Standing Still Can Kill Your Business...

The Importance of Ongoing Training!

by John Tschohl

I find this statistic unbelievable….The U.S. Bureau of Labor statistics found that companies with fewer than 100 employees gave only 12 minutes of manager training every six months. Organizations with 100-500 employees provided just 6 minutes.

The following statistic is even more proof that ongoing training is essential for employee development and the growth of a company….A long-term research project commissioned by Middlesex University for Work Based Learning found that from a 4,300 workers sample, 74% felt that they weren’t achieving their full potential at work due to lack of development opportunities.

“We have an innate desire to endlessly learn, grow, and develop. We want to become more than what we already are. Once we yield to this inclination for continuous and never-ending improvement, we lead a
life of endless accomplishments and satisfaction.” Chuck Gallozzi – Founder and leader of the Positive Thinkers Group in Toronto

The lesson here: invest in retaining and developing your present employees. After all, the cost of retaining present employees is much less than the cost of replacing them. Help employees expand their knowledge by offering more training options. Offer them the opportunity to move up in the company to a better position and a better salary.

WHY INVEST IN CONTINUOUS EMPLOYEE TRAINING AND DEVELOPMENT?

Throughout my 37 years of preaching Customer Service, I have found many organizations ignore continuous training session for employees as they feel they are expensive and employees miss out on their work time while attending these sessions. What they fail to understand are the benefits of these continuous training sessions and how they contribute to the organization overall. Benefits of conducting these programs are far greater and longer-lasting. Let’s take a look.

- **Continuous Training** takes care of weak links It helps to reduce weak links and ensure the same mistakes are not repeated.

- **Continuous Training** increases employee satisfaction It shows employees that they are valued. It helps them move up the learning curve and work harder. They will know that the training they do can take them into other positions with better growth opportunities and/or better pay within the organization.

- **Continuous Training** boosts employee performance Continuous training empowers employees. It gives them confidence and keeps them up to date on new developments. This confidence pushes them to perform better and think of new ideas to excel.

- **Continuous Training** should be done on your time Because employees are being trained on your time, they see that you value them enough to invest in them

- **Continuous Training** helps you stay ahead of the competition Make sure your staff is constantly advancing and you will continue to move forward and be more competitive in the marketplace. Standing still can kill your business.

Treat the customer the way you would like to be treated. Self-confidence leads to positive interactions because if a person feels good about himself or herself, it is more likely he or she will be more comfortable communicating with people and working in teams. Customers want to know that the employee they are dealing with is confident and is capable of giving them the necessary support they need to meet their needs. They need the assurance that the advice, recommendations or products they are receiving are coming from someone is who confident and knows what he/she is doing.

In customer service, it is always best to test for personality and attitude, then train for knowledge and skills. Be more concerned about how much the candidate cares about people than about how much they know. It is easier to teach a person how to use a computer, or make a calculation than it is to train the same person to be patient, friendly, outgoing or empathetic. Customer Service is the cheapest approach with the biggest and farthest reaching impact in business growth.
I always recommend that organizations produce a training and development plan for all employees. Training and development are broadly defined as those activities aimed at raising the standards of employee practice and thus lifting the quality of the employee's and customer's experiences. The aim is to empower all employees to carry out their roles to the highest standards, and deliver high quality services to customers every day and every time.

Spending money on something that pays off in profit should not be a sticking point for a business!

In my travels around the world I have noticed that increasingly, high performing organizations today are recognizing the need to use best training and development practices to enhance their competitive advantage. Take a look at companies such as Amazon, Costco, Metro Bank UK, and others. They look at training and development as an essential tool of their business and choose to value the potential of their people and grow them. The studies I have looked at have highlighted the connection between a well-designed training program and the bottom line of the business. Your image is influenced by the extent and quality of staff training and development. That means it HAS to be continuous to achieve your goals. Regular training is well worth the investment because building up the skills within the business will effectively improve your company's bottom line.

“Ongoing training is important not just to employee development, but it also affects the success of your business”. John Tschohl

John Tschohl is an international service strategist and speaker. He is founder and president of the Service Quality Institute in Minneapolis, Minnesota. Described by Time and Entrepreneur magazines as a customer service guru, he has written several books on customer service. He will release shortly the 11th Edition of Achieving Excellence Through Customer Service. The Service Quality Institute (http://www.customer-service.com) has developed more than 26 customer service training programs that have been distributed and presented throughout the world. John's monthly strategic newsletter is available online at no charge. He can also be reached on Facebook, LinkedIn and Twitter.
High-growth companies stay in touch with their markets - and willingly spend the money to do so. They know their customers and they keep their knowledge fresh,” says the American Management Association (AMA) in its “Research Report on Consumer Affairs.

It is important to know your customers’ wants and needs before you try to sell them a service or a product. If you do not know, then you are guessing. Guesswork makes dissatisfaction inevitable.

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You might have been good at predicting customer behavior in the past, but remember that it is not what you think you know that is important. It is what customers think that matters, even if they are illogical or uninformed. Good service has nothing to do with what the provider of services believes it to be, unless these beliefs coincide with the attitudes of customers.

Good service only has to do with what customers believe it to be. Few executives truly understand what good service is, nor are they close enough to their own employees to understand how bad and inconsistent service is.

Kris & Mary Anne Kowalski, owners of several supermarkets in the St. Paul, Minnesota area, have a fine informal survey format that could be used by an organization of any size. Each quarter they rent a conference room somewhere near each of their stores. They meet at each store with an invited group of 8 to 12 customers.

“Nothing formal,” says Kowalski. “We just order out for pizza and ask them a lot of questions about what they like and more important, what they don’t like about our stores. They talk. We listen.”

Out of these meetings have come decisions to stock more low-calorie foods for older customers, to offer smaller meat cuts to accommodate people who live alone, and so on.

The Marketing Science Institute of Cambridge, Massachusetts asked customers of a wide range of service businesses such as banking and appliance repair what factors they considered most important in
assuring their satisfaction with a product or a service. Researchers found that these were the most important characteristics of quality service:

- **RELIABILITY.** Customers want companies to perform desired service dependably, accurately, and consistently. A major source of customer dissatisfaction is unkept promises, it turned out.

- **RESPONSIVENESS.** Companies should be helpful and provide prompt service. A business that answers or responds to telephone calls quickly meets this expectation.

- **ASSURANCE.** Employees should be knowledgeable and courteous, customers say, and should convey confidence in the service they provide.

- **TANGIBLES.** Physical facilities and equipment should be attractive, clean, and employees should be well-groomed.

- **EMPATHY.** Customers want companies to provide individualized attention and to listen to them. The Marketing Sciences survey indicates that people want to be treated as individuals. They want to be noticed.

Asking questions is one way we learn information and communicate with the people around us. For instance, ask customers what they would Google to find a business like yours? If you want your business to be easily found online by future customers, you need to know everything you can about the key words and phrases they use when looking for companies like yours.

How valuable is customer input? Here is a unique case study that paints a believable picture. The example comes to us from 3M. 3M’s poorly performing Medical-Surgical Markets Division was looking for a way to kick-start its lackluster innovation record in the 90s.

Instead of taking the standard route (relying on internal, employee backed ideas), a separate team was formed to search for breakthrough innovation that consisted of the “lead users”.

When the results of these two groups (users vs. employees) were compared side-by-side in terms of revenue generated, the differences were quite drastic:

- User-lead innovations had an average revenue of $146 million dollars (in 5 years).
- Internally generated innovations had an average revenue of $18 million (for the same span of time).

The results were clear: Customers were coming up with the winning ideas more often than not, because they were….ASKED.

Asking is the beginning of receiving. People forget that. Reach out to your customers and ask them questions:

“The information you’ll get from your customers can help you steer your product and company to the next-level of success.”

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I am in the process of updating one of my books and I came across a heading that I had written in for Costco....Vow to Wow. Since day one COSTCO has had an unwavering commitment to doing the right thing for their members, employees, suppliers and the community. Their strategy is to make sure its customers come back. Its merchandisers are meticulous about their choices of product for their customers and have set detailed standards on everything from the size of cashews to the thread count of bed sheets.

That unbeatable value proposition on quality products and customer service has inspired roughly 90% of Costco’s 85 million cardholders worldwide to renew their $55 to $110 memberships each year. Wow!

For the twenty-two weeks ended January 29, 2017, the Company reported net sales of $52.26 billion, an increase of five percent from $49.98 billion during the similar period last year. Wow!

The same holds true for Disney. Have you ever heard of Disney’s reputation for exceptional service? Empowerment is a religion there. Employees are thoroughly trained and then told that they have the authority (has been delegated to them) to do whatever is necessary to deal with problems on the spot in order to make
customers happy.

Cast members (as front-line employees are called) do not say, “That’s not my job, I’ll get a supervisor.” When people with problems call a number at Disney World, the first employee who answers the phone makes an effort to be heroic, if necessary, to solve the problem. The employee does not send the caller all over the company.

The Disney philosophy is reflected in a statement that every organization in America with a desire for customer loyalty should mount on the boardroom wall: “Management Must Not Only Support the Front Line but It Must TRUST It As Well.”

Disney believes that front-line employees should be the first and last contact for customers. These employees and all Disney employees are treated with respect. Wow!

Disney realizes great financial benefit for its quality service standards. Because clients are willing to pay for helpfulness and friendliness, for cleanliness, and for fun, The Disney Company attributes its enviable achievements in employee commitment and customer service to “pixie dust.” The formula for pixie dust is not secret. It is Training + Communication + Care = Pride. Wow!

Singapore Airlines is a paragon of service excellence among the world’s airlines. The airline sets the quality standard for the world in customer service. The difference with SIA is they walk their talk. Singapore’s standout service makes for a famously pleasant journey during which flight attendants are trained to treat customers with extreme care and respect. Personal TVs with plenty of entertainment options and hot towels served before take-off are just some of the economy perks. The airline’s home base at Changi International Airport is one of the finest facilities in the world and has been named by Skytrax as the Best Airport in the World four years in a row. Wow!

Stew Leonard’s is headquartered in Norwalk, Connecticut and operates four stores: in Norwalk, Danbury and Newington, Connecticut and Yonkers, New York. More than 400,000 customers a week are served by 2,000 employees. Sales are estimated at $400+ million for all stores. The stores sell more of every item it carries than any other store in the world and is listed in The Guinness Book of World Records for having “the greatest sales per unit area of any single food store in the United States.” One thing Stew always says at the store is, “You have to make Stew’s a great place to work before you can make it a great place to shop!” The company’s culture is built around an acronym for S.T.E.W.: Satisfy the customer; Team work gets it done; Excellence makes it better; WOW makes it fun.

**MY TAKE ON THIS IS TO:**

1. Vow to treat customers like life-long partners
2. Vow to not disappoint or anger customers
3. Vow to see the business through customer eyes
4. Vow to deliver more service than you promise

“Take a vow to have 100% customer service every time, every day, always And, you’ll ‘Wow’ them every time.”

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