

Serving Each Other on the Inside

Proven Method for Improving Internal Customer Service

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Exclusive survey measures internal customer satisfaction.

Outside customers, external to the organization, are the “customers” that we all eagerly strive to serve. Inside customers, however, are just as important to the overall success of an organization. The quality of the interaction and service among the inside customers (individual employees and work groups) is critical, as they are the servants hired to serve the outside customers. If one accepts that, then the issue becomes how to measure and improve the quality of “internal customer service.”

There are at least three primary reasons why different individuals and work groups within the same organization should serve each other well. First, groups can often achieve results that could not have been attained by an individual or independent group working alone, the “linking bonus effect” or, to say it in a more familiar way, the whole is greater than the sum of its parts. The linking bonus effect is realized by cooperation, interdependent action, coordinated effort and the motivational influence of the group. Second, the external customer is better served through this internally coordinated effort. Finally, organizational resources are more efficiently utilized. There is mounting empirical support for the notion that effective cross-functional interaction improves operating results. The recent book, *Leading Beyond the Walls*, edited by Hesselbein, Goldsmith and Somerville, supports these points and provides a useful perspective for linking across organizational boundaries.

When endeavoring to improve internal customer service among individuals, workgroups, and departments, it is important to know what questions to address. The key questions should include:

- What do we measure?
- Who do we hold accountable?
- How do we begin to take action?

The assessment methodology and action learning process described here is one way to answer these questions. This system has been successfully implemented in a variety of settings over the past decade.

What to Measure

Service levels among internal customers from different departments or work areas within the same organization can be measured on the following three dimensions:

1. Helpfulness: Was the issue or problem resolved or was valuable progress made?
2. Responsiveness: Was the request acknowledged or communication returned quickly?
3. Respectfulness: Were sincere interest and cooperation shown?

These dimensions pertaining to internal customer service levels are consistent with Leonard Berry's comprehensive model as described in his recent benchmark setting book, *Discovering the Soul of Service*. Competent help, respectfully delivered in a responsive manner, can lead to sustained business success.

Who Ought To Be Accountable?

Typically a general manager, director of operations, or vice president has the various department heads reporting to him or her. In this process of improving internal customer service levels, this manager holds the department heads or work area leaders accountable for results in the three measurement areas – helpfulness, responsiveness and respectfulness. A collaborative goal setting process will be employed to establish performance targets for each of these metrics. In turn, department heads expect their people's behavior to drive these three measures in a positive direction.

How It Will Be Done: Pulling It Together

There are six actions that can be taken to make this approach work:

1. Rating Performance
2. Holding Specific People Accountable
3. Setting Time-Certain Feedback Periods
4. Establishing Minimum Cross-Functional Interaction Requirements
5. Setting Action Learning Expectations
6. Tracking Results and Continuously Fine-tuning

The three service level measurement factors – helpfulness, responsiveness, and respectfulness – need to be rated by members of the various departments within an organization. A simple Likert type scale can be used. The following eight-point rating scale has worked well in many settings:

1 – 2 = Consistently fails to reach my expectations in this area.

3 – 4 = Meets some of my expectations in this area.

5 – 6 = Meets a majority of my expectations.

7 – 8 = Exceeds my expectations in this area.

When one department's personnel have had no interaction with another department for the period being rated, a zero is recorded on the rating form. A recurring pattern of zeros may be significant, especially when there is a perceived high level of interdependence between the two departments in question. A string of zeros may reflect conflict avoidance or other dysfunctional issues.

The manager who supervises the various department heads or team leaders is responsible for collecting the data. This person usually holds a collaborative orientation session at the onset of the program to establish rating performance targets, reporting periods/timeframes, and interaction expectations. A four to six week baseline of ratings is useful to determine current perceptions of service levels across the three dimensions being measured. In terms of reporting periods, it is recommended that initially the data across functional areas be collected on a weekly basis and reported back to the various departments. After the process of rating and reporting is working, a biweekly reporting period may be sufficient. The feedback timeframe should never extend beyond

one month. Based on experience, it is apparent that organizations tend to pay less attention to this important area of internal customer service when it is measured and discussed infrequently.

In most systems, department heads are expected (at a minimum) to contact another department head when they receive a rating from that rater below the mutually agreed upon performance rating target. This interaction should occur within 48 hours of the time the data is communicated to the various department heads or team leaders for maximum effectiveness. The two key questions that the department heads collaborate around are:

1. What is driving this low rating?
2. How can we work together to improve the situation in the short and/or long term?

This second question encourages the parties to participate in a collaborative action learning process. Action learning is driven by the following mission – a mission to which all participants within the system ought to commit prior to launching the measurement and collaborative problem-solving program:

“Action learning is intended to get internal customer(s) to think and/or act about fellow internal customer(s) in ways that help improve mutual respect, helpfulness, and responsiveness.”

General managers are encouraged not to get specific with various departments about what they should do to improve cross-functional service levels. Instead, they are coached to provide their department heads/team leaders with resources such as Joan Klubnik and Penny Greenwood’s book, *The Team-Based Problem Solver*, or Glen Parker’s helpful book on *Cross-Functional Teams*. These types of resources help department heads/team leaders to help themselves find more effective ways to work together. Action learning activities have ranged from having personnel work in different jobs for a day to identifying a behavioral charter about what it means to be helpful, respectful, and responsive to others.

Over time, ideas concerning how to work better together can become part of new operating infrastructures. The barriers to improved internal customer satisfaction can be found in systems and processes as well as in interpersonal dynamics. Tracking results and indexing action learning programs creates a continuous learning and improvement process consistent with David Dotlich and James Noel’s review in their book, *“Action Learning: How the World’s Top Companies Are Re-Creating Their Leaders and Themselves.”*

Notes from the Field

Mary Adams can testify to the power of this straightforward approach to improving internal customer satisfaction. As the general manager of a legal support services firm, she had six different departments reporting to her. When this process was introduced to her, she applied it to two departments that were not communicating or problem solving well together.

At first, Mary had each department head report his or her respective ratings to her via e-mail each Monday morning. She, in turn, provided feedback to the department heads that afternoon. Her feedback would simply consist of the ratings from the various departments displayed in a visually appealing graphic. Each department head saw each other’s ratings.

It was interesting to note that the two departments having difficulties improved in all three service level areas simply by measuring these areas and providing results to the department heads. This is consistent with the relevant organizational behavior management literature that tells us that recording behavior observations over time can be a reactive measure (i.e., the measurement/feedback process itself can influence behavior change).

Mary learned that she could systematically measure the subjective impressions of service levels among her departments. She reported that her time spent in resolving cross-functional linkage problems was reduced. She also found that her time available to proactively “stroke” others for effectively working together across functional lines increased. (This is a side benefit of the program. The process provides data based on behavioral observations about how well groups are doing and who is improving in his or her efforts to become better internal servants – very good target areas for delivering positive reinforcement.) This program to help her people serve each other on the inside also provided “success stories” for Mary to tell her organizations’ external customers about how her people were teaming-up to serve them. She also utilized some of the tools from Donna McIntosh-Fletcher’s book *Teaming by Design: Real Teams for Real People*, to help her people work more effectively across organizational lines.

Summing It Up

In order to effectively and efficiently serve outside customers, inside customers need to be helpful, responsive, and respectful toward each other.

To improve internal customer service, managers need to measure, give feedback, and continuously improve upon how employees serve each other. To assist in this effort, a sample “Internal Customer Satisfaction Survey” rating form can be printed out from the link below for use with department heads or work group leaders. Ratings can be electronically converted to a graph or plotted manually and presented to the heads of cross-functional groups and their people at feedback sessions. These graphs can facilitate action learning discussions and team-based problem solving.

This assessment and problem solving approach will help to integrate and coordinate internal efforts and encourage employees to be helpful, respectful, and responsive toward each other. It can become part of a larger service management program that includes strategies to positively impact external customer satisfaction. Remember, serving outside stakeholders begins by serving each other on the inside.

**[Click here to print Dr. Kerns’
\(Adobe Acrobat Reader Required\)
Internal Customer Satisfaction Survey](#)**

For Further Reading

Berry, Leonard L. *Discovering the Soul of Service*, New York: The Free Press, 1999.

DeVellis, Robert F. *Scale Development: Theory and application*, Newbury Park: Sage Publications, Inc., 1991.

Dotlich, D.L., and Noel, J.L. *Action Learning*, San Francisco: Jossey-Bass Publishers, 1998.

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Parker, Glenn M. *Cross-Functional Teams*, San Francisco: Jossey-Bass Publishers, 1994.

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INTERNAL CUSTOMER SATISFACTION SURVEY

Instructions to Rater: For the period covered, please rate each of the departments and/or work groups on all three service level factors on a scale from 0–8. Rate “0” only if you have had no interaction with that specific group during the current rating period. You will be receiving feedback on all of the participants' ratings within 48 hours from the submission deadline for this period. Thank you for helping in our mutual efforts to serve each other better.

Period Covered
Week Ending:

Service Level Factor Rating	Reporting Departments/Groups								
	A	B	C	D	E	F	G	H	I
1. Helpful	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2. Responsive	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3. Respectful	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Overall Average	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please use the following scale for your ratings

1–2: Consistently fails to reach my expectations in this area.

3–4: Meets some of my expectations in this area.

5–6: Meets a majority of my expectations in this area.

7–8: Exceeds my expectations in this area.

Service Level Factor Definitions

Helpful – Resolved issue or problem or made valuable progress.

Responsive – Quick to acknowledge request or return communication.

Respectful – Shows sincere interest and cooperation.