

Sore looser

By Stuart White
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I lost a deal this week. I was working with a company on a recruitment plan and I was really keen on the assignment – it was a great job, exciting work. I thought it was a done deal after a few meetings but when I made a follow-up enquiry I was told it had gone to another “cheaper” provider who was offering an ‘alternative’ service. I am furious, livid, mad. Not at the client. It’s the customer’s prerogative to go with whichever service provider they want for what they perceive as value – I get it - that’s capitalism, it’s business. It is me I am furious with. I am mad that I lost the deal, livid that I did not ask more questions of the client, reduce my fee – anything to get the job. I hate losing.

This week I have also been interviewing people for a job that deals with managing customer service in an organisation where retaining clients is a key component. One candidate recited the story of a customer phoning a company to cancel a subscription. The person on the other end of the line, rather than trying to establish why they were closing the account and save the relationship at all costs, took their customer service role too literally and happily outlined the cancellation procedure, thus efficiently terminating the relationship with the company. It’s crazy, isn’t it, when companies work so hard trying to attract customers and win them over by sales calls, advertising, branding, PR activities, promotions you name it, and yet make so little effort to keep them once they’re on board? Investment in new customer acquisition is much higher (40%) than customer retention (22%) according to research – focus by staff is proportionately about the same.

Half the time companies don’t even know the customers have left. I did business with a local bank for 15 years and when I closed my account nobody even bothered to ask why. Bizarre when you consider I must have had at least 20 various loans during the time I was with them, knew the heads of department and CEO by name, grew my business on overdrafts from that bank, took my first three property loans with them yet when I left nobody said good bye. Worse still, nobody asked why. I like to believe that this was simply because they did not have a tracking system or procedure in place to pick up such obvious absconders, plus the relationship manager must have been in a coma at the time and this is why they never followed up. I doubt I would have changed my mind but it would have been nice to have been asked to stay, or my departure at least acknowledged.

If nothing else it would have lessened the feeling of abandonment a little, and possibly left the door ajar for a future return. Instead, by ignoring me and by implication not giving a damn, the door wasn't only closed and locked, they threw away the key. I even wrote about it in a column a few weeks afterwards – but still the silence was deafening. Grrr!

According to Arthur Hughes “most people leave a company because they don't feel they are treated well”. Management usually thinks the reason for leaving is price, and that is true in some cases, but more often it's because they feel they have been neglected or somehow abused. They write a letter and no one answers it. They send an email and no one replies. They telephone and are put on hold for two hours. And all these things are people related. If people lack the passion you don't give quick response, you don't care, and both of these things equal bad service.

Proactive companies not only follow up when you close your account they monitor high risk customers and initiate interventions or actions to up their game and retain them. But this is less to do with systems and procedures and more about the willingness of people to do so. Me, I hate losing an existing client as much as I hate being passed over by a new one. I am so competitive that I hate the thought of someone doing it better than me, it upsets me. Bottom line.... I care. I don't always get it right though.

Which brings me back to this week. Why did I miss out on that tender? Probably because I misread the signs and the prospective client misread me. I lost and it and it irked me but I'm competitive enough to try even harder next time. And who got the thumbs up for the job? Not the one who talked the talk, impressed with talk of strategy, measurement indices and customer service frameworks (whatever they are). It was the one who really cared - you could see it, sense it, feel it. Energy and warmth abounded – this was the one who would keep the customers, the one who couldn't bear to lose, the one who would and did win at all costs!

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