



DELIVERING EXCELLENT CUSTOMER SERVICE

"Customer service is an attitude, not a department" - Unknown

Great customer service is essential to any business because it has the potential of turning new customers into repeat customers, repeat customers into loyal customers, and ultimately evangelists of your brand and business. In this month's edition of InfoPays, we take you through the steps necessary for creating a strong customer service culture within your organization:

1. First things first: secure the commitment of top-level management.

Getting top-level management support is paramount when it comes to implementing any customer service programs because this allows you to establish clear goals, measures, and accountabilities right from the get-go.

2. Know your customers.

Customers have an expected level of service, and you as a business owner or manager need to understand those expectations if you want to deliver quality service.

3. Plan the customer journey.

Customer service is consisted of many touch points along the customer's journey, from the first contact with the company to after sales support. Commit to planning



each of these steps carefully.

4. Develop service level metrics.

Here are a few things you can measure in terms of quality of service: the speed at which new inquiries are being handled, amount of time to process an order, number of successfully resolved complaints, and etc.

5. Recruit the right staff.

Customer service is competent and professional people going above and beyond the call of duty each and every day. In order to hire these customer service champions, find methods for evaluating potential candidates in terms of customer service during your hiring process.

7. Handle complaints with care.

Train your staff to deal with complaints in a sympathetic manner. Among your employees, you have to highlight the importance of handling complaints with the utmost care because if handled properly, customers with successfully resolved complaints tend to return the favour by becoming loyal to the business.

8. Reward good performance.

When your employees are doing the right things to contribute positively to your bottom line, reward them. Commit to recognizing even small accomplishments in the course of everyday business.

9. Stay close to the customer.

You need to get customer service right the first time and every other time. Stay committed to it, and it will pay off by creating an army of loyal customers.

CASH FLOW AND CREDIT POLICIES

Proper credit management within an organization is crucial. Managers need to understand the relationship between credit and return on capital. For example, some managers are more concerned with turning over capital as quickly as possible than making an additional return on capital already made available to customers. Below we made a list of the most important things to take care of when it comes to your credit policies:

1. Credit policy administration

Regardless of how many resources you can assign to your credit policy administration, you need to make sure that your credit policy doesn't negatively affect sales reps' relationship with their customers and that it allows them to monitor if the sales they are making are within the terms of your credit policy.

2. Bad debts

Did you know that if you made 100,000 dollars in net sales and had to write-off 1,500 as a result of bad debt, assuming you make 1.5 percent on your net sales, you basically LOST all your profits? This scenario is unfortunate but as a result of it, a lot of companies get into financial trouble. This cost is even bigger

than it seems. Assume you had to hire a collections person who spent several months on the case. This cost is hard to estimate and makes the bad debt situation spiral out of control. As a result, in most cases, companies are better off with outsourcing this function to

companies who specialize in the management of receivables like IPS Invoice Payment System.

3. Granting or extending credit

Every time you grant/extend credit, it is important to ask these questions:

- Do you invest the time to methodically check references for your new customers?
- Do you check/re-check customers' financial standing once they placed their first order or increased their purchases?
- Do you check references by phone? Suppliers may tell you things over the phone that they wouldn't put in writing.



4. Credit control and collection

Here's what you need to consider about collections and credit control:

- How fast do statements reach your customers at the end of the month?
- Do you have a set procedure about following-up on outstanding debt?
- Are you proactive in the way you manage your lending on credit terms?
- Do your customers take longer than your credit terms to pay?

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