

 CUSTOMER
 CRAZY:
**CREATING AND
NURTURING A
CUSTOMER-
FOCUSED
CULTURE**

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INTRO RODUCTION

Customer Experience Requires Customer Focus

Customers should be at the heart of everything you do, which means they need to be at the forefront of your employee's mindset. Creating a customer-centric culture is a key step to enabling great customer experiences. Learn why and how to create an organizational culture that begets customer loyalty and entices customers to become advocates.

But how did we get here? What led to higher expectations?

There's a definitive philosophical element to this, but the answer to [why customer expectations and the market changed](#) is tri-fold:

- **Technology:** The computer and the cell phone revolutionized the market, enabling worldwide connectivity almost instantaneously. The rapid expansion of the global market transformed how we do business—connecting us to the other side of the world with computers that fit snugly in our hands.
- **Competition:** Technology and globalization led to increased competition worldwide. By increasing vendor choice via digital advertising, a more level playing field emerged for non-enterprise level business resulting in customers having their choice within the market.
- **Availability:** Relating once again back to the technological advancements available and globalization, customers pick the products they want when they want them. The idea of on-demand created options for customers shifted business from the one-size-fits-most approach to more tailored options and increased availability.

With increased availability and competition, customers have increased choice within the market, and this causes companies to lose standard advantages once available to them to differentiate their organizations. The solution? Enhance the customer experience and exceed expectations. This shift puts customers in the driver's seat, informing businesses of what was lacking and applicable in interactions while allowing them to further differentiate and define themselves based on the customer experience.

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Why Customer Focus is Necessary

Even before the technological advancement of cellular phones or the internet, companies differentiated themselves via the service they provided. Those companies are still around and are continually customer-focused, just having adapted to a new environment. Likewise, legacy companies are just coming around to differentiating themselves via service, previously relying on product or reputation to enable profitability.

The benefits of a customer-focused organization are evident in the market. Those who excel in shifting focus to customers and their experience drive greater profitability, increased brand value, customer loyalty, and happier employees.

Companies that have CEO and leadership lead customer experience report they're more profitable than competitors.

– THE ECONOMIST

Increased Profitability

Businesses that focus on customers and the customer experience are **60% more profitable** than those that do not. This means that there is a direct impact on the organization's revenue and that those who excel in the field are more likely to have financial stability and revenue growth.

Increased Value

Customers are willing to pay more for a good experience—a **whole 10-20% more**. Do the math for your organization: If you were to increase your current revenue by 10%, what would that mean for revenue? These returns are direct results of enabling customer experience within an organization.

Customer Loyalty

Customers that feel valued stay with brands, with **73% reporting** that their experiences directly influence loyalty. Customers want to stay where they feel valued, and they will **spend more money with brands** where they've had good experiences. The experience is directly related to customer satisfaction with your business.

Happier Employees

Culture affects customers. Happier employees drive increased brand loyalty and help influence customer sentiment. Companies that have happier employees have more engaged employees resulting in **outperforming competitors by 147%**.

How to Create a Customer-Focused Culture

Make no mistake: Creating a customer-focused culture is a significant shift for any organization. Depending on your customer experience strategy and track record with customers, this may be more change for some organizations but a necessary one. To remain competitive and profitable, you must focus on your customers. These steps are a roadmap to enabling a customer-focused culture while determining the timeline based on your organization's customer experience maturity and internal culture.



Listen, Listen, Listen

This saying holds true to this day and is applicable in this step. It's time to listen to what employees are saying and take action. While customer focus must come from the organization's leadership, the day-to-day experiences fall to employees. They receive direct input from customers and each other. They know what's working, what's broken, gaps, where the problems are internally, and the overall feeling both internally and externally. It is your job to provide an outlet and the ability to share what they see openly.

Listening means more than just having a single conversation; it's creating an open dialog within your organization to enable change. It establishes ownership internally because your employees are invested in their own experiences and ideas, plus it provides an actionable roadmap for executives to help better enhance culture.

"We have two ears and one mouth so that we can listen twice as much as we speak."

- EPICTETUS

Open dialog makes employees feel comfortable with raising concerns and sharing insight. Not only do you need to eliminate any consequences for voicing a truth that may be hard to swallow, but you need to make it easy for employees to submit feedback and review internally. The process is two-fold, but it relates to the essence of what you're listening for here—the truth.

- **Listen:** Learn what is working and not so that it can be fixed, an essential step within your customer experience journey.
- **Address:** Authentically address employee concerns without being dismissive. Sometimes the feedback is an early warning, other times it may not be as big an issue, and you can help the employee grow.

In either scenario, listening and providing authentic reception is a win-win situation for your organization and employees.



LISTEN

Methods to Open Dialog

The method in which you create an open dialog is directly related to your organization and you should choose the best fit. Here are three actionable ways to enable and create open dialog within your organization:

- 1. Employee Resource Groups or Committees:** Groups and communities are safe havens for individuals in social settings because they lessen stress on the individual. Employees involved in these areas feel safe and empowered to share direct feedback because there is safety in numbers, making it harder to single out an individual, and provides reinforcement for their experiences even if they are not shared. Groups or committees are effective because they enhance conversation and create a line of communication to leadership. These groups can align to needs, specialties, social groups, or functions within your organization. Take the feedback that you have had previously in your organization and jumpstart employees with ideas for potential topics or expertise without limiting it too tightly.
- 2. Employee Surveys:** This is a different methodology than measuring your employee engagement via employee pulse surveys for HR purposes. Instead, it focuses on soliciting feedback on customer interactions, internal processes, and workflows directly related to doing their job. It allows you to find out where there are roadblocks related to their jobs as well as opens up a lane of communication regarding what they hear within the organization. These surveys should be completely anonymous, allowing employees to feel safe to share opinions. Depending on your current culture, some employees may feel better putting their name on their feedback, but don't require it. Allow it to be a forum where requests are raised and taken seriously, one that is always open to everyone in the company (that includes executive leadership).
- 3. Authentic Reception, Action, and Feedback:** No one wants to think that their idea or concern is invalid because to them, it is a genuine issue. However, that doesn't mean that it applies to the entire organization or your customers. Regardless, it does need to be received and addressed by the company because both silence and criticism are negative reactions that will deter open and honest communication. Constructively help and address the issue—whether that is helping to reframe perspective or validating their feelings. Employees won't present trivial concerns, they will raise what they feel are genuine issues and they are trusting that leadership will address them in a considerate and actionable manner. If you lack action or openness, this trust will disappear and the silence that follows could cost your organization a valuable employee or potential revenue.

These are only a few ways that you can enable and open dialog within your organization to effectively listen, but they are viable approaches to make employees feel heard. Listening is not optional—it's required to create an open dialog that predicates change within your organization's culture. The size of your organization may influence what avenue or hybrid of avenues you chose, but it's not a one-and-done action. Listening requires the dedication of your leadership team to take action and provide viable feedback after. Employees that feel heard in an organization feel almost **five times more empowered** to do their best.

Communicate Continuously

Hand-in-hand with listening is communicating with your employees. We've all felt like we were the last to know something, like it was a secret kept from us without knowing why and it made us feel alone, outcast, forgotten, or any myriad of negative emotions. Employees that don't feel their organizations honestly and openly communicate with them are more likely to **feel uncertain, wary, isolated, or even hostile**. However, the truth is that organizations are not communicating effectively internally but rather keeping employees in the dark. Open communication allows for informed decision-making within a culture.

The benefits of effective organizational communication are numerous from increased employee engagement to productivity. **85% of employees** feel more motivated when hearing from company leadership regularly, meaning that it's in your best interest to open the lines of organizational communication. The question then becomes, how do you convey your message and communicate effectively?



- **Consistency:** Stay on topic and on message without varying. One of the most important aspects of effective communication consistency eliminates confusion within the workplace.
- **Set the Tone:** How you relay a message is just as important as the words within it. When communicating throughout the organization, set the tone of the communication based on your brand, message, and desired outcome for maximum effectiveness.
- **Match with Action:** Communication isn't always verbal or written which means that whatever you are communicating within the organization needs to be followed up with action. If your actions don't match what the organization is communicating, you're damaging relationships and the trust of your employees.
- **Keep it Simple:** A message that is simple and easy to understand eliminates confusion and provides a set standard to your organization. Clear and concise communication is effective and produces results.
- **Two-Way Street:** Don't limit communication in your organization to just what leadership is saying, create two-way communication between employees and leadership. This builds relationships and trust proving that you're listening to employees.
- **Right timing:** Just like tone, it's important to find the right time to communicate the message to your organization. If you're in the middle of a huge company-wide initiative, it may not be the best time to convey something via email. Finding the right time means knowing your audience and awareness of the world around you.
- **Silence is Communication:** Keep in mind that while your employees are hearing what is being said, they are also cognizant of what is not. When choosing the topics you want to communicate, remember that not addressing topics can be just as harmful as conveying the wrong message.

Avenues of Communication

Knowing how to communicate within your organization is only part of the process of effective communication. Just as important as how you convey your message, is the method or delivery of your message. In business today, we have multiple avenues of communication including email, chat, and project management. What is the best way to communicate within your organization? Your organizational culture will create a baseline of how to communicate but here are some additional ideas to open the lines of communication within your organization.

- **Town Halls:** Open meetings and updates to your entire organization, town halls create transparency within the organization. These should be led by CEOs or executive team member to demonstrate openness and communication beyond quarterly results. These updates remove the surprise element from the business which can blindside employees when there isn't open communication.
- **One-to-Ones:** Manager communication with employees should be continuous and consistent throughout the organization. Keeping employees connected with managers allows for clear communication of goals and expectations to the employee. The employee can raise concerns with their manager to be addressed. It actively contributes to open two-way communication internally and also lifts the anxiety that can come with "being called into the manager's office."
- **Multi-channel Use:** Your organization has many channels more than likely that they use to communicate daily including chat, meetings, video conferencing, forums, email, and product management (to name a few). Make sure that when you're communicating important messages and/or updates, you're not just using a single channel to communicate it. When working, some people have chat muted to focus, others miss company meetings, or an email is missed—however, the likelihood of missing the same message on all these channels is much lower.
- **Utilize Digital Workplaces:** For some, the company intranet is a black hole, but it is a good option for communicating with your organization. Likewise, digital communities or workspaces beyond chat, provide a great place and community to share communications effectively. By utilizing these digital workspaces, you allow for an increased probability that the message is seen.
- **Q&A Sessions with Leadership:** This is a very interactive way to increase communication, but it is different from a town hall in that it centers around the executive and allows for employees to ask questions previously or during the event. It also grows trust and opens lines of communication between the organization and every employee.

Communication is an essential way to build a culture that fosters its customers because it allows for open channels to escalate issues found and flag potential roadblocks. But it's not just about those who interact with customers but the internal employees who keep the company running. Allowing both customer and non-customer-facing teams to communicate facilitates the same ability to highlight internal processes that aren't working and could potentially damage customer relationships. Additionally, each of the ways to communicate listed above can also be adapted to suit customers, creating open communication between customers and your organization.

Internal communication directly affects external communication to customers and enhances the customer experience. Communicate that you want customers to be at the center of the organization, convey the message continually and constantly throughout the organization. Employees can then take action and use optimal ways to communicate with customers, creating an open and clear communication that produces results.

Communication is an essential way to build a culture that fosters its customers.



Employee Empowerment

Having a tight rein on how things are handled across the organization is great for leaders who want to be involved in everything. Still, it's not optimal to the culture within your organization. Of course, this doesn't mean that it's free-for-all internally, but rather that you increase the employees' ability to act on customer behalf and take action to make things right if needed.

Employee empowerment is an excellent enhancement to your customer-focused culture because employees feel like they can become customer advocates rather than just company advocates and are more engaged. Empowerment can mean anything from giving your employees the ability to spend if it's needed to using internal resources to make it right. Here are direct ways that you can increase employee empowerment internally for external results.

- **Boundary Setting:** Employees that know they can help customers feel empowered to be more effective. By boundary setting, such as empowering employees to use a percentage of the customer contract to solve an issue, you allow them to feel more confident and competent.
- **Forgive Mistakes:** No one wants to feel like they are walking on eggshells when it comes to working. Change the way you respond to mistakes in the organization to empower employees to be more confident and make them less scared of failure. Removing that fear of reprimand allows them to deliver a better customer experience and increase customer satisfaction.
- **Allow Creativity:** There are specific ways that some processes or solutions must be done but don't limit employees to one prescriptive way to reach a solution. Foster creativity within your organization to have it ripple down to the customers. Creativity allows employees to think outside the box for solutions and ways that they can better help customers in their role.
- **Support Career Advancement:** Most employees want to advance their careers and are willing to invest time moving up the organization's ladder. Allow employees to take time to improve their skills, whether that means providing workshops, lunch and learns, or eLearning opportunities. Increased skill enhances employee effectiveness in their roles which furthers customer relationships.
- **Increase Autonomy:** Going hand-in-hand with boundary setting allows employees to take ownership and responsibility without having manager oversight on everything, making them feel empowered to make decisions more quickly. Autonomy also allows things to move faster since approval isn't needed on every item, and it doesn't sit within a manager's queue, delaying action.
- **Praise and Recognize:** Everyone enjoys being told they are succeeding, and it's recognized within the organization. Take the time to praise employees for everyday successes and recognize efforts to go above and beyond when it comes to the customer experience.

Employees who feel empowered are more successful, which translates directly to customers. A customer-focused culture must start with employees to make it successful. Empowerment translates to customers in effectiveness and speed, both factors that can make a marked increase in customer satisfaction and your bottom line.

A customer-focused culture must start with employees to make it successful.

Nurture Organizational Culture

Whatever you do to create a customer-focused culture based on the steps above, it's important to remember that it's not a one-time action but a continual investment. Whatever steps you take internally need continual review and care to ensure effectiveness. This means that you need to measure, ask, and refine internally for success.

- **Measure Success:** Many companies track customer satisfaction through Net Promoter Scores because it's an accurate measure of customer sentiment. Likewise, this metric can also be used to track how well you're creating a customer-focused culture internally. Companies that invest internally to improve customer experience can also see the results by adopting a "Voice of the Customer" program to engage with customers beyond surveys personally to see how well the organization is delivering to their expectations.
- **Ask and Communicate Internally:** Companies can even do the same with employees to measure how they feel enabled and empowered to do their jobs. "Voice of the Employee" analytics can demonstrate internal sentiment and address areas of weakness within the organization. Beyond that, regularly asking employees how they feel their interactions with customers are and surveying general culture opinion can help you optimize and achieve more.
- **Refine Continuously:** Based on what you are learning from customers and employees, how can you better enhance your internal customer-focused culture? You want to know where you've seen success and utilize those methodologies in areas where you're failing. Maybe it's communication that's lacking or listening, but it doesn't mean that you can't refine these processes to enhance them.

- **Adapt Your Hiring Process:** How can you adapt your hiring process to demonstrate your commitment to customer experience from the very first interview with a prospective employee? Identify questions and talking points for your interview process to determine if an employee is a good fit for your organization from the start.
- **Teach:** If you are only just getting started with implementing a customer-centric culture in your organization, take this moment as a teaching opportunity. Can your average employee effectively communicate their impact on the customer experience? For someone in sales, marketing or service, this may be easier to answer. But what about product, IT, finance, or operations? While the answer may not seem obvious, every employee plays a vital role in the customer experience. Sit down with your employees and talk through their impact to understand their role in the bigger picture.

Nurturing a customer-focused culture also means identifying customer champions internally and using them to help mentor and excite other organization members. Passion is contagious, and customer champions are effectively cheerleaders for the customer-focused culture.

On the flip side, you may find that some employees are not receptive to the customer-focused culture. Take the time to work with them to increase their participation in the culture and do what you can to help guide them to a customer-focused mindset. If this doesn't work, it's time to think about how people who aren't on board with the new culture affect the organization and determine if they are doing more harm than good. Creating a customer-focused culture for customer experience can require some complex employee evaluation of their value to your organization's new focus. Continually nurturing your internal culture is a long-term project that can bring changes to the organization and multiple improvements.

Provide the Right Tools

Communicating and enabling a cultural shift is essential to begin the transformation process. Still, you need to continue the momentum by providing the right tools for employees to do their jobs effectively. Employees that don't have access to the tools they need struggle with tedious, manual tasks that impact their mood, leading to increased frustration.

When employees are frustrated or lacking the tools they need, lower productivity and employee turnover occur. The effect impacts your customers because employees are a crucial part of creating positive customer experiences. Providing employees the right tools allows them to focus on building on the customer relationship and empowers them to be successful. The benefits of enabling employees with the right tools include:

- Less wasted time
- Fewer clicks
- More automation, less busywork
- Integrated solutions

To learn more about how you can select the right tools for your organization to empower employees and let the platform do the work, [check out this dedicated guide on technology for outstanding customer experiences.](#)



CULTURE

Bringing Culture Back to the Customer

Customer satisfaction and employee satisfaction go hand-in-hand because they grow in parallel. Creating a customer-centric culture means continually being engaged with your employees at all levels of the organization. The customer response to your company pays for employee salaries and affects the organization's bottom line—it's transactional.

Culture is a continual investment within your organization. With increased expectations from customers and employees who want to succeed, your organization can shift to being customer-focused to support your customer experience initiatives and grow.

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About SugarCRM

SugarCRM is how marketing, sales, and service teams finally get a clear picture of each customer to help businesses reach new levels of performance and predictability. Sugar is the CRM platform that makes the hard things easier.

Thousands of companies in over 120 countries rely on Sugar to achieve high-definition CX by letting the platform do the work. Headquartered in Silicon Valley, Sugar is backed by Accel-KKR.

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