

# SERVICE RECOVERY AND COMPLAINT MANAGEMENT FOR MANAGERS

## Introduction

Everybody in business hates complaints! Employees dread situations which they might be abused by angry customers. Employees from all levels of decision making authority feel that they are being criticised unjustly. They are also annoyed because they have to put time for which they had not planned into handling customers' complaints problems. Members of top management find themselves more and more frequently confronted with customers who direct their complaints directly to them and who also expect a personal answer. Indeed, top management's time has already been allotted for handling strategic problems. Moreover, members of top management do not see it as a part of their responsibilities to grapple with the detailed problems of unknown customers. Therefore, they tend to merely give instructions that a solution should be found. Complaints are then passed down through the hierarchy, although the primary goal of complaint processing is usually to fend off customer concerns as much as possible and/or to find someone to blame within the firm.

In a tightening buyer's market in the banking industry, with an increasing level of international competition during recent years, almost all banking institutions have increased their efforts to become more market-oriented and get greater access to their customers. Today it is difficult to find top managers who do not declare their public support for customer satisfaction as the primary corporate goal. Proclamations like these remain lip service, however, as long as they have no effects on the experiences of dissatisfied customers.

Contained within each complaint is a customer that has tried your product or service and was dissatisfied. Customer complaints are valuable. They give the firm the opportunity to restore endangered customers' confidence while strengthening underlying weakness that cause complaints.

Managers must begin to turn customer complaints into voices of change. They must learn how to design, implement and manage effective corporate complaint handling programmes. Not only do the managers need to build processes to manage complaints, they must encourage complaints as well.



## Workshop Leader



Dr. Allen Teh is the founder and Chief Executive Officer For the Centre for Customer Care (CCC) Malaysia. He has conducted extensive worldwide research on customer service as well as on customer behaviour related to business. His latest research was on Emotional Intelligence (EQ) and how that impacts business profitability through employees' work performance.

Dr. Allen Teh has more than 28 years of work experience in service operations as well as Human Resource Management, Management Consultancy and Training. He is an experienced Customer Service Consultant. Human Resource Consultant. Human Resource Professional as well as Executive Search Consultant. He has held senior managerial positions in diverse industries namely food and beverage, entertainment, manufacturing, property development and construction, insurance, oil-palm plantations and biotechnology.

As a trainer and consultant, Dr. Allen Teh has trained for banks, governmental bodies, healthcare organisations, insurance companies, security firms, travel and tour agencies, vacation clubs, direct selling, property development, fast-food restaurants as well as call centres.

Driven by an intense passion in customer service excellence and being a firm believer that customer service makes all the difference in business, Dr. Allen Teh is actively promoting and propagating this passion for customer service excellence in Malaysia and regionally. He welcomes everyone and anyone to join his crusade.

Dr. Allen Teh holds a Doctorate Degree in Business Administration from Southern Cross University, Australia and MBA from the University of Dubuque, Iowa, USA

## Centre for Customer Care (CCC) Malaysia

(A one-stop centre dedicated to the achievement of customer service excellence)  
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Master Consultant for:



**Day One**

9am – 5.30pm

**Day Two**

9am – 5.30pm

## **Organisational Service Recovery Readiness Assessment in regards to:**

1. System, Policies and Procedures
2. Evaluating Service Performance
3. Customer Focus and Commitment
4. Recognising and Rewarding Service
5. Training and Coaching

*Discussion and Brainstorming  
by Teams on Results of  
Analysis*

### **INTRODUCTION**

- o Why Service? Why Bother?
- o Threat to the Business: Customer Revolution and Service Crisis
- o Change or Be Changed!

### **Dollars and Sense of Service Recovery**

- o Service Recovery: The Acid Test of Service Excellence
- o Customer ATTRACTION or Customer RETENTION?
- o The Economics of Service Recovery
- o The Power of Service Recovery: Secret to Enhancing Customer Loyalty

### **The Behaviour of Dissatisfied Customers**

- o The origin of customer dissatisfaction
- o The Psychology of Recovery: Inside the Mind of a Broken Customer – 2 Common Responses
- o What Unhappy Customer expect from you
- o The Transformation of a Customer into The Distracted, The Disappointed and The Disruptive
- o The L.A.S.T Approach to manage an unhappy customer
- o Apology to Atonement

### **Creating a Strategic Service Recovery System**

- o Creating a Service Recovery System
- o Creating Consistent Solutions: The Solution Space Approach
- o The Solution Space Context: C.O.R.D.S (Customer-Oriented Responses Dimensions)
- o **TEAM ACTIVITY: Discussion and Designing of C.O.R.D.S for selected customer issues for HPM**
- o Developing a Culture for Service Recovery

### **Complaint Management in a Customer-Oriented Firm**

- o The Customer Relationship Management (CRM) Model
- o The Customer Life Cycle: The Life Time Value of a customer
- o Complaint Management: An Integral Part of Service Recovery Strategy and CRM
- o Definition and types of complaints
- o True and False regarding complaints
- o Complaints as a challenge to the firm
- o Complaint Management as the core of Customer Relationship Management (CRM)
- o Complaint Management and customer care
- o The role of Complaint Management in Quality Management

### **Complaint Management Framework**

- o Direct and Indirect Complaint Management
- o Complaint Management Standards and Quality Indicators
- o Derivation of Complaint Management Index (CMI)
- o Utilisation of data on Complaint Management

### **WRAP UP: Leading Service Recovery**

- o Creating a Culture of Service Recovery
- o Find and Retain Good People
- o Train and Coach
- o Involve and Empower: The Healing Magic of Responsible Freedom
- o Reward and Recognise Great Recovery
- o Support and Inspire Performance and Persistence.

**IF YOU TAKE CARE OF YOUR CUSTOMERS, YOUR CUSTOMERS WILL TAKE CARE OF YOUR BUSINESS**