

The Closest Thing to a Quick Fix

This is almost exactly what was said:

Customer: I need a radiator hose for a Model XX2345.

Parts: Yeah...uh, we're out of those.

Customer: How long will it take to get me one?

Parts: Don't know when we're going to have those. They say next week, but you know how they are.

It's not an unusual conversation. The customer calls in, your employee at the parts counter — who you think is ready to leap tall buildings to serve the customer — essentially tells the customer that you don't have it, won't have it, and don't care.

It's a problem that exists in varying degrees in almost every material handling equipment distributorship, and it's one that costs you money and customers day after day.

And it's a problem that infects all areas of the business, from the receptionist to accounts receivable to warehouse and delivery to service.

The sad thing about it is that almost all of these people think that they are doing the job that you want them to do; none of them are intentionally trying to put you out of business. The problem is that they don't really understand what their job is about.

Fortunately, there's a relatively easy way to improve the situation. It's not a massive program like reengineering, TQM or Gain Management, all wonderful ideas, but nearly too large to get your head around. This one is much more modest, more doable, and more

controllable. It will improve employee performance and provide a basis for management and training.

It is called a *job standard*, and it may be the closest thing to a quick fix that exists in business today.

The job standard is simply a short (preferably one sentence) statement about *how* a job should be done. It uses plain language (as opposed to the big words in your mission statement), and it is designed so that the standard can be met by all of the affected employees most of the time.

It is also absolute. It doesn't contain fractions, decimals or percentages.

The job standard says this is the way we do this job at this company all the time.

Note that the job standard has nothing to do with a job description. The job description is a human resources document, deals with what is to be done, and probably doesn't tell anyone how the job should be done.

Creating the Job Standard

One of the nice things about using the job standard to improve your business is that it doesn't take a computer; it doesn't require process maps or data measurement. What it does require is some thought about how you want a particular job done in your business.

Take, for instance, the customer-parts person encounter we mentioned. How do we really want that person to deal with a customer over the phone?

In the call cited he was negative, uninvolved, and unenthusiastic. So we would like for the parts person to be positive, helpful, and enthusiastic. That's a start.

But there are a few other things. Such as using basic sales skills like selling the value that your company adds to the product and asking for the order. How about attempting to sell related items? With all of that we have the basis for a fairly complete standard for our parts people.

The standard might be something like this: *We will deal with the customer positively and enthusiastically, selling the customer everything he or she needs, remembering to sell the value that we add, and always asking for the order.*

For the receptionist it might be: *I will always answer the phone promptly, courteously, and direct the caller to the right party the first time.*

Notice that in both the examples we deal with attitude shown by the employee as well as the actions.

Once the job standard is written we need to make sure that all the words are defined. In the receptionist standard, for instance, we might define "promptly" as within three rings, "courteously" as in a pleasant and enthusiastic tone with whatever greeting your company uses.

Communicating the Job Standard

After the standard is written and the words defined the next step is to communicate it to the employees doing the job. If you're not careful, however, your improvement program will end here. You will communicate the standard to the employees, they will all nod their heads, and then everyone will go back to business as usual. However

you can — and should — take steps to prevent that.

We suggest that the communication be done in three steps.

First, tell them what the standard is and explain to them why it is important to the company's success and to their personal success.

Second, explain how the standard will be measured — and assure them that it will be measured.

Third, ask them if there is anything that will interfere with their meeting the standard. Then listen.

You may find that there are environmental factors that make meeting the standard difficult or impossible. Or you may find that the standard changes their concept of what their job is. In one company, when we were discussing the standard for the parts counter, we were told that they didn't think they should ask for the order because they didn't want to be pushy. We've been told by inside sales people that they can't do related selling because they have to answer the phones.

The standard will help them understand what their job really is.

What It Will Do for You

Job standards are not a cure all; they won't take the place of good financial management, a well-designed compensations system, or good leadership. But they can be a big step in the right direction — and it's not all up hill.

In preparation for a year-long project conducted for a material handling equipment distributor, we conducted a bench-mark survey and found that the standard was met .8% of the time. We communicated the standard, designed training based on it,

and measured it. In the final evaluation, the standard was met 54.1% of the time.

But it's not really a matter of percentages. In this case and in your company, it's a matter of how well we treat our customers — so that every encounter with anyone in our organization is one more reason for them to continue to be our customer.

Chuck Holmes is president of Corporate Strategies, Inc., an Atlanta, GA company that specializes in helping manufacturers and distributors deal with their markets more effectively.