the intranet also provides new opportunities for flexible and readily accessible training, i.e. on-line training programs.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|-------------------------------|--|-------------------------|
| <i>Intranet</i> | | |
| Develop sites on the intranet | <ul style="list-style-type: none"> - Company news - Organizational chart - Our service culture - Mission - Company priorities - Company processes - Contact list - Performance and development - Staff Corners - Code of behavior - Compliments | Ongoing |
| Update intranet | Seek input from all departments and staff | Ongoing |

TIPS ON INTRANET

1. Company priorities include sites for:
 - Customer expectations
 - Customer experiences
 - The organization's commitment to service
 - Who are your customers?
 - Communication (Telephone; Fax; Letter) handling guidelines
 - Exceeding customer expectations
2. Staff Corners include sites for:
 - Career connection
 - Ethics policy
 - Inspiring tips
 - Experience sharing
 - Feedback channel
 - Training courses
 - Web applications
 - Employee portal
 - Recommended book list
3. Employee Portals contain:
 - Information to alert staff regarding training and performance ranking status
 - Individual job descriptions and specifications
 - Performance evaluation results

Control and Monitoring

To ensure the best possible customer service is provided, actual service delivery by frontline staff is monitored continuously and the results are reviewed and analyzed.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|---|---|-------------------------|
| <i>Retail Outlets</i> | | |
| Monitoring | <ul style="list-style-type: none"> – Direct monitoring by managers – Cross-shop visits by shop supervisors (to observe the service delivery at other shops and provide comment for improvement) – Customer Transaction Survey (to survey the satisfaction level of customer who have used the services in the past week/month) | Ongoing |
| <i>Call Centers</i> | | |
| Monitoring | <ul style="list-style-type: none"> – Direct observation by line manager / supervisor – Keeping track of amount of time spent per call – Silent monitoring of conversations | Ongoing |
| <i>Customer Service Centre / Support</i> | | |
| Monitoring | <ul style="list-style-type: none"> – Supervisor listens to staff concerns – Keeping track of response time, service / repair time / repair appropriateness | Ongoing |

TIPS ON CONTROL AND MONITORING

1. Cross-shop observation of service delivery is an effective monitoring method.
2. Customer transaction surveys are conducted (usually by external consultants) on individual retail outlets to survey customers who have used the service in the past week or month. The surveys focus on the staff's:
 - Courtesy / politeness
 - Product / service knowledge
 - Friendliness, sincerity and patience
 - Proactivity in offering help
 - Understanding of customers' needs
 - Ability to provide a satisfactory answer or solution
 - Responsiveness in answering enquiries
 - Effective explanations
 - Accuracy of information provided
 - Follow-upWhen there are negative results, the respective frontline staff is asked to find out what the mistake was to see if that matches with the findings.
3. A Mystery Shopper Program is conducted (usually once a year) to rate the shop's performance in terms of:
 - Shopping environment (staff appearance and greeting of customers, store housekeeping)
 - Shopping experience (staff attitude, staff assistance, product knowledge, availability of products and price)
 - Completion of transaction (customer leaving, after-sales service, team spirit)
4. The Mystery Shopper Program can also be used for competitor benchmarking.
5. A complaint tracking system ensures that how complaints are handled is evaluated in terms of promptness of response, clarity of response, and general responsiveness to the complainant.
6. Compliments are passed onto all employees continuously via bulletin boards, e-mails, LCD display boards, screensavers, etc.

Performance Appraisal

Performance appraisals are conducted to provide managers and frontline staff with an opportunity to review their performance relative to defined service standards, thus providing feedback to eliminate service deficiencies and reinforce excellent performance. Performance appraisals are also an important element of the career planning process because they are used to develop an employee's career plan in light of demonstrated strengths and weaknesses.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|--|---|---------------------------|
| <i>Performance appraisal mechanism</i> | | |
| Define performance expectations and develop detailed rating forms and procedures | Assign assessment rating criteria weighting (%) for: <ul style="list-style-type: none"> – Efficiency (20%) – Quality (20%) – Performance (45%) – Enthusiasm (10%) – Teamwork (feedback from colleagues) (5%) | Ongoing |
| Conduct appraisal | Assign rating, determine performance ranking and analyze strengths and weaknesses | Semi-annually or annually |
| Provide feedback | Plan feedback sessions | Ongoing |

TIPS ON PERFORMANCE APPRAISAL

1. Performance appraisals for new employees should be conducted more frequently, e.g. twice in the first year of employment and once per year thereafter.
2. An effective wage re-evaluation mechanism is to perform wage reviews more often, e.g. quarterly, to make necessary adjustments for excellent achievers.
3. Performance expectations defined in job descriptions are usually too general. Individual performance expectations should be quantified wherever practicable (e.g. keeping customers satisfied vs. no more than 10 complaints per year).
4. Quality includes:
 - Compliments
 - Complaints
5. Performance includes results of:
 - Customer satisfaction surveys (e.g. customer survey cards, customer satisfaction tracking systems, etc)
 - Monitoring results
 - Productivity
6. Enthusiasm includes monthly statistics on:
 - Sick leave
 - Punctuality
 - Contributions of ideas to improve service quality
7. One or more feedback sessions should be held to discuss the progress of individual staff and to make plans for career progression, including training and development needs.

(IV) Retaining the Right People

- ***Compensation and Benefits***

Compensation is a major motivation for attracting and retaining employees. Employee dissatisfaction with the compensation system may have a negative effect on the organization's operations. Compensation should be designed so that resources are deployed efficiently and excellent performers are rewarded accordingly. A clearly defined compensation system brings credibility, whereby consistency and equity in compensation strategies can be maintained.

In addition to compensation, most organizations provide some form of company benefits, which must be carefully planned to meet employees' needs.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|----------------------------|--|-------------------------|
| <i>Compensation</i> | | |
| Job leveling | Conduct market surveys to determine salary pay ranges for different job levels: <ul style="list-style-type: none"> – Performance-based pay – Incentive programs, etc | Semi-annually |
| Implementation | Provide compensation based on achievement of objectives and performance | Ongoing |
| Review | Salary increases are based on the performance rating in the last performance appraisal | Quarterly |

TIPS ON COMPENSATION AND BENEFITS

1. Typical remuneration packages include:
 - Basic salary plus bonus
 - Pay for performance
 - Allowances
 - Overtime pay
 - Employee share purchase plan
 - Special bonuses
2. Benefit plans must comply with local laws and regulations, e.g. MPF, insurance, etc.
3. Salary reviews are conducted more frequently (e.g. quarterly) to make necessary adjustments for excellent achievers.

• **Reward and Recognition**

Reward and recognition in the form of incentive programs is a major source of motivation for delivering excellent customer service.

| <i>PURPOSE</i> | <i>TOOLS</i> | <i>FREQUENCY</i> |
|---|---|------------------|
| <i>Develop reward and recognition programs</i> | | |
| Individual or group | Determine: <ul style="list-style-type: none"> – Award to be paid – Targeted performance | Ongoing |
| Special awards | Set up competitions or special projects: <ul style="list-style-type: none"> – Determine objectives – Define specific performance measures – Determine awards – Develop the support system (staff and judging committee) | Ad hoc |

TIPS ON REWARD AND RECOGNITION

1. Common reward and recognition schemes include:
 - Employee / team / outlet of the month
 - Superior Quality Service Award with dual purposes of proposing solutions to enhance customer service and recognize team achievement,
 - Top three teams
 - Outstanding team
 - Best team members
 - Best departmental facilitator
 - Best departmental committee
 - Best bulletin board
 - Highest-ranking team on customer satisfaction tracking system
2. Awards can be anything, including:
 - Salary or cash bonuses, or coupons
 - Profit sharing / stock options
 - Prizes and awards (e.g. vacation packages)
 - Promotions and job enrichment
 - Plaques, pins or badges
 - Certificates or personal thank you notes from the General Manager
 - Lunch with the General Manager
 - Recognition parties or celebrations

(V) Customer Expectations for Different Services

***Level of Importance of Customer Expectations
(Average Rating out of 10)***

• ***Call Centre***

| Very important | Customer Expectation |
|-----------------------|--|
| 8.7 | Staff deal with customers in a courteous manner Staff answer calls promptly |
| 8.6 | Staff are considerate |
| 8.5 | Staff provide clear responses Centre is adequately staffed Staff are responsible Staff offer friendly greetings Staff avoid putting callers on hold |
| Important | |
| 8.4 | Staff offer a fast and accurate response to enquiry |
| 8.3 | Live conversation (rather than talking to a machine) Ability to talk to the right person immediately Staff repeat callers' instructions Staff have multiple language capability |
| 8.2 | Staff check voice message and return calls promptly Staff are familiar with service or products Staff provide suitable suggestions Staff speak in an appropriate manner (speed, tone, volume) |
| 8.1 | Staff provide the correct information or service 24-hour manned service is available Staff ensure attention to detail |
| 8.0 | Staff make the correct appointment Staff provide service or forms promptly Staff are able to engage in friendly conversation Staff are polite |
| Preferable | |
| 7.9 | Staff show willingness to serve customers Staff follow-up on customer complaints Staff pay attention to details Easy to remember telephone number |
| 7.5 | Staff introduce themselves |

***Level of Importance of Customer Expectations
(Average Rating out of 10)***

• ***Customer Service Centre***

| Very important | Customer Expectation |
|-----------------------|---|
| 8.8 | Staff pay attention to detail Staff introduce themselves |
| 8.7 | Staff deal with customers in a courteous manner Staff are considerate |
| 8.6 | Staff provide the correct information or service The center avoids being out of stock of products Honesty Staff provide suitable suggestions |
| 8.5 | Patient staff |
| Important | |
| 8.4 | Easy refund / exchange mechanism Short waiting time Staff follow up on customer complaints |
| 8.3 | Staff provide clear responses Friendly conversation Staff have good interpersonal skills |
| 8.2 | Good queuing system Ability to talk to the right person immediately Polite staff Staff are good listeners |
| 8.1 | Nice and clean environment |
| 8.0 | Convenient location |
| Preferable | |
| 7.8 | Staff show willingness to serve customers Staff have tidy uniforms and a good appearance |
| 7.7 | Knowledgeable staff |
| 7.6 | Staff use salutations |
| 7.5 | Staff make an effort to understand customers' needs |

***Level of Importance of Customer Expectations
(Average Rating out of 10)***

• ***Retail Outlet***

| Very important | Customer Expectation |
|-----------------------|--|
| 8.6 | Staff thank customers when leaving Staff avoid the hard-sell approach |
| 8.5 | Helpful staff Choice of payment methods Staff with good interpersonal skills Staff are close to customers The outlet avoids being out of stock of products Staff deal with customers' complaints promptly |
| Important | |
| 8.4 | Outlet is adequately staffed Staff keep smiling Staff provide suitable suggestions Staff make an effort to understand customers' needs Staff are good listeners |
| 8.3 | Staff meet customers' expectations Reasonable prices Clear signage Staff have tidy uniforms and a good appearance Products are sorted into categories for purchasers' convenience |
| 8.2 | Staff are always prepared to serve customers Short waiting time for payment Staff have multiple language capability |
| 8.1 | Courteous staff Easy exchange / refund mechanism |
| 8.0 | Staff serve customers immediately Staff speak in appropriate manner (speed, tone, volume) Attractive shopping environment |
| Preferable | |
| 7.9 | Prompt in honoring warranty Knowledgeable frontline staff Multiple locations |
| 7.7 | Convenient location |

***Level of Importance of Customer Expectations
(Average Rating out of 10)***

• ***Website***

| Very important | Customer Expectation |
|-----------------------|--|
| 9.2 | Provides most up-to-date and accurate information |
| 9.0 | Protects personal information |
| 8.7 | Easy to find the correct information |
| 8.5 | Bilingual sites |
| Important | |
| 8.4 | High-speed access User-friendly design Provides clear instructions |
| 8.2 | Provides adequate security |
| 8.1 | Provides useful technical information |
| 8.0 | Capable of applying for or terminating a service on-line On-line bill enquiry service |
| Preferable | |
| 7.9 | Deals with customer complaints promptly Provides technical assistance on-line |
| 7.7 | Uses polite language Provides useful hyperlinks Provides feedback channels |
| 7.6 | Provides e-mail contacts |
| 7.5 | Provides on-line payment options Provides simultaneous stock quotations Provides links to operators if necessary |

***Level of Importance of Customer Expectations
(Average Rating out of 10)***

• ***One-to-one Service Agent***

| Very important | Customer Expectation |
|-----------------------|---|
| 8.9 | Meets customers' needs and expectations |
| 8.8 | Pays conscious attention to customer's enquiry |
| 8.7 | Informs customers before delivery |
| 8.6 | Flexible (convenient meeting time and place) |
| 8.5 | Solves customers' problems |
| Important | |
| 8.4 | Explains all terms clearly |
| 8.3 | Offers good after-sale service Deals with customers' complaints promptly Pays attention to details Provides personal contact number for easy contact |
| 8.2 | Consistency (customer deals with same agent) Settles claims quickly Knowledgeable agents Agent has a good relationship with customers Customer-oriented |
| 8.1 | Fast delivery service |
| 8.0 | Avoids hard-sell approach Makes an effort to understand customers' needs Has all necessary information handy |
| Preferable | |
| 7.9 | Responsible Remembers customers' names Multiple payment methods |
| 7.7 | Considerate Has a tidy uniform and good appearance |
| 7.6 | Provides the right information and services Keeps smiling |