

Chapter 7

Service excellence best practice

Introduction

Service excellence is about taking an integrated approach to business that puts the customer at the centre of everything it does. Making it happen is – as this book demonstrates – about managing a number of different processes within the organisation. However, the task is not simply to manage them on a stand-alone basis but instead to embrace the fact that they are interrelated and will impact on each other. Each of them plays a unique role in enabling the organisation to deliver customer service excellence and together they can elevate an organisation above its peers in the marketplace. Every year the judges in the Awards scheme look to find best practice examples across a range of categories – retail and consumer, financial services, manufacturing/engineering, business-to-business and public services. And every year there is stiff competition for the coveted awards. The Overall Winner's Award is given to the one organisation that impresses the entire team of judges with its service excellence practice. In 2002, it was the Nationwide Building Society that stood out from the platform of sector winners and it is this organisation that provides the final case study.

However, before introducing Nationwide's story and revealing why it won, the first part of this chapter reflects on the general lessons to be learned from the Awards scheme. Here the Unisys/Management Today Service Excellence Award is reprised and briefly explored through its constituent elements, customer intelligence, operational effectiveness, engaging people, leadership and values and organisational agility.

Customer intelligence – summary

Service excellence is underscored by a compelling business philosophy that promotes the establishment of long term, mutually trusting and profitable relationships with customers. The first step to building this philosophy within an organisation is to have in place processes to generate customer intelligence. The aim of these activities is to develop a sense of customer intimacy, and Chapter 2 explored the ways in which organisations build their knowledge and understanding of their customers' needs and expectations, and how customers perceive the performance of the organisation. These were illustrated through the cases of Woburn Safari Park and Rackspace Managed Hosting.

While no one research tool or technique provides absolute customer intelligence – organisations need to blend a portfolio of methods in an ongoing process – this information provides an essential foundation on which the organisation can build its offer to customers, and affords an insight into the changes in products and services that customers may be looking for. It helps provide insight into customer motivations to buy, and can supply knowledge and understanding of the competitive frame within which the organisation operates. This information can be leveraged through the process of segmentation, which works to portion the market and identify the most profitable sectors (however they may be defined) on which to concentrate the organisation's resources. This process is essential as it enables the organisation to be confident about the market in which it operates, providing the answer to the simple but strategic question, 'What business are we in?'

Adopting this outside-in approach to strategy development enables the organisation to define the value customers are seeking from the *customer's* perspective. Organisations need to understand how customer value is made up: the elements that maintain value, the value enhancers and the value destroyers. This chapter also examined the notion that innovation in service excellence is about creating new solutions (in *how* the organisation does something as much as *what* it does) that are acknowledged by customers as offering real value.

Customer intelligence best practice organisations, like Woburn Safari Park and Rackspace, are able to respond positively to the following statements:

- We encourage and act on feedback from customers.
 - We understand the drivers of customer satisfaction.
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- We are recognised as innovators in our market.
- We build long-term profitable relationships in our chosen markets.
- We monitor and track customer retention and repurchase intention.

Operational effectiveness – summary

Chapter 3 established that customers continue to turn to particular companies because they are easy to do business with. For organisations, achieving this means creating their value offering around an understanding of exactly what it is customers desire. Best practice organisations express this in terms of the four Cs (customer needs and wants, cost, convenience and communication), rather than the four Ps (product, price, place and promotion). This understanding then forms the focus of the organisation's activities. In many respects, it means turning the supply chain on its head and thinking about taking the customer as the point of departure for the organisation, and not its final destination. Making this an operational reality is then dependent on the effectiveness of service delivery processes and programmes.

For many organisations, the aim of operational effectiveness is to deliver the 'perfect customer experience' on every occasion. This is not, however, a single event but is best conceptualised as an ongoing process. And in order to ensure that service delivery processes and procedures are optimised, best practice organisations use one or more sets of tools and techniques to promote continuous improvement. These may include benchmarking, the International Standards Institute's ISO 9000 series or Six Sigma. This latter approach, based on established techniques developed in manufacturing, has been popularised through the impact it has had on the Motorola and GE businesses. Essentially, Six Sigma is a statistically based, organisation-wide approach to quality improvement that aims for a maximum number of error-free transactions, generally expressed as so many per million occurrences.

Awards winners take this data driven-approach very seriously and also ensure that they can track the cost of servicing a single transaction; and many also track the costs of non-conformance. These are the costs incurred when the organisation fails to do things right first time. These may include costs of rework, administering complaints or discounts or refunds to customers.

Operational effectiveness has become a lot more complex in light of the proliferation of media and channels. And for organisations with a multimedia/multi-channel strategy, their goal is to ensure that the customer has a perfect experience across all the media and channels they offer. Each time the customer comes into contact with the organisation, they should feel like they are talking to the same person. Too many organisations forget this when it comes to integrating the web into the service offering – for them it offers an opportunity to cut costs rather than enhancing the customer's experience.

Finally, organisations need to manage their customer complaints – excellent complaint handling consists of three key operational activities: dealing with the customer, solving the problem for the customer, and dealing with the problem within the organisation. A philosophy of proactive service recovery can work to improve service excellence.

TNT and the Dental Practice Board illustrated best practice in operational effectiveness and are typical of Awards winners who can state unequivocally that:

- Customers consider us easy to do business with.
- We enhance business performance through continuous improvement.
- We can deal equally effectively with customers over multiple channels.
- We deal with service failures effectively.
- We use the web to enhance the customer's experience.

Engaging people – summary

This chapter looked at the role of employees in creating and delivering service excellence. For many organisations, the quality and history of the relationships that staff have with customers remains the most unique aspect of their business. Competitors can copy many other elements but are less likely to succeed here. It is, therefore, not surprising that engaging people in the organisation has become a boardroom agenda item.

This represents a shift away from the time when the business environment was dominated by manufacturing and employees were regarded as a production cost that needed to be controlled and reduced. Today, service-based organisations recognise that their employees are, in fact, a capital asset whose intrinsic value can be grown, and their approach to employee management reflects this.

It is accepted by best practice organisations that employee behaviour, whether it directly or indirectly impacts the customer, plays a critical role in determining the level of service excellence that is experienced by customers. This will, in turn, influence customers' level of satisfaction with the company and affect their willingness to either remain with or defect from the organisation. The extent to which quality employees can be attracted, kept and motivated is therefore directly linked with the organisation's capacity to offer quality services to their customers.

Engaging people starts with having a vision within the organisation that forms the focal point of a climate and culture that inspires the hearts and minds of all employees. In best practice organisations this vision is communicated through all stages of the recruitment, training and retention process. Many service excellence companies believe in the careful selection of staff and search for individuals whose values and motivation match the organisation's service ethic. They adopt the philosophy that employee suitability should not just be based on technical skills, which can be taught later, but on characteristics which show a positive service attitude. And once they become an employee, the organisation then works to ensure that individuals have the right skills and knowledge to perform their work well. Best practice organisations distinguish themselves in this respect by going beyond the provision of training, which takes an organisation only so far, and creating a learning environment for their staff. This is characterised by a repeated pattern of study and practice, where learning effectiveness is measured by testing the results of what employees do, rather than measuring training effectiveness through testing people.

In high performing organisations, employee satisfaction is taken as seriously as customer satisfaction and reward, recognition and empowerment feature as a part of the organisational culture. These are organisations like case study exemplars PetCareCo and John Pring & Son who are able to respond positively to the following statements:

- Our people have the right skills and knowledge to perform their work well.
 - We regularly monitor employee satisfaction and act on the findings.
 - We recognise the performance and behaviour of outstanding individuals and teams.
 - We empower our people to deliver service excellence.
 - When recruiting and developing people we focus on attitude first.
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Leadership and values – summary

Chapter 5 positioned leadership and values as the cornerstone of the Service Excellence Awards as they are intrinsically linked with the direction and culture of the organisation. How an organisation is led and managed determines its position within the marketplace. Leaders are not, however, the same as good managers; managers may have a certain amount of power and responsibility but this does not mean that they inspire people to follow. This is the hallmark of leaders – they generate what has been called ‘followship’.

‘Followship’ is defined as a ‘capability to lead [that] must be coupled with the practical skills that leaders need to have to manage their day-to-day affairs’. Among the skills that leaders need to demonstrate is an ability to command and focus resources on the attainment of a particular vision. This is a statement that provides the answer to the question ‘where are we going?’ It needs to become a shared idea of why the organisation exists and what it wants to achieve.

It is also important that leaders reflect the values of the organisation, in other words the preferred behaviours that will guide the organisation on its journey. Allied to this is a need for a high degree of people skills, to be able to manage the complex human interactions that take place within organisations, as well as good conceptual skills and sound judgement.

The values of an organisation are sometimes referred to as the ‘ethos’ of a business, or the ‘principles’, ‘guidelines’ or ‘rules’, and while the vision may change, values should stand the test of time. Their purpose is to guide behaviour within the organisation and where they are ‘lived’ by employees, organisations find that they come to rely less on formal rules and regulations. Staff understand what is expected from them, they know how to behave and how to respond to new or unforeseen circumstances.

However, there is often a gap between the values espoused by an organisation and the values customers and employees experience in everyday life. These are organisations where what gets preached does not get practised. Service excellence organisations work to narrow and, where possible eliminate, this gap. Senior managers who actively champion customers can play a crucial role in achieving this. Another fundamental differentiator of service excellence organisations is that their values feature the customer in at least one of their value statements. In too many organisations, references to the customer are missing.

The roles of leadership and values were explored in some depth in this chapter through the cases of Happy Computers and CragRats. These top scoring finalists were able to show that:

- Our values are widely understood and practised.
- Leadership reflects the organisation's values.
- Our processes of management enact our values.
- Senior managers actively champion customers.
- We invest in developing leadership across the organisation.

Organisational agility – summary

Chapter 6 looked at managing service excellence in light of the challenge of unpredictable and continually changing customer opportunities. How well an organisation does this is a measure of its agility. This concept first originated in flexible manufacturing systems but over time a wider business application has emerged, led by developments in supply-chain management. Defined as a 'business-wide capability that embraces organisational structures, information systems, logistics processes and, in particular, mindsets', the agile organisation creates competitive advantage for itself by being able to adapt its people and processes to the continually changing needs of the marketplace, increasingly with the support of technical innovation.

In the service excellence model, agility is implemented through information and action:

$$\text{agility} = \text{information} + \text{action}$$

The aim of knowledge management processes is to build a collective and dynamic corporate memory, made up of explicit and tacit knowledge. Failure to adapt knowledge management practices to the continually changing environment, where the Internet and e-commerce are changing the nature of the exchange with customers, leads to what has been described as 'corporate amnesia', a phenomenon that prevents organisations learning from their own experiences.

Therefore, in order to support organisational agility, an organisation needs to master the flows of information throughout its value chain. Agility then becomes viable depending on how strongly the organisational culture encourages and embraces change. Best practice organisations encourage constructive criticism and see that their staff receive

the appropriate tools and training to cope with change. In an agile organisation, positive and confident attitudes to change are embedded in organisational structure, processes and people management.

The cases of the Veterans Agency (formerly known as the War Pensions Agency) and BAA Fit Out Team provide relevant illustrations of organisations that have an enviable agile approach to their very different businesses. In each case, however, they are able to demonstrate that:

- Constructive criticism is an essential element of our culture.
- The organisation provides methods, tools and training to enable change.
- We have tools and techniques that facilitate the capture and sharing of knowledge and expertise.
- The organisation monitors and shares information about the changing socio-economic environment.
- Our people respond positively to change.

Service excellence: best practice cases

The case study chosen for this chapter is Nationwide. They were winners of the Financial Services and Overall Service Excellence Award in 2002 and were selected to illustrate an integrative approach to service excellence. Financial services organisations are not often held up to be paragons of virtue when it comes to customer service excellence. However, Nationwide was found by the judges not only to be leading the pack in its field but also to have such superior practices that it merited the coveted title of Overall Winner. Nationwide had won the Financial Services Award two years previously in 2000 and in the intervening period had honed its processes to enable its 13,000 staff to deliver exemplary service to its 10.5 million customers, who are also its members owing to Nationwide's mutual status.

Being a building society with mutual status means that the value created in the business is returned annually to members, rather than to outside shareholders. This makes members at once both customers and owners of the business, creating a more complex relationship to be managed. Nationwide, as the case shows, believes this to be the strength and that it provides a real focus for customer service.

The judges were impressed with many aspects of Nationwide's approach to service excellence but especially their understanding and management of the link between employee satisfaction and

organisational performance. This is explored in some detail in the case. However, it was not simply the internal focus of the organisation that struck the judges but also the way in which Nationwide works to collect customer intelligence. In many respects their initiatives are leading edge, and demonstrate a real commitment to defining and creating the service excellence customers seek. As Philip Williamson, CEO, says, 'We're passionate about this. If we do these things, the members will love us.'



Nationwide

Introduction

Nationwide won the Service Excellence Award for the Financial Services sector in 2000, and returned in 2002 to win it again – and scoop the Overall Winner Award into the bargain. Nationwide has strengths across all the dimensions assessed by the Awards process, so it is a truly holistic example of best practice in service excellence. The organisation's mission to serve customers continues well beyond its achievements in the awards, which is a sign that the attitudes and habits of service excellence can become part and parcel of the day-to-day activities of even the largest enterprise.

Nationwide's success begins in its recognition of the powerful principles established by its 1996 decision to remain a mutual building society owned by its members while competitors were transforming themselves into publicly listed companies. Mutuality provides a very clear and consistent connection between the actions taken by the organisation and the people who benefit as a result. Identifying Nationwide's stakeholders is not hard: they are the more than 10 million savers and borrowers who use the society's financial products and services. Improving the business therefore has an unambiguous goal: returning value to the members. In this case study we look at how the society is doing just that, as reflected in the facets of the Awards assessment structure.

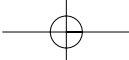
Customer intelligence

To start, we can see that *customer intelligence* is far advanced at Nationwide. Nationwide believes wholeheartedly in collecting, analysing and acting on customer and employee feedback. On the customer side, Nationwide distributes 28,000 surveys every month. These are triggered by service interactions. With more than 1.3 million transactions taking place across more than 600 branches and electronic channels, this is an effective sample rate. The response rate is nearly 28 per cent, a significantly higher rate than most such surveys, and all the more impressive for being achieved without the use of any incentives.

Tim Hughes, Nationwide's Head of External Affairs, stresses that understanding customers requires organisations to think holistically about customer situations. He says that many organisations tend to research customer satisfaction with existing purchases without checking to see if their circumstances have changed. 'It's like asking someone if he's still pleased with his Ferrari when he's suddenly acquired two children. He may well still like his Ferrari, but he might now be looking at buying a people carrier,' says Hughes. Consequently Nationwide's customer intelligence activities look to relate satisfaction with repurchase decisions.

The society's Usability Centre is a world-class example of customer involvement in the design and development of new products and services. The centre is purpose-built to simulate the different interaction environments Nationwide offers: branch, call centre, home and even in-car. Products tested in the centre can be scored for usefulness, effectiveness, efficiency, satisfaction, respect, presentation and learnability. The target is an 80 per cent or better rating on each dimension. Results are presented in the form of spider graphs, which quickly highlight any aspects of the product that need rethinking. Presentation of data in the spider graph format is a common practice elsewhere in the business, helping to communicate complex information quickly and clearly.

Nationwide's approach to customer segmentation appears unusual at first, since the society does not work to a sophisticated segmentation scheme that seeks to stereotype customers and drive sales to them. Although the organisation researches carefully to discover and meet customer needs, it does not use its research to engineer exclusivity into its offerings. So, for example, Nationwide has three types of credit card product designed to appeal to three types of customer, but does not assume that any one particular customer is only suitable for



one product. Customer circumstances change and even the best customer information can lag behind. Hughes says: 'We would not seek to embarrass a customer by offering something for which he wasn't qualified. But our aspiration is to have customers with products across the range.' Nationwide's mass-market focus, coupled with its mutual status, means that for this organisation differentiations in service are based on customer need rather than customer value.

The organisation's recently introduced ICRM system allows customer-facing staff to advise customers about the product range, based on their transactional history. However, this is very much an advisory system and a guide to customer interaction rather than a sales system. In fact, Nationwide does not link personal performance targets directly to sales, believing that such a connection creates the wrong behaviours.

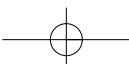
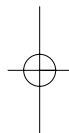
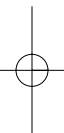
Operational effectiveness

On the dimension of *operational effectiveness*, Nationwide is particularly notable for its Brainwaves employee suggestion scheme. This is a Society-wide scheme delivered via the Intranet. Brainwaves offers rewards for service improvement ideas which are implemented in the field. In one ten-month period, the society's staff generated 3591 suggestions resulting in 520 implementations and cash awards of £24,024.

Nationwide uses feedback from members in a practical manner as well. In the year of the society's second award, the organisation applied more than 200 improvements stemming directly from members' experiences of service failures. The society publishes a leaflet telling the members of these actions, so that the feedback loop is completed.

As a two-time winner, Nationwide is a fine example of how entrants to the awards can use their experience of preparing an entry and receiving the assessment to improve their business. Following the 2000 award, Nationwide launched a series of projects under the banner of the First Choice Programme. The projects included Customer Satisfaction Surveys, Internal Service Measurement, Dispute Resolution and Employee Empowerment.

Focusing on the Dispute Resolution project, Nationwide introduced a new Internal Complaints procedure to encourage all customer-facing staff to take ownership of complaints and agree a



resolution at the earliest possible opportunity. All complaints and feedback are recorded in a Complaint and Feedback Log hosted on the society's Intranet. The log gives staff shared visibility of complaints and current progress towards their resolution. It also helps them actively manage the resolution of complaints, providing guidance on best practice in complaint-handling, key employee contact lists, letter templates and management information reports. The introduction of the new complaints procedure and log system in December 2001 helped to improve performance in service recovery, enabling effective complaint handling at the first point of contact. Assured continuity of attention and the inbuilt progression features of the procedure and its supporting system mean that dispute resolution is an intuitive, speedy and well-resourced feature of the society's customer service rather than the 'Cinderella' area found in some organisations.

Nationwide's proactivity in Operational Effectiveness is also reflected in its Service Improvement Plan, which covers all customer-facing teams. Customer feedback and benchmarking information on the society's products and services is collated and used as the basis for the plan. The plan is used as a mechanism to convert the feedback into actionable service improvement recommendations for the customer-facing areas. Monthly update meetings with each of the teams are held, ensuring the plan is in constant focus and allowing new recommendations to be added into the plan.

The final measure of Nationwide's success in Operational Effectiveness is arguably its ability to release value from the business and return it to members through better rates and flexible products. A key determinant of this measure is the society's average cost per transaction. This continues to fall, declining from £1.56 to £1.46 from 2001 to 2002. The continuous improvements to processes that impact upon customer value, satisfaction and retention are reflected in this impressive measure. Above all, the response of members confirms that Nationwide is doing the right things, and doing them well. When asked 'are we easy to do business with?', 87.2 per cent answer with either 'excellent' or 'very good'.

Engaging people

Shifting to the dimension of *engaging people*, we find Nationwide is an organisation that puts people at the heart of the business.

Nationwide recognises that delivering member value begins with happy, knowledgeable and committed employees. An extraordinary commitment to staff happiness leads to the society's goal of being a 'no vacancies' employer. Nationwide intends to achieve this state through a combination of very low turnover and a waiting list of potential employees. Nationwide staff are genuinely proud of the society and do not hide their loyalty. The society aspires to a top 10 place in the annual *Sunday Times* 'Best Places to Work' report – it is currently 'bubbling under' the top 20.

Nationwide's employee opinion census has been running since 1993. Results from the survey are analysed, correlated with customer service and business performance data, and then communicated and enacted at group, divisional, departmental and team level. The society also runs more than 20 incentive schemes, including employee of the month and year, and individual and team bonuses. These schemes distribute around £30 million per year to employees.

The recruitment process is geared towards hiring talented people who naturally display the behaviours needed to deliver Nationwide's service proposition and business results. Behavioural attributes and preferences are balanced with the knowledge and skills necessary to perform individual roles within the business.

Nationwide reviews its people needs every quarter. The review takes in both raw numbers of staff required and the skill and knowledge profile required to deliver the society's products and services. The resource plan is mapped to departmental level and identifies the actions needed to fill any identified gaps. Every role in the business has an associated development plan. In addition, each specialist and managerial role has an identified successor, ensuring that the society has future visibility of key personnel.

Employee performance agreements contain development plans including objectives for gaining or consolidating skills, knowledge and behaviours essential to the role. Competency-based development frameworks and assessment processes are used to manage performance, and all plans are reviewed half-yearly.

Leadership and values

The dimension of *leadership and values* is another conspicuous factor in Nationwide's success. Indeed, the society extends its leadership to its sector via the promotion of its values throughout the industry.

Leadership begins at the grass roots level with a programme of regular Talkback events where members can engage with the directors. Talkback events are held around the country, and increasingly over the net. A video on PRIDE helps to convey the society's values to new employees and make those values live. The acronym stands for **P**utting members first, **R**ising to the challenge, **I**nspiring confidence, **D**elivering best value and **E**xceeding expectations. The society's plain-dealing values are evident in employee services such as its free counselling service. The same values extend to member services: most accounts can be opened with £1, so that no potential customer need feel excluded.

All Nationwide managers are trained to recognise positive employee behaviours and the application of the society's values. Being alert to these attributes of staff performance is given equal weight with business goals. There is no sense that the society's values are a cosmetic ingredient of the business, to be dropped hastily in a crisis. Managers are empowered to recognise and reward behaviours through in-house schemes such as Service Heroes and Excellence in Action.

The society also has a stepped leadership development programme to ensure that its values persist through the forward planning of the business. The programme is designed to build leadership behaviours, knowledge and skills in the whole management team, from junior to senior levels. Individuals demonstrating high potential are assessed and then undertake a tailored development programme including individual coaching, mentoring and learning.

Nationwide's contribution to the community is extensive. Well known for its sponsorship of the England football team, the society also supports football at lower levels through local schools and clubs. In October 2001, Nationwide distributed 6 million reflectors – one for every primary schoolchild in the UK.

This kind of thoughtful, neighbourhood-level approach scales naturally to Nationwide's interventions at the industry level. Its firm stance against transaction charges at cash machines stopped charges becoming commonplace in the British market. More recently, its decision to show comparisons of credit card charges in an 'honesty box' on literature influenced the Treasury committee on credit cards. As a result, since April 2004 all credit card providers have been obliged to follow suit. While Hughes is proud that Nationwide is 'fighting for transparent, honest values', he makes it clear that the goal is not exactly altruism: 'transparency makes us more competitive and shows customers just what a good deal they

can get at Nationwide.' Nationwide's values are human, but they are commercial too.

Organisational agility

Examples of *organisational agility* abound at Nationwide, and all are instructive. As a mass-market player in an intensely competitive but closely regulated industry, Nationwide must be able to respond confidently and competently to events in double-quick time. One example is the issue of Dual Mortgage Pricing. The industry's ombudsman disagreed with the way the society (and its competitors) wanted to reward the loyalty of existing borrowers. The ruling arrived on 7 February, triggering a decision whether to fight the ruling or adjust the accounts of over 400,000 members who were affected. Nationwide announced its decision to abide by the ombudsman's decision on 21 February, while its competitors decided to fight the ruling. The practical consequences included taking the decision-making process through to board approval, and communicating the account adjustment plan to the entire staff. The society had to solve the technical problem of adjusting a mountain of accounts which would have taken the entire staff 20 years to accomplish, working 24 hours per day – if they did it manually. The team also had to develop processes to address queries and one-off account exceptions, while telling the affected borrowers what was happening. The member communication was sent on 7 March – just 1 month after the initial trigger. The project went live on 21 March: an extraordinary response to an extraordinary demand.

Organisational agility also comes into play when Nationwide initiates its own business changes. The TakeAway remortgage product is a prime example. Research showed potential mortgage customers understood the savings they could make by moving their mortgage to Nationwide but did not necessarily want to undergo the full application process, especially the standard mortgage interview. In July 2001 the society had the idea of offering a 'TakeAway mortgage' – in a bag. The bag's contents let customers drive the process themselves. It also allows them to engage with the society without spending much time in the branch. Considering their new mortgage can become something that customers do in the natural setting of their own home.

The concept immediately generated a list of challenges to solve. What would be the legal implications of customers using a self-service approach? What systems would be needed to handle the completed

applications? What additional training did retail staff need to support the pack? Could the society design a practical and attractive package and produce it in-house to budget and on time? And what were the cultural implications of the new product: would customer advisors regard it as a threat to their role?

Dedication, cooperation and imagination saw the TakeAway launched on time in just 3 months. Nationwide's share of the remortgage market has grown more than tenfold since that time, a success largely attributed to the novel finance-in-a-bag idea and its rapid delivery.

Is Nationwide at the end of its service excellence journey? No one at Nationwide believes the organisation has reached a peak in service excellence and can afford to rest on its laurels. 'We are not complacent,' says Hughes, stressing that Nationwide is continuing to work through the PRIDE programme internally and continuing to benchmark the society against other organisations in a wide variety of sectors at home and abroad. The development of the business continues to major on streamlining processes, taking costs out of the business to return value to members, and fighting for customers' best interests.

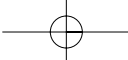
Tim Hughes's advice to other organisations pursuing service excellence shares the openness and practicality the society has brought to all the activities explored in the Awards process. Hughes says first of all that service excellence must not be seen as an abstract concept, but related strongly to real business drivers. He believes that linking service excellence practices to business goals such as repurchase and retention generates more excitement within the team, and greater clarity of purpose. His final piece of advice is to 'focus on your people. They deliver the service, and they are the brand'.

Benchmark your practices

Our aims with this book have been to:

- guide organisations to future success by helping them to understand what key ingredients of service excellence are;
- help organisations develop in ways that they can be proud of and that will provide them with sustainable competitive advantage for the future.

We can point to research that suggests that learning by sharing best practice and then building on what works in your organisation means you will start to do less of what does not work. This is known



as 'appreciative inquiry' and simply adopting this as a part of how you do your business, whatever that business may be, will work to improve the levels of service you deliver to your customers. Our hope is that in sharing the insights into service excellence that we have gained as judges and in the telling of the stories behind the Awards winners, we may inspire you to greater things.

If reading these success stories makes you wonder how well your organisation would compare, then why not benchmark yourself by taking part in the Unisys/Management Today Service Excellence Awards? Every entrant receives a tailored diagnosis so that they can assess their own approach to service excellence against that of their peers and the best in the UK. Individually produced for each organisation, your benchmark report will provide valuable improvement-oriented feedback, and will offer more insight into how leading companies are tackling today's key issues. Full details are given at www.serviceexcellenceawards.com

Concluding remarks

We are proud to have been associated with the Unisys/Management Today Service Excellence Awards programme over a number of years as judges and pleased to have been able to share our learning through this book. Feedback from readers is welcomed and should be directed to m.k.clark@cranfield.ac.uk or s.l.baker@cranfield.ac.uk.

