

# EMPOWERMENT CREATES OVER-HAPPY CUSTOMERS FOR LIFE

**T**he backbone of great service is empowerment. My definition of empowerment is for any employee to be empowered to make a fast, empowered decision, on the spot, in favor of the customer. No asking for approvals. No delays. No moving the request up the chain of command.

I think most CEOs believe their employees are empowered. For most companies, the description of empowerment is: You're empowered to take care of the customer – as long as it fits within our rules and policies. But for empowerment to really work, the employee must be willing to bend or break the rules.

Empowerment is, by far, the hardest skill to get your employees to use. I've always said it takes two miracles at the same time to get an employee to spend \$20 of your money.

There are four reasons why an employee is reluctant to use empowerment:

1. They know they'll be fired
2. They believe they'll be forced to pay for what they give away.
3. Many managers don't like empowerment because it makes them feel they aren't needed – they lose their power.
4. No one likes to be screamed at or put down. Rarely is an employee recognized for making a fast empowered decision in the customer's favor.

Your front-line employees are the most powerful when it comes to empowerment. What they can do is magic. As the request moves up the chain of command, the final decision has less value. Most customers aren't willing to push – my wife would never push a problem up the ladder. She'll just never tell you, and for sure she won't come back. On the other hand, I am very assertive and will push until I get what I want or expect.

On our 45th wedding anniversary, April 2, my wife wanted me to take her to one of the most expensive restaurants in the Twin Cities, Kincaid's Fish, Chop & Steakhouse. I forgot my mask in the car, so when approaching the host I asked if she had a mask I could have. She said it would cost \$1.00. At every other place I know, they give away free masks. Their cost is probably about 10 cents. I told her I was not paying \$1, and she said, "You cannot enter without a mask." My wife found an extra mask in her purse. The two employees would have let me walk, when the average cost of a dinner for two exceeds \$100!

On Trip Advisor, Kincaid's has a 4-star rating. I rated them a 1 on Trip Advisor a day later, which is now at the top of the reviews. Service was bad. My wife never told me until two days later that her food was cold. We will never be back. It started with a \$1 decision that the employees were not empowered to make or were afraid to

make. We are talking \$1!

Most empowered decisions are under \$50, and I think the vast majority are under \$25. Often there is no cost. Not enough companies and employees understand the power of word-of-mouth advertising. Your single best goal every day is to have over-happy customers. This way, you'll have them for life. Over-happy customers are resistant to advertising by your competitors. You want them to fall in love with you and your organization.

I love Amazon. I prefer to call them when I have a problem. I have never had anyone at Amazon tell me "No." Their employees are in call centers all over the world. All of them are awesome. Amazon increased sales 38% or \$105 billion last year. You rarely see them advertise. They focus on repeat business built on word-of-mouth advertising. They love their customers. Customers prefer speed, price and great service. Master these skills so you can become another Amazon.

How can you get your employees to make empowered decisions? Here are a couple of steps I recommend:

1. Train everyone on empowerment. There are no schools in the world that will teach this skill. It is up to your organization to train your entire staff. Remember that 99% of the customers' contact with your business is with the front-line employees who are often the lowest-paid, least-valued and least-trained.
2. Recognition. You must make a celebration out of each time you hear or see an employee making an empowered decision. The wilder the empowered decision, the more you want to make a big deal out of it. Other employees will see that the employee was not fired and got lots of recognition.

With an empowered workforce, your organization can reap the benefits experienced by Chewy, Apple, and Amazon.

Empowered employees have the power to make decisions without a supervisor. They are entitled to go off script, bend the rules, and do what they see fit if they believe it is the right thing to do for the customer. If you're concerned that they might give away the store, then do set a limit. Maybe start with \$100. The Ritz Carlton hotel chain has a \$2,000 limit!

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