

“Customer service can make or break a business. If you treat your staff well, they will be happy. Happy staff are proud staff, and proud staff deliver excellent customer service, which drives business success.”

So says Sir Richard Branson...

It's difficult to talk about employee engagement and customer satisfaction without referencing one of Sir Richards' many quotes. He has always advocated that by looking after your staff, seeing the people rather than the resources, you'll naturally create happy customers and business growth...and let's face it – he's done OK!

It's widely accepted that delivering great customer experience relies on engaged employees, so what can organisations do to ensure an engaged workforce? Let's start by looking at the research.

What does the research reveal?

A recent Institute of Customer Service research piece involving 2,000 consumers, 2,000 employees and 20 senior business executives reported: “...A clear correlation between employee engagement and customer satisfaction: disinterested staff fail to make a lasting impression with customers, with the result that they take their custom elsewhere”.

The study found just 25% of employees felt engaged in their role and the picture didn't improve for consumers.

Just 11% of customers say they would repurchase from an organisation following a bad experience with an employee. Worst still, 43% of customers will also actively warn others against using the organisation.

A lack of investment in customer service training was a major contributing factor to employee disengagement (and therefore poor customer experience). On the other hand, organisations who invested time in their employees resulted in positive customer experience scores and better business growth.

Business executives interviewed as part of the study cited engaged employees as being more efficient, more likely to develop emotional connections with customers and get their interactions 'right first time,' leading to better customer experiences, reduced costs and returning custom.

This trend between employee engagement and customer experience is supported by the Customer Satisfaction Index UK (CSIUK) which found that consistently achieving levels of customer satisfaction higher than the sector average is linked to better turnover growth, profit and employee productivity.

What's the global picture?

A recent report by OCR International found that globally, employee engagement is on the increase, yet there are still challenges to overcome.

Interestingly, the UK was reported to have the lowest employee engagement rate (58%) when compared to Asia Pacific (68%) and the USA (72%).

On a more positive note, the Employee Outlook report commissioned by the Chartered Institute of Personal Development (CIPD) found employee satisfaction is on the increase year-on-year, albeit gradual. The criteria for this study was broad and took into account the following:

- Ability to influence decisions
- Use of individual skills
- Employee motivation activities
- Level of effort by the business to engage
- Employee voice being heard
- Having a shared purpose – communicating the Vision
- Organisational commitment and advocacy

How do businesses increase Employee Engagement?

Investing time, providing the right training, and understanding how employees identify with themselves (both within their role and the organisation) are great ways to increase engagement.

According to the Institute of Customer Service, increased employee engagement MUST start in boardrooms. They advocate boardrooms need to develop programmes which:

- Bring an organisation's vision and values to life
- Involve employees in decisions affecting them so they have a genuine voice

-Empower employees with the knowledge, tools and confidence to make decisions that do the right thing for customers”

-This is echoed by Sir Brendan Barber, the Chair of ACAS (Advisory, Conciliation and Arbitration Service) who predicts the importance an increased voice within boardrooms could have for organisations.

In Summary

Clearly, good employee engagement is vital in providing a great customer experience – the more an organisation invests in engaging their employees, the better the customer experience and business performance. While there is still a way to go, particularly in the UK, we’re heading in the right direction!

A final word from Sir Richard...“There’s no magic formula. The key is just to treat your staff how you would like to be treated. People want to work on projects that mean something to them and be surrounded by colleagues who treat them with the respect they deserve. If all companies took this approach, then employee engagement and wellbeing ratings would be much higher.”

At Specific Learning & Coaching, we know engaged employees and satisfied customers are a business’s most valuable asset – and we built the REAP network as a diagnostic and analysis tool to identify what they really think and feel, for great business owners and leaders to use as signposts for continuous improvement

If you want to find out about what gives your team joy or what makes them seethe, or WHY your customers are happy rather than just accepting they are, give us a call to discuss more.

We hope you enjoyed this article and would love to hear from you

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All the best

Lindsey & Charlotte.