

*** Interpretation Guide**
to the
Business Excellence Niche Standard (Service)

(* Revised on May 2010)

Introduction

The business excellence niche standard for **service** has 6 categories and 17 items. Each item has a set of statements specifying the criteria requirements for the item. In order to facilitate understanding, the interpretation guide on the criteria requirements of the niche standard is presented in the format below. The excellence indicators are not meant to be exhaustive.

Category number	Category title	Category point value	
1.	Leadership (120 pts)		
<p>The Leadership category examines the organisation's customer-focused leadership system, purpose, vision and values.</p> <p>Excellence Indicators</p> <ul style="list-style-type: none"> Senior leaders are personally involved in setting directions and creating a customer focus, clear and visible values, and high expectations. Senior leaders ensure the creation of strategies, systems and methods for achieving service excellence, stimulating innovation, building knowledge and capabilities, and ensuring organisational sustainability. The values and strategies help guide all of the organisation's activities and decisions. 			<p>Category requirements expressed in general terms</p> <p>Examples of Attributes of excellence for the category</p>
1.1	Senior Leadership (60 pts)		
<p>Describe the senior leaders' leadership personal involvement and visibility in guiding the organisation towards service excellence.</p> <p><input checked="" type="checkbox"/> Approach <input checked="" type="checkbox"/> Deployment</p> <p>Statements</p> <ol style="list-style-type: none"> Senior leaders develop organisation's values that focus on customers. Senior leaders communicate organisation's vision, mission and customer-focused values to employees and stakeholders. Senior leaders demonstrate and reinforce their commitment to customers. Senior leaders evaluate and improve the effectiveness of their customer-focused leadership. <p>Notes:</p> <p>N1. "Senior leaders" refers to the organisation's highest-ranking official and those reporting directly to that official.</p> <p>N2. "Customers" refers to the recipients or beneficiaries of the organisation's outputs, products or service, while customer focus refers to the emphasis on exceeding customer expectations.</p> <p>Examples of Evidence for Category 1</p> <ul style="list-style-type: none"> Records to show communication of mission, vision, and customer-focused values and desired behaviour to employees List of activities of senior leaders relating to customer focus e.g. committees/taskforces chaired by senior leaders, customer visits, training/talks conducted by senior managers, recognition to staff, etc. 			<p>Item point value</p> <p>Basic requirements of item expressed in general terms</p> <p>Scoring Dimensions for the item</p> <p>Specific requirements to be addressed for the item</p> <p>Notes to clarify terms and requirements for the item</p> <p>Examples of evidence that could help to verify and clarify how the organisation is performing in relation to the requirements.</p>

Criteria Description

1 Leadership (120 pts)

The Leadership category examines the organisation's customer-focused leadership system, purpose, vision and values.

Excellence Indicators

- Senior leaders are personally involved in setting directions and creating a customer focus, clear and visible values, and high expectations.
- Senior leaders ensure the creation of strategies, systems and methods for achieving service excellence, stimulating innovation, building knowledge and capabilities, and ensuring organisational sustainability. The values and strategies help guide all of the organisation's activities and decisions.
- Senior leaders translate customer-focused values by clearly stipulating service standards for employees and monitoring their performance.
- Senior leaders serve as role models through their customer-focused behaviour and their personal involvement in planning, communications, coaching, development of future leaders, review of organisational performance and employee recognition. As role models, they reinforce ethics, values and expectations while building leadership, commitment and initiative throughout the organisation.
- Senior leaders regularly evaluate and improve the effectiveness of their customer-focused leadership and act upon future service leadership requirements.

1.1 Senior Leadership (60 pts)

Describe the senior leadership, personal involvement and visibility in guiding the organisation towards service excellence.

Approach Deployment

Statements

1. Senior leaders develop organisation's values that focus on customers.
2. Senior leaders communicate organisation's vision, mission and customer-focused values to employees and stakeholders.
3. Senior leaders demonstrate and reinforce their commitment to customers.
4. Senior leaders evaluate and improve the effectiveness of their customer-focused leadership.

Notes:

- N1. "Senior leaders" refers to the organisation's highest-ranking official and those reporting directly to that official.
- N2. "Customers" refers to the recipients or beneficiaries of the organisation's outputs, products or service, while customer focus refers to the emphasis on exceeding customer expectations.
- N3. "Vision" refers to a description or image of how the organisation wishes to be in the future.
- N4. "Stakeholders" refers to customers, stockholders, suppliers and partners, and might include the community and the public.
- N5. Customer-focused values should set the context for customer-focused strategies and goals which are described in Item 2A.
- N6. Demonstration and reinforcement of the commitment to customers by senior leaders might include them spending time with customers, considering customers in decisions and actions, and designing a customer-focused organisation.
- N7. Evaluation of senior customer-focused leadership might be supported by peer reviews, formal performance management reviews, and formal and/or informal employee and other stakeholder feedback and surveys.

1.2 Organisational Culture (60 pts)

Describe how the organisation develops a customer-focused culture that is consistent with its values and achievement of service excellence.

Approach Deployment

Statements

5. Organisation translates its values into desired employee behaviours that focus on customers.
6. Organisation adopts customer-focused policies and practices that support values.
7. Organisation has programmes to promote customer-focused culture.
8. Organisation closes gaps between current and desired customer-focused culture.

Notes:

- N1. Customer-focused culture refers to the underlying values, philosophy or beliefs held by members of the organisation, and the practices and behaviours that exemplify and reinforce the emphasis on exceeding the needs and requirements of customers.
- N2. Permeation of culture includes how values are communicated, adopted and reinforced throughout the organisation.
- N3. Translating values into behaviours that focus on customers might include clearly stipulating service behaviours and standards for employees and monitoring their performance.

Examples of Evidence for Category 1

- Records to show communication of mission, vision, and customer-focused values and desired behaviours to employees
- List of activities of senior managers relating to customer focus e.g. committees/taskforces chaired by senior executives, customer visits, training/talks conducted by senior managers, recognition to staff, etc.
- Company newsletters
- Management reports
- Minutes of management meetings

2 Planning (70 pts)

The Planning category focuses on the organisation's customer-focused strategies and how all key performance requirements are integrated into the organisation's plans. It also examines the deployment of the plans and how performance is tracked.

Excellence Indicators

- The organisation's planning anticipate many factors, such as customers' expectations, new business and partnership opportunities, employee development and hiring needs, the increasingly global marketplace, technological developments, changes in customer and market segments, and strategic moves by competitors. Strategic objectives and resource allocations accommodate these influences.
- The customer-focused strategy defines what the brand stands for and aligns customer experience to the brand intent.
- Customer-focused plans and goals are translated to short-term targets and cascaded to all levels, departments and individuals.
- Long-term goals are well defined in measurable terms with challenging targets.
- The organisation allocates resources including people, time, space and finance for customer-focused activities at all levels.
- The organisation has appropriate indicators and information which are regularly monitored to track the achievement of its customer-focused plans and goals.
- There is constant review of plans to ensure adaptability to changing customer needs and market conditions.

2.1 Strategy Development and Deployment (70 pts)

Describe the development of customer-focused strategies to strengthen organisational performance and competitive position, and the deployment of these strategies and goals.

Approach Deployment

Statements

9. Organisation has strategies that focus on customers.
10. Customer-focused strategies are aligned to the organisation's objectives and goals.
11. Organisation establishes short-term and long-term customer-focused goals.
12. Organisation develops action plans to achieve its customer-focused strategies and goals.
13. Organisation sets targets for employees linked to customer-focused strategies and goals.
14. Organisation allocates resources for customer-focused activities.
15. Organisation measures its performance against customer-focused plans and reviews them regularly.

Notes :

- N1. Strategy should be interpreted broadly. It might be built around or lead to developments such as new products, services, and markets; revenue growth; and new partnerships and alliances. Strategy might be directed at becoming a preferred supplier, a low-cost producer, a market innovator, and/or a high-end or customised product/service provider. The strategy aligns and links the organisation's business goals with its service objectives.
- N2. "Goals" refers to future condition or performance level that one intends to attain. Goals can be both short term and longer term. Customer-focused goals refer to goals relating to customer satisfaction, customer retention, product and service performance, and product/service delivery process performance.
- N3. The deployment of strategic plans refers to the translation of the plans into action plans contributing to the strategic objectives and goals, and how resources are allocated to execute the plans. Resources might include people, time, space and finance. The action plans include operational plans, human resource plans and marketing plans, as appropriate.

N4. Results on key customer-focused goals should be reported under Category 6.

Examples of Evidence for Category 2

- Records of strategic planning process
- Corporate and customer-focused plans and goals
- Departmental customer-focused plans and goals

3 Information (70 pts)

The Information category focuses on the management of information and knowledge and the use of comparative and benchmarking information to drive the achievement of service excellence.

Excellence Indicators

- The organisation carefully selects and monitors information to understand expectations by customer segments.
- Specific measures are applied to all critical performance dimensions. The measurement indices are wide ranging enough to facilitate effective monitoring and control of performance but not too many as to create confusion and difficulty in analysis.
- There is a systematic approach in analysing customer information and knowledge to establish profitability of customers, customer retention, customer attrition, lifetime value and customer behaviours based on customer segments.
- The organisation has created systems to disseminate knowledge.
- The organisation has a system to select and use comparative and benchmarking information for target setting, set stretch goals and drive process improvements.
- The process of selecting and managing information and knowledge is regularly reviewed and evaluated to ensure relevance, accuracy, reliability, timeliness, accessibility and comprehensiveness.

3.1 Management of Information and Knowledge (50 pts)

Describes how the organisation selects and manages information and knowledge on customers for planning, day-to-day management and performance evaluation.

Approach Deployment

Statements

16. Organisation selects, collects and captures information and knowledge on customers.
17. Organisation analyses and uses information and knowledge on customers from various sources.
18. Organisation shares information and knowledge on customers with employees.
19. Organisation evaluates and improves its customer intelligence system.

Notes:

- N1. Information and knowledge on customers includes customer expectations, profiles of customers, response to customers, customer satisfaction and retention, and service failures.
- N2. Analysis of information and knowledge might include examining trends; organisational, industry, and technology projections, comparisons, root cause analysis, and cause-effect correlation to establish the profitability of customers, customer retention, customer attrition, lifetime value and customer satisfaction based on customer segments.
- N3. Sharing of customer information and knowledge is to ensure that information flowing through each touchpoint is available in a timely manner, cross-functionally, to employees dealing with customers through other media. Contact employees can have access to full information and knowledge on all products, services, processes, and the complete customer relationship. Information and knowledge on customers could be shared via electronic or other means such as roll calls and training.
- N4. Evaluation of the customer intelligence system might address a variety of factors such as the accuracy, reliability, timeliness and usefulness of the customer information and knowledge gathered and the effectiveness in the use of this information.

3.2 Comparison and Benchmarking (20 pts)

Describes how the organisation selects and uses comparative and benchmarking information to improve customer experience.

Approach Deployment

Statements

20. Organisation develops criteria for selecting comparative and benchmarking information to improve customer experience.
21. Organisation uses comparative and benchmarking information to improve customer experience.

Notes:

- N1. Competitive comparisons relate an organisation's performance to that of its competitors and other organisations providing similar products and services.
- N2. Benchmarking refers to identifying processes and results that represent best practices and performance for similar activities, inside or outside the organisation's industry. Benchmarking helps to keep an organisation aware of the best-in-class seen from the eyes of the customer, not necessarily from within the same industry. Customer satisfaction surveys help with benchmarking by identifying what the priorities and problems are from the customer perspectives and also the areas in which the organisation is performing better than its rivals.
- N3. Customer experience refers to the sum total of the interactions that a customer has with an organisation's products, services, people and processes. It could also include the service recovery approaches.

Examples of Evidence for Category 3

- Market intelligence/market research reports
- Documents relating to customer requirements for different segments
- Evidence of feedback channels for customers
- Customer survey questionnaire sample and report
- Benchmarking studies
- Records of meeting/communication sessions with customers
- Evidence to show dissemination and sharing of customer information and knowledge

4 People (100 pts)

The People category focuses on how the organisation taps the full potential of the workforce to create a customer-focused organisation.

Excellence Indicators

- The human resource plans support the organisation's customer-focused strategies. The plan projects human resources for the short-term and long-term, and addresses employees training and development, well-being, and performance and recognition.
- The organisation recruits employees with the appropriate attitude and ability to build relationships with customers effectively.
- The organisation establishes a system to encourage, obtain and act upon suggestions that support the customer-focused strategies and goals.
- The organisation performs systematic analysis to determine training and development needs for all employees.
- There is a system to recognise employee service performance which supports customer-focused behavior.
- Employee satisfaction is regularly tracked to determine its impact on customer experience.
- The organisation regularly evaluates and improves on its processes for human resource planning process, employee engagement, learning and development, employee well-being, and recognition and rewards.

4.1 Human Resource Planning (20 pts)

Describe how the organisation's human resource plans address the organisation's customer-focused strategies.

Approach Deployment

Statements

22. Organisation has human resource plans based on the organisation's customer-focused strategies.
23. Service orientation of potential recruits is assessed to support the customer-focused culture.

Notes:

- N1. Workforce and employees refer to all individuals employed by the organisation including permanent, temporary, and part-time personnel, as well as any contract employees supervised by the organisation.
- N2. Organisations can gain a strong competitive advantage through hiring better people than their competitors do. Personnel differentiation requires that an organisation selects its customer-contact people carefully in order to be able to produce empowered, trained, motivated, customer-focused front-line and back-office employees. Assessment of potential recruits' service orientation involves identifying recruits with the appropriate attitude and ability to build relationships with customers effectively. An effective customer service representative would have the following characteristics: competent; possess the required skills and knowledge; courteous, friendly, respectful and considerate; able to perform the service with consistency and accuracy; make an effort to understand customers, communicate clearly with them, and respond quickly to customer requests and problems.
- N3. Examples of possible elements in the human resource plans are job redesign, learning, compensation and recognition, employee engagement, human resource outsourcing/outplacement, succession planning and talent management, and performance management.

4.2 Employee Engagement (20 pts)

Describe how the employees contribute to improving the experience of customers.

Approach Deployment

Statements

24. Organisation develops strategies and mechanisms to encourage employee engagement to improve customer experience.
25. Organisation reviews and improves the employee engagement process.

Notes :

N1. Quality and service delivery can be improved by harnessing the creative ideas of individual employees and work teams. Strategies to encourage involvement could involve coaching employees in teamworking skills, allowing employees wide discretion to improve inefficient processes. Involving employees to work on processes from the customer perspectives brings a heightened sense of involvement in customer focus. The organisation might use different involvement approaches for different categories of employees. Examples are innovation and quality circles, work improvement teams, problem-solving teams (within work units or cross-functional), self-managed work groups and process improvement teams.

4.3 Employee Learning and Development (20 pts)

Describe how the organisation determines employee learning and development needs that are aligned to the customer-focused strategies and goals and trains employees to delight customers.

Approach Deployment

Statements

26. Organisation determines the learning and development needs for employees that are aligned to its customer-focused strategies and goals.
27. Organisation trains its employees to delight customers.

Notes:

- N1. Delighting customer refers to exceeding customer expectations. To remain competitive, organisations are increasingly providing distinguished customer service.
- N2. Quality customer service requires acquiring the right skills in order to serve the customer better. Organisations need to train their employees constantly on new skills and efficient ways in dealing with customers in order to provide a high-quality service that would meet, and exceed, their customers' expectations. Training employees to delight customers might include training them to manage their emotions at the workplace, exceed and anticipate customer expectations, deliver delightful customer experience and how to recover the situation when a customer gets angry or complains.

4.4 Employee Well-being and Satisfaction (20 pts)

Describe how the organisation develops a work environment that enhances employees' service orientation, and the methods used by the organisation for assessing employee well-being and satisfaction to improve service level.

Approach Deployment

Statements

28. Organisation creates a work environment that enhances service orientation.
29. Organisation measures and assesses employee well-being and satisfaction to improve service level.

Notes:

- N1. Approaches for creating a work environment that enhances service orientation might include effective employee problem or grievance resolution, safety, employee training, development and career opportunities, employee preparation for changes, management's empowerment of employees, communications, information sharing by management, job security, counseling, and flexible work arrangements.
- N2. Measures of employee well-being and satisfaction might include absenteeism; overall turnover rate; turnover rate for customer contact employees; grievances; results of employee opinion surveys and safety. Survey indicators of satisfaction might include employee knowledge of job roles, employee knowledge of organisational direction, and employee perception of empowerment and knowledge sharing. The results of such measures should be reported in Item 6C.

4.5 Employee Performance and Recognition (20 pts)

Describe how the organisation's employee performance appraisal, recognition, promotion, compensation, and rewards systems encourage employees to achieve the customer-focused goals and delight customers.

Approach Deployment

Statements

30. Organisation aligns performance appraisal to customer -focused goals.
31. Organisation recognises and rewards the service performance of employees.

Notes:

N1. Incentives should be linked to delivering quality customer service. The organisation might use a variety of performance and recognition approaches, such as monetary and non-monetary, formal and informal, and individual and group, to encourage customer-focused behaviours. Employees have to see at the ground level that providing excellent customer service will be rewarded.

Examples of Evidence for Category 4

- HR planning and recruitment policies relating to customer focus
- Records on learning needs analysis process and review of learning plans relating to service capability
- Records on employee involvement in design of offerings
- Performance appraisal documents – samples
- Employee opinion survey reports

5 Customers (190 pts)

The Customer category focuses on how the organisation determines customer expectations, builds relationships with customers and determines their satisfaction.

Excellence Indicators

- The organisation analyses customer intelligence to identify the drivers of customer delight and reviews the attributes of its offerings to take into account first mover advantage and industry competition.
- The organisation tailors its offerings to exceed customer expectations at all touchpoints and continuously reviews its offerings for timeliness and relevance to changing business environment and customer expectations.
- The organisation uses technology to speed up response, achieve economies of scale and develop innovative offerings.
- The organisation involves its customers, suppliers and partners in the design of its key offerings through focus groups, pilot testing, design reviews and prototype reviews.
- The organisation addresses its customers' physical (such as timeliness and service ambience) and emotional expectations (such as need to feel welcome, assured and respected) when designing touchpoints and reviews these continuously for market relevance, accessibility and fulfilment of brand intent.
- The organisation provides its customers with easy and seamless access to the organisation through an integrated communication system.
- The organisation manages the experience of its customers at the different stages of customer interface.
- The organisation empowers its employees by involving them in decision making, providing them with access to customer knowledge and authority (financial and non-financial) to delight customers, and enabling them to solve problems, implement improvements and handle customer enquiries and complaints.
- The organisation manages the performance of its partners by defining clear performance targets, monitoring performance through audits and non-conformance reporting, and providing actionable feedback through information sharing, structured review sessions and training.
- The organisation reviews the partners' performance in fulfilling the brand intent.

- The organisation has different methods and indicators to measure customer satisfaction and these are regularly and systematically monitored.
- The organisation identifies, collects and reviews information on important measures and indicators for product/service delivery processes. The standards and targets for each process measure and indicator are defined.
- There is progression beyond customer satisfaction to customer loyalty and retention.

5.1 Customer Requirements (60 pts)

Describe how the organisation determines customer expectations to ensure the relevance of current offerings and to design new offerings.

Approach Deployment

Statements

32. Organisation determines the current and future expectations of customers.
33. Organisation determines the attributes of offerings that delight customers.
34. Organisation tailors its offerings to exceed customer expectations.
35. Organisation uses technology to improve offerings.
36. Organisation involves employees and stakeholders in the design of offerings.
37. Organisation evaluates and improves its processes for determining and addressing customer expectations.

Notes:

- N1. Responses to this item should include the customer groups and market segments identified in the Organisation Profile. If an organisation's products and services are sold or delivered to end-use customers via other businesses or organisations (such as those that are part of the value chain, for example, dealers or distributors), customer groups should include both the end users and these intermediate organisations.
- N2. Understanding the basic segments of the organisation's customers and their lifetime value is the necessary foundation of any customer strategy for winning profitable customers, growing those relationships and keeping them. Different groups of customers have different needs, and will therefore be satisfied by varying aspects and levels of service. Segmenting customers by value, behaviour, demographics and even by attitudes provides the foundation needed for interacting with the customers.
- N3. Expectations refer to the desires, needs and requirements that a customer has in his/her interactions with the organisation. Determination of expectations might involve focus groups, surveys, feedback, observations, customer panels and written correspondence to understand expectations by customer segments.

- N4. Offerings refer to the goods, services, persons and experience supplied by the organisation.
- N5. Attributes of offerings refer to features that affect customer preference and loyalty, and differentiate an organisation's offerings from those of competitors or other organisations' services. Identifying these attributes help an organisation to determine their positioning strategies in the industry. Attributes might include reliability, value, delivery, timeliness, ease of use, and customer or technical support.
- N6. Technology might be used to speed up response to customers, develop innovative offerings, and achieve economies of scale, allowing an organisation to handle more customers with fewer employees. Technology enables both customers and organisations to be more effective in getting and providing service.

5.2 Customer Relationship (80 pts)

Describe how the organisation manages its relationship with customers and its interactions with key suppliers and/or partners to delight customers and improve customer experience.

Approach Deployment

Statements

38. Organisation considers expectations of customers when designing touchpoints.
39. Organisation provides customers with easy access to do business with the organisation.
40. Organisation sets and deploys performance standards for people and processes involved in the customer response chain.
41. Organisation ensures that customer complaints are resolved and analysed for improvement.
42. Organisation empowers its employees to delight customers.
43. Organisation has a process for selecting suppliers and partners who fit into the organisation's customer-focused strategies.
44. Organisation manages the performance of suppliers and partners to improve customer experience.
45. Organisation evaluates and improves its customer relationship management to exceed expectations.

Notes:

- N1. "Touchpoint" refers to any point of contact that an organisation has with the customer. It includes direct and indirect channels such as physical setting, ambience and all customer interfaces such as advertising, merchandising, email, websites, product packaging, after sale service and face-to-face contacts. Design of touchpoints might involve providing accessible touchpoints in each medium which the customer wishes to use and considers customers' physical (such as timeliness and service ambience) and emotional expectations (such as need to feel welcome, assured and respected).
- N2. Performance standards establish what is expected of employees at each point in the service delivery system and what is required during specific types of service encounters. The goal is to provide a framework that shapes the many possible service encounters, and makes the customer experience uniformly positive. Performance standards include service measures such as waiting time, complaint resolution response

- time and percentage of complaints resolved on first contact and service behaviour such as establishing eye contact with customers and greeting customers.
- N3. The foundation of customer goodwill is the existence, promotion and practice of a sound customer relations policy. The policy should encourage customers to communicate their concerns and demonstrate the organisation's commitment to their satisfaction. The policy should spell out how, when, where and by whom complaints or questions are handled.
- N4. Essential for outstanding customer service is the empowerment of employees to deal with problems. Empowerment might include involving employees in decision making, such as allowing front-line employees to take direct actions to solve problems on the spot; access to customer knowledge; and authority (financial and non-financial) to delight customers, for example, ability to spend a defined amount of money to fix problems.
- N5. "Suppliers" refers to external parties that provide goods and services to the organisation while partners refer to external parties with which the organisation interacts collaboratively for the purpose of creating additional value to the organisation and customers.
- N6. Management of suppliers and partners' performance might include defining clear performance targets, monitoring performance through audits, testing and rating system, and providing actionable feedback through information sharing, structured review sessions and training to improve their performance.

5.3 Customer Satisfaction (50 pts)

Describe how the organisation determines customer satisfaction and how the customer feedback is used and processes are managed to improve customer experience.

Approach Deployment

Statements

46. Organisation determines customer satisfaction.
47. Customer satisfaction feedback is used to develop strategic and improvement plans.
48. Organisation manages the performance of processes associated with product/service delivery for customer satisfaction.
49. Organisation reviews its process of determining customer satisfaction to improve customer experience.

Notes:

- N1. Determining customer satisfaction might include use of any or all of the following: surveys, formal and informal feedback, customer account histories, complaints and compliments.
- N2. Customer satisfaction measurements might include both a numerical rating scale and descriptors for each unit in the scale. An effective customer satisfaction measurement system is one that provides the organisation with reliable information about customer rating of specific product and service features and the relationship between these ratings and the customer's likely future market behaviour.

Examples of Evidence for Category 5

- Market intelligence/market research reports
- Evidence of feedback channels for customers
- Documents relating to customer requirements for different segments
- Records of meetings/communication sessions with customers
- Records on complaint resolution process
- Service recovery plans/procedures
- Service and performance standards
- Records on partner performance e.g. partner ratings, supplier audits, etc
- Evidence of feedback/communication with partners on requirements and performance
- Customer survey reports
- Procedures for handling of critical variances in key product/service delivery processes

6 Results (450 pts)

The Results category examines the organisation's performance and improvements in areas of importance to service excellence. It also examines performance levels relative to those of competitors, other organisations providing similar offerings, and benchmarks.

Excellence Indicators

- There is a clear link between the customer-focused strategy of the organisation and what it measures.
- The organisation has key indicators for customer, financial and market, people, supplier and partner, and operational and financial performance results linked to customer-focused strategies.
- Organisation compares its customer satisfaction and retention, and product and service performance results with competitors and benchmarks.
- The key customer results are better than that of competitors or industry standards.
- Results consistently meet or exceed targets.
- There is clear linkage of results to approach and deployment.

6.1 Customer Results (200 pts)

Summarise the organisation's customer-focused results, including customer satisfaction and retention results, and product and service performance results.

Results

Statements

50. Current levels and trends for customer satisfaction and retention indicators.
51. Current levels and trends for product and service performance indicators.
52. Favourable comparison of customer results with competitors or benchmarks.

Notes:

- N1. Customer satisfaction results reported in this item are derived from determination methods described in Item 5.3 and should relate to the customer groups and market segments identified in the Organisation Profile. Such results might include customer loyalty, customer attrition, long-term contractual relationship, positive word of mouth, customer satisfaction ratings, and share of wallet. Results might be supported by customer feedback, customer's overall assessment of products/services, and customer awards.
- N2. Product and service performance reported should relate to the key product, programme and service features identified as customer expectations. These measures or indicators should address factors that affect customer preference, such as the attributes identified in Item 5.1. Product performance indicators might include quality and reliability of products and service supplied to customers and warranty claims, while service performance indicators might include response time to resolve customer complaints, cycle time to attend to requests, waiting and queuing time.
- N3. The combination of direct customer measures/indicators with product and service performance measures/indicators provides an opportunity to determine the cause and effect relationships between the organisation's product/service attributes and evidence of customer satisfaction, loyalty, and positive referral.

- N4. Measures and indicators of customers' satisfaction with products and service relative to customers' satisfaction with competitors and comparable organisations might include objective information from the customers and from independent organisations.

6.2 Financial and Market Results (80 pts)

Summarise the organisation's key financial and marketplace performance results linked to customer-focused strategies.



Statements

53. Current levels and trends for financial performance results linked to customer-focused strategies.
54. Current levels and trends for marketplace results linked to customer-focused strategies.

Notes:

- N1. Financial performance indicators might include measures of profitability by market/customer segment, turnover, value added, and administration expenditures per customer.
- N2. Marketplace indicators might include income from new customers, growth in new customers/business, new product/service introduced, market share and outreach measures.

6.3 People Results (90 pts)

Summarise the organisation's employee development and satisfaction results.

 Results

Statements

- 55. Current levels and trends for customer-focused learning indicators.
- 56. Current levels and trends for employee well-being and satisfaction indicators.

Notes:

- N1. Results reported in this Item should relate to the strategies and activities described in Category 4 (People Category).

6.4 Operational Results (80 pts)

Summarise the product/service delivery process results that impact customer satisfaction, and the organisation's supplier and partner results.



Statements

57. Current levels and trends for performance indicators of product/service delivery processes that impact customer satisfaction.
58. Current levels and trends for supplier and partner performance indicators.

Notes:

- N1. Product/service delivery process performance indicators might include production/manufacturing lead time, cycle time to market, cycle time for new product/service development, delivery performance, process quality and cost indicators. Include results not reported in Items 6A and 6B.
- N2. Supplier and partner performance indicators might include quality of supplies provided, delivery performance, reliability, and service level agreement performance.

Examples of Evidence for Category 6

- Trend data on response to customers e.g. cycle time reduction results, response time to customers, time to market results, on-time delivery, etc
- Trend data on performance standards at touchpoints, e.g. waiting time
- Trend data on customer-focused training and employee satisfaction
- Trend data on partners' performance, e.g. supplier audit results, etc
- Customer satisfaction results/trends by customer segments
- Customer commitment results, e.g. share of wallet, customer referrals, gains/loss of customers and customer accounts, market share, etc, by customer segments
- Benchmarks/comparative data