

Living and Breathing Service Quality



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ASQ Section 1301 Workshop
October 16, 2010



PART 1: INTRODUCTION TO THE SERVICE QUALITY BODY OF KNOWLEDGE (SQBOK)



Agenda

- What is the SQBOK?
- Project Progress
- SQBOK 2.0 Demo



What is the SQBOK?

- In late 2005, ASQ's Service Quality Division conceived the vision of a holistic resource to support service quality professionals.
 - To define important concepts
 - To showcase helpful quality tools
 - To answer service questions



What is the SQBOK?

– But how?

- What will it look like?
 - Will it be a book?
 - Will it be a website?
 - Will it be like the BOKs for ASQ certifications?
- Will it focus on only the things that are different in service or will it repeat general quality subjects?
- What is the division's role?
- Should it overlap with service industries like healthcare that have already done some work to define quality?
- How will it integrate with ASQ's BOK?



What is the SQBOK?

2006

2007

2008

In September, 2008, the SQBOK project was started in earnest.



What is the SQBOK?

– SQBOK Vision as of 9/30/2008

- Service Quality Body of Knowledge will be a resource where service quality professionals can go to get help.
- SQBOK will focus on application to service at a general level so that it applies to all service industries.
- The Service Quality Division will lead the effort with support from ASQ Headquarters (QBOK).



Project Progress

- Phase 1 (10/08 – 5/09)
 - Started with 6 knowledge categories and 6 teams including tools
 - Restructured based on knowledge area lists
 - Key Concepts
 - Service Quality Management
 - Tools
 - Defined Service and Service Quality
 - Identified types of services
 - WCQI Stage Gate (5/09)
 - Breakout Session
 - Guru Review



Project Progress

Service is both a non-tangible product or output and support delivery processes, as these can be difficult to distinguish. Provision of service does not result in transfer of ownership. Services exist for customer benefit and may stand alone or accompany a tangible good. Service quality is defined as the customer perceived difference between realized and expected benefit.



Project Progress

– Service Types

- By Customer
 - Service Industries
 - Product Support Services
 - Internal Services
- By Delivery
 - Transactional
 - Ongoing / Recurring
 - Continual



Project Progress - Organization

– Key Concepts

- Customer and Market Focus
- Employee Focus
- Communication
- Service Delivery

– Service Quality Management

- Leadership
- Strategic Development and Deployment
- Service Management Systems
- Process Management
- Measurement and Analysis
- Information Management
- Environment and Infrastructure



Project Progress

- Phase 2 (2/09 – 10/09)
 - Improved framework with descriptions
 - Categorized tools and created examples
 - Identified supporting resources
 - Compared to other BOKs (Cross-BOK)
 - ASQ Certifications
 - Non-ASQ BOKs (i.e. PMI PMP and CMMI-Service)
 - Proposed levels of mastery
 - Reviewed for applicability across industries
 - ***Launched SQBOK 1.0***



Project Progress

- Initial feedback
 - Improve tools
 - Develop training
 - Identify more resources
 - Improve usability of web interface



Project Progress

- Phase 3 (1/10 – 9/10)
 - Identified additional resources
 - Performed gap analysis with existing ASQ training
 - Reorganized tools
 - Expanded on knowledge area definitions
 - Improved website functionality
 - ***Released SQBOK 2.0***



SQBOK 2.0 Demo

On SQD homepage: <http://asq.org/service/>

or

<http://asq.org/service/body-of-knowledge/index.html>



PART 2: APPLYING SQBOK TO IMPROVE SERVICE



Agenda

- Nomenclature
- The Process of Service
- Applying the Differentiators
- Why I Care



Nomenclature



Nomenclature

Service is both a non-tangible product or output and support delivery processes, as these can be difficult to distinguish. Provision of service does not result in transfer of ownership. Services exist for customer benefit and may stand alone or accompany a tangible good. Service quality is defined as the customer perceived difference between realized and expected benefit.



Nomenclature

- Which is most important?
 - Service Quality
 - Service Outcome
 - Service Value
 - Service Experience
 - Service Performance
 - Service Efficiency
 - Service Excellence



Nomenclature

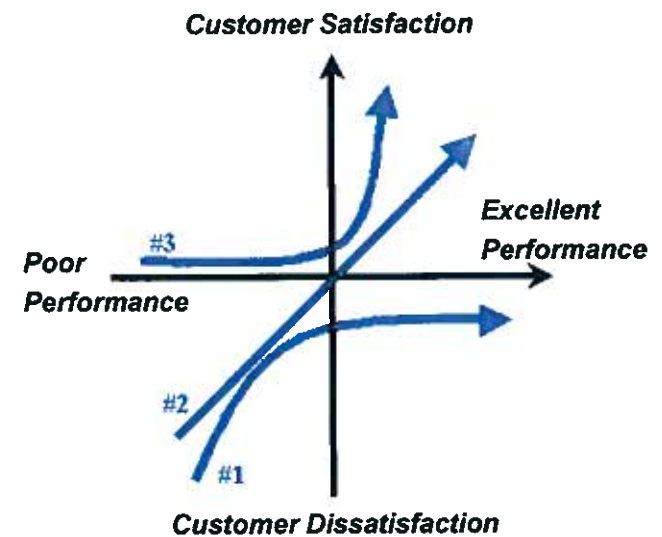
- Operational components of value:
 - Market Price (Mkt)
 - Relative Quality (Q)
 - Price (P)
 - Hidden Price (HP)

$$\text{Value} = (\text{Mkt} + \text{Q}) / (\text{P} + \text{HP})$$



Nomenclature

- Components of Q (Kano model)
 - Must-haves equate to requirements
 - Comparatives are qualities that are compared on a relative scale
 - Delighters are unexpected benefits
 - Qualities shift over time



<http://www.pacepilot.com/kano1.shtml>



Nomenclature

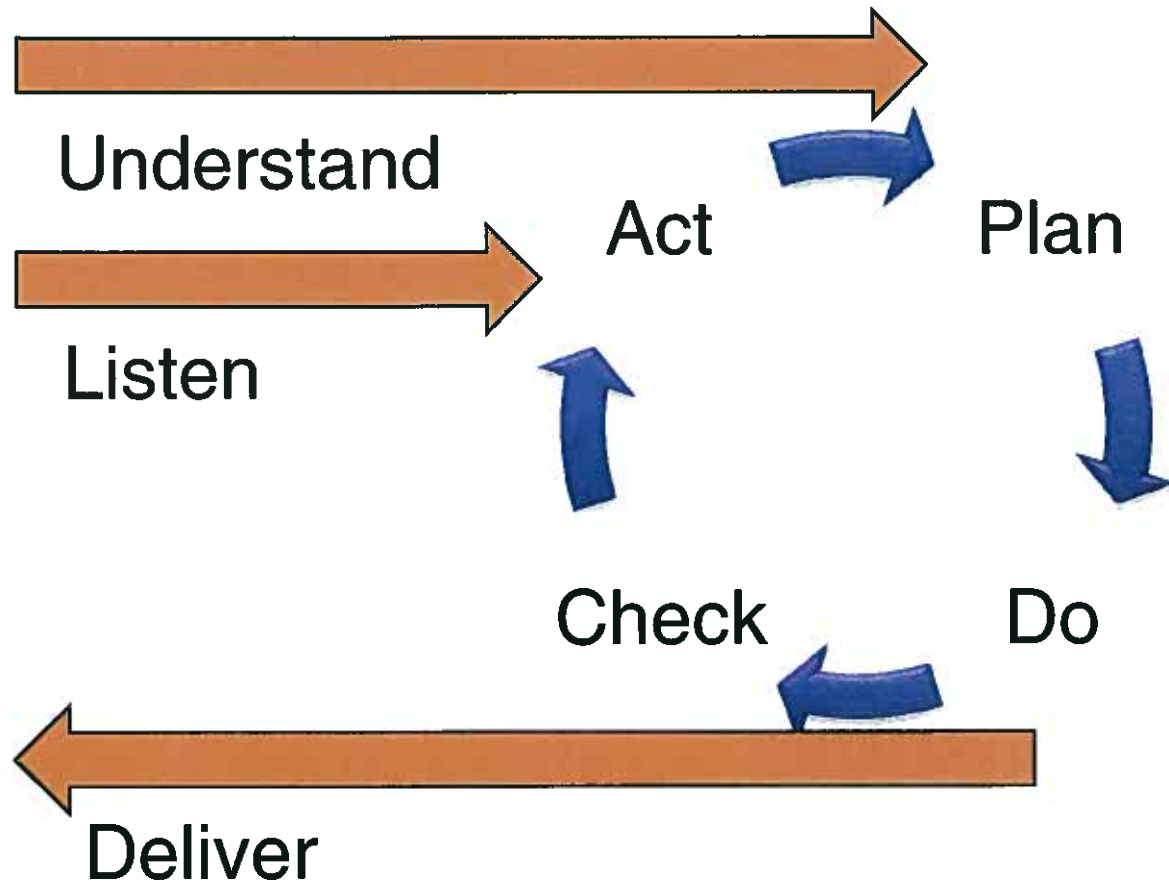
- Examples of Hidden Prices
 - Realized
 - Transportation costs
 - Additional products / services
 - Oversight / management
 - Unrealized
 - Wait time
 - Anxiety
 - Effort



The Process of Service

The Value Realization Process

Customers



The Process of Service

•Step #1: Understand

- Identify all stakeholders
 - Clients
 - Customers
 - End users
 - Internal customers
- Learn what stakeholders value
 - Must-haves can generally be articulated or listed as “requirements.” Some must-haves are implied.
 - Comparatives are generally defined by the market and competitors.
 - Stakeholders cannot generally conceive delighters until they are apparent.

The Process of Service

•Step #1: Understand (cont.)

- Understand hidden prices
 - Realized
 - Unrealized
- Methods for understanding
 - Talking / Dialogue
 - Service experience
 - Requirements documentation (including SLAs)
 - Benchmarking
 - Reading trade publications & sites
 - Focus groups



The Process of Service

•Step #2: Plan

– Plan strategy

- Service Vision: What value will services deliver?
 - Must-haves
 - Comparatives
 - Delighters
- Service Model: How will value be delivered?
- Service Plan: How will the 7 processes be managed?



The Process of Service

- **Step #2: Plan** (cont.)
 - Service plan considerations
 - Procurement
 - People (Employees)
 - Processes
 - Place (Environment)
 - Promulgation (Implementation)
 - Tools

The Process of Service

•Steps #3-4: Do / Deliver

•*Note: These steps are concurrent for transactional services but separate for continuous or on-demand services.*

– Do what is planned

- Prepare employees through awareness & training
- Confirm process effectiveness with quality assurance
- Reinforce excellent service with rewards & recognition

– Deliver value

- Help customers be aware of service actions & benefits
- Respect the customer's time and energy
- Reflect positively on the organization, creating a positive customer experience



The Process of Service

•Step #5: Check

- Service monitoring
 - Live monitoring / Oversight
 - Remote monitoring
 - Service experience
- Service assessment
 - Service level agreement measurement
 - Performance standards
 - Hidden price assessment
- Service comparison
 - Trends
 - Benchmarking
 - Experiencing the competition



The Process of Service

•Step #6: Listen

- Traditional methods for capturing the voice of the customer
 - Satisfaction surveys
 - Loyalty surveys
 - Complaint review
 - Focus groups
- Newer techniques
 - Social media
 - Customer engagement
 - Net promoter evaluation
 - Purchasing trends



The Process of Service

•Step #7: Act

- Improve the Service Model / Plan
 - Procurement
 - People (Employees)
 - Processes
 - Place (Environment)
 - Promulgation (Implementation)
 - Tools
- Communicate / Train



Applying the Differentiators

– Customer / Market Focus

- Add the steps of Understand and Listen to the PDCA cycle
 - Identify all stakeholders
 - Identify a unique operational definition of quality for each stakeholder set
 - Identify metrics that support the operational definitions
 - Baseline and improve performance
 - Capture feedback from each stakeholder group
 - Compare stakeholder feedback to internal measures
- Maintain relationships



Applying the Differentiators

– Communication

- Receive communication from stakeholders using the Understand and Listen processes
- Communicate value to customers using the Deliver process
- Communicate service vision and plan to employees
- Use multiple means of communication



Applying the Differentiators

– Service Delivery

- Place deliberate focus on the Deliver process for communicating value to customers
- Train service providers in service delivery skills
- Focus on both customer outcomes and customer experience
- Maintain a service recovery plan



Applying the Differentiators

– Employee Focus

- Consider employees a stakeholder group
- Identify the optimal skill set in the Service Plan
- Develop employees, training on service knowledge and delivery skills
- Focus on process effectiveness over process adherence
- Provide customer feedback to employees
- Involve employees in service improvements



Why I care

- Prosperity in the United States is waning.
- Prosperity in the United States is dependent on organizations providing value which, in turn, yield profits.
- Roles and accountability for delivering value in organizations is unclear.
- The quality profession may be the closest to understanding value, yet it is undergoing an identity crisis.



Conclusion

“...I don’t see much future for the Quality Profession unless there is an attitude change to the realization of what their business really is and then the proper preparation in order to perform that business.”

- “The Future of Quality,” Philip Crosby



Conclusion

Thank You for Coming!

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