Unleash the Power of the Customer:

A Personal Interview with
Phil Verghis ——

By Cinda Daly

"Getting and keeping profitable customers for life is critical in this hyper-competitive world," says Phil Verghis, in his upcoming book, *The Ultimate Customer Support Executive: Unleash the Power of Your Customer.* "But this is just wishful thinking without the successful convergence of people, processes and technology. Working together, however, these ingredients can unleash the power of the customer to propel your company to new levels of success."

Most organizations, however, are fixated on providing good service—service after the customer contacts them to complain. Great support happens when issues are taken care of before the customer notices.

Phil talks candidly about the critical distinction between good and great support and why companies are stuck at "good." He sheds insight into why complaints about customer support remain at an all time high and why the voices from within support are not heeded, in fact, rarely heard. Phil offers a blueprint for customer support executives to earn respect and then demand respect.

The Daly Interview

Daly. *If customer support is so critical to customer loyalty, why are complaints about customer support at an all time high?*

Verghis. First of all, support as a profession is one of the few areas where people only call you with a problem or to complain. No one calls to say, "I love you. You're doing a great job. Everything's working just fine, thank you."

Secondly, a huge disconnect exists between what corporate executives say and what they do. Those that look at support as a cost center see support as offering little added value and see support professionals as merely protecting the company from unhappy customers. The organization does not see the support function as a profession nor consider the people who fulfill that function as important contributors.

These attitudes are likely to drive customer satisfaction lower and cost the company dearly in terms of customer loyalty and retention. If people helping people are not happy themselves, they won't make customers happy.

Daly. *Support still rests on the bottom rung of the ladder?*

Verghis. Yes! We continue to treat customer support as a stepping stone in a career, not as the destination. The people working at the service desk don't feel any strong connection with the job because they know that the job is temporary. The best people try to get out as soon as they can because the environment is abusive. The culture encourages that cycle from the beginning when people are first hired: "Come to support, you can learn a lot about the company and our technology; then you can go to QA or engineering."

Daly. *If business is about customer loyalty and retention, why aren't we listening to our own customer support teams, the people who know the customer the best?*

Verghis. Unfortunately, support managers don't talk in terms of how they impact a customer's business or how much profitable revenue they brought in. We report performance in terms of average speed of answer and call handling times. So what? These metrics don't really matter to customers or to people outside the service desk. Customers just want to make sure that if they have an issue it is resolved very quickly.

Support people don't earn respect from the rest of the company because we don't speak the language of business nor provide performance metrics in terms of the customers. And, we can't simply demand that respect. Consequently, the opinions of support people are discounted.

Daly. *How can support managers get their opinions and ideas heard?*

Verghis. Support professionals touch every other department more than anyone else in the company except, perhaps, human resources. The problem is that we don't really understand how to speak the rest of the company's language, and we keep our language completely wrapped around our world, which they don't understand. So, start by learning how to speak the language of all the other departments.

When you're working with product engineering, for example, talk in their terms. And get specific. "The last three products had these three defects. We can't have those problems again, and here is the financial reason why. Remove those problems, and it will impact the number of calls coming in from this specific customer. It will save the customer this much money and our company will save that much money."

No one likes to correct bug fixes and defects or maintain the existing products. It's much more fun and interesting to work on the new stuff. Help the company and the engineers do that.

Daly. *That example actually goes beyond tech talk and into financial conversations as well.*

Verghis. Money certainly makes our organizations go round. Budgets and financial statements are the language of money. Unfortunately, support managers know little about either of these. Most people know their own budgets, but their eyes glaze over after the line items that help justify their staff.

Learn how to tap into other budgets by working with other departments with common goals; learn what can be capitalized and what can't. Ask the question, "Is there a way we can invest one dollar that will save 15 dollars elsewhere?" (Hint, it could be support.) Then be certain that you can clearly articulate the rationale.

Daly. *What do you mean by "enlist the power of the customer?"*

Verghis. Fundamentally, customers are the reason support people exist, why companies exist. In my upcoming book, I have defined three critical roles for the customer support executive. The number one role is to be the customer advocate. It's an awesome responsibility.

First optimize people, process, and technology to make sure there are no problems to begin with. Then, empower support to be the customer advocate. Proactively work with sales, engineering, product development, finance, legal, and every other department to make certain that every process and product are engineered from the start to be customer friendly.

Daly. *What are the other key roles?*

Verghis. The second role is to serve as the company advocate whenever you talk with a customer since you are the face of the company. Rather than expose blame on a specific department within your company for a customer problem, take ownership on behalf of the company for solving the problem. "I'm sorry that you had that experience. Here is what we are going to do to get things right for you and to make sure it doesn't happen again." The third is to be the staff advocate. As a staff advocate, your role is to look out for your team and not allow them to be abused by anyone, including customers.

Daly. *How well are executives fulfilling these three roles today?*

Verghis. Unfortunately, not so well. Historically, we have taken the viewpoint of staff first, then and more consequentially the customer viewpoint, and rarely that of the company. Within support, that is probably a by-product of the revolving door where many of the best people move on and the rest stay behind.

The people who stick with support as a career have only one way to get a raise—by being promoted from within. And that eventually happens for some folks without any training or help from others. So, career support people feel loyalty to the team first. They're not really assuming the role of the company, particularly when difficult decisions have to be made about the team they manage, or of the customer.

Daly. *Isn't that starting to change?*

Verghis. Yes, but after all these years talking about it, most companies are still not there. There's a significant difference between good and great. Good companies are good at taking care of complaints. Great companies work very hard to make sure customers don't have a problem in the first place. Most of us, unfortunately, are stuck at the good stage. We talk about it. Yet, we're not doing much about it.

Daly. *How can support organizations get unstuck?*

Verghis. Each of us typically optimizes our service around our own function or department. These department-centric optimizations can lead to suboptimal customer experiences. The way to start fixing it is to flip it around and view the process and situation from the customer perspective first. Be the voice of the customer as you look at any customer facing process or product.

I recently spoke with a senior support executive at a major organization who was very proud of his team's high customer satisfaction scores. When shown that those scores were completely out of synch with what the customers were saying on the Internet, he said, "Those are issues with other departments." Sorry, wrong answer. The customer is everyone's department. You are the face of the company to the largest number of your customers—get it resolved!

Daly. *Let's shift gears to talk about offshore and outsourcing relationships. Customer delight with offshoring results has been spotty at best. Many companies are reversing their actions. Why do you think this is the case?*

Verghis. Most executives look at offshoring simply as a way to save money. Reports of the manpower costs in India and the Philippines being one-fifth or even one-tenth of that in the U.S., for example, have set extremely high expectations for cost savings. If done properly, it can save companies 20 - 40 percent after you factor in costs for things like systems infrastructure development, backoffice integration, and privacy.

Daly. *Those are rather significant savings.*

Verghis. Absolutely. Done properly, offshoring can be very good for you and your customers. But, if the first issue is just to save money, you are in for a rude shock. The real issue with the offshoring backlash is that, in all

likelihood, the company's internal support process had been poorly designed to begin with, the root cause of failed outsourcing or offshoring attempts.

The reality is that offshoring isn't for everyone. If you think it through and outsource those things that your teams do not add value to and that make sense in the context of your customers, it can work quite well.

Daly. *Some of the offshoring challenges you mention raise the broader issue of global support, the subject of your upcoming panel at HDI*[SM].

Verghis. Regardless of the context—insourcing, outsourcing, offshoring, local, global—we have work to do. In an increasingly interconnected world, too few companies have thought through the implications of providing global support in a holistic way.

Most companies think that dealing with global support is only for large companies with a multi-national presence. In fact, with the globe as your marketplace, it is imperative that all companies understand what they can to do to improve their global citizenship. The good news is

that it doesn't have to be difficult or expensive. There are a number of creative ways to start fairly quickly. The bad news is that people don't know where to begin. Be willing to listen to and adopt best practices from around the world because global learning is truly a two-way street.

Daly. *How do you see global support philosophies evolving in the future?*

Verghis. We will have to start moving from good support to great support by ensuring that we take care of issues before the customer ever notices them. This will mean more work for us—not less—as we elevate our skills to become experts not just in the support domain, but on our company overall. This will be particularly important as technology gets within the reach of the approximately four billion people in the world who earn less than the U.S. purchasing power equivalent of $1,500 a year.

The Daly Interview™ is a publication of Focus Events, Inc. This interview was written exclusively for ThinkService, Inc. by HDI 2005 Program Chair, Cinda Daly, **CindaLDaly@alltel.net**.

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