



By Mike Mabey

customer satisfaction research

# Empowering the people

**S**ure you track customer satisfaction scores, but what do you do with the information? This is the story of a company that has successfully converted customer feedback into a powerful tool for organizational alignment and change.

Ten years ago, St. Louis-based Ameren Corporation did not exist. Created in December 1997 through the merger of Cipsco Inc. and Union Electric Co., Ameren purchased Cilcorp in 2003 and Illinois Power Company in 2004. Today, Ameren is an energy company with 2006 revenues that exceeded \$6.8 billion. The

company generates and delivers electricity and distributes natural gas to more than 2.5 million customers in four operating companies located throughout Illinois and Missouri.

Senior management recognized that there were many differences in how each of the four companies interacted with its customers. They decided to use customer satisfaction scores as a central driver for standardizing and improving service delivery across the organization.

Richard Mark, senior vice president of energy delivery for Missouri, started asking questions about customer satisfaction. What was being measured? How was it measured? How were the results used? Mark came to Ameren from a hospital background, where continuous process improvement in patient-related areas was critical. He believed that Ameren needed to think

Utility uses customer satisfaction to drive organizational change

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Enter Atlanta research firm CMI. Ameren engaged CMI in August 2005 to assist in designing and implementing three elements of the company's strategy for standardizing and improving service delivery:

- a process improvement implementation team to champion organization-wide process, system and culture changes;
- a process-focused customer satisfaction market research program that would identify opportunities for improving satisfaction in high-volume/high-impact company-wide service transaction areas;
- an online reporting system for providing customer satisfaction results to the field on a monthly basis.

### **Change is never easy**

One of the most important challenges surrounding the implemen-

tation of a new system is making it successful within the context of the organization. Organizational change is never easy, and it needs ongoing, high-level support and focus. So, to ensure organization-wide buy-in, Ameren senior management established a peer advisory panel.

The panel is a 22-person, cross-functional team drawn from the four operating companies and representing key areas of the company: construction services, corporate communications, gas operations, call center, metering, engineering, field services, billing and credit, and IT.

Senior management recruited panel members regarded as respected leaders who would be instrumental in gaining support for the initiatives from all parts and levels in the organization.

The peer advisory panel's mis-

sion was established to re-center the organization around improving customer satisfaction, with responsibility for:

- advising senior management on customer satisfaction;
- reviewing satisfaction results quarterly;
- identifying and prioritizing where improvements need to be made;
- actively developing and leading improvement teams; and
- recommending changes in the customer feedback system to target processes that should be improved.

### **Establish credibility**

The panel's first essential tasks were to establish the panel's credibility and obtain organization-wide buy-in. Panel members identified company-wide immersion in training of potential online reporting system users as the best strate-



## A Process for Establishing the Process

Building a process implementation team requires the following:

1. The leadership of a C-level champion
2. Creation of a peer advisory panel that represents all areas of the organization
3. Identification of short-term goals for quick, high-profile "wins"
4. Assembling of panel task teams with clear accountability and decision-making powers over specific improvement areas
5. Implementation of a successful improvement initiative based on customer feedback
6. Effective employee communications
7. Regular follow-up meetings to report on current initiatives and identify the next set of initiatives

gy for gaining buy-in and raising the panel's profile. They developed a goal of conducting 80 training sessions in five weeks to train and encourage employees across the four operating companies to use the new online customer satisfaction feedback tool.

The first training session was held at Ameren headquarters, where CMI trained the peer advisory panel members in using its online reporting system before panel members embarked on their own ambitious organization-wide training program. The system is CMI's Web Insights Navigator (WIN).

Although many panel members were reluctant to volunteer as trainers initially because they expected the system to be complex and challenging to learn, after taking the training themselves, all felt comfortable enough with WIN to sign up for the task.

Following WIN training, teams of panel members fanned out across the organization to conduct the front-line manager training sessions in two states, four operating companies and 23 divisions. They focused on highlighting how managers could use the quantitative results to manage

their divisions better through previous months' results received on the first business day of the following month. In addition, managers could use WIN to provide customer verbatims to field services crews, showing what customers liked and didn't like about their service crew interaction. This was information field operations never had before and it was enthusiastically received. It resulted in immediate widespread use of the new reporting tool. This success, coming early on in the process, created visibility for the panel and raised the profile of customer satisfaction feedback at the operations level.

The peer advisory panel has achieved success, both organizationally and on a personal level for its members. Although the 22 members were initially asked to commit to serve for only one year, all volunteered not only for a second year but have just re-upped for a third year of service.

### Four steps

Development of the new market research program involved four steps:

1. Identify who and what to survey.
2. Identify types of questions and

procedures common to all operating companies that would result in actionable information.

3. Develop the questionnaire.

4. Conduct a benchmark pilot study that would be used as a teaching and buy-in tool for future users of the information.

One of the concerns with Ameren's previous customer satisfaction efforts was that literally hundreds of transaction types were surveyed, with only a few completed interviews per type. This resulted in data that was anecdotal at best and could not be used to make decisions or determine the severity of a potential problem. CMI and Ameren decided to focus the survey on a limited number of critical areas, working together to identify key service delivery elements common to the whole organization. This ensured strong, defensible measurement statistics in each area, eliminating the problem of information that had little statistical validity or credibility.

In order to identify who and what to survey and the types of questions needed, CMI did the following:

1. Conducted internal interviews. We began with learning more from Ameren's internal customers to make sure the results of the research program would meet the needs of Ameren's management and other users of the information. The interviews were also used to examine hunches and current thinking about Ameren's customers and begin to align internal perspectives. The interviews focused on uncovering elements that are important to customers' satisfaction regarding specific types of service work, along with the elements of the service work that could result in actionable information.

2. Conducted external interviews. Commercial and residential customers were interviewed. The results would begin to define the landscape for customer needs and the foundation from which to begin to develop a plan

for actionable process improvement. Special attention was paid to the language that customers used to describe processes and their experience.

3. Created alignment. Based on information collected in the internal and external interviews, the Ameren/CMI team identified eight customer transaction areas that would encompass the bulk of important customer touchpoints. These were used as the basis for a day-long brainstorming session conducted with the newly formed peer advisory panel and facilitated by a CMI moderator. The session resulted in internal alignment on five transaction areas that would serve as the focus for the organization: new business, electric outage response, lighting repairs, meter connections and gas leak response. The discussions about which five to choose and specific questionnaire topics for inclusion were spirited and rewarding. An additional outcome of the session was an acronym for the program – FOCUS – which stands for Field Operations Customer Survey.

Prior to full-scale rollout of the research program in January 2006, a pilot customer satisfaction study was conducted with 3,000 customers over a six-week period. The results were used to create a benchmark and to serve as the data set for training peer advisory panel members on how to train others to use WIN.

### **Slow to arrive**

Easy access to timely results was deemed a critical factor in Ameren's strategy. As mentioned earlier, previous customer satisfaction results were slow to arrive at the division level and difficult to use easily. WIN provides a platform for accessing survey results anytime, anywhere. Monthly results are available on the first business day of the following month. The results are available for all authorized users – from the corporate level to

state, division, operating center and work-group levels.

The online reporting contains graphs illustrating key measures and links that allow users to drill down to more detail. All survey results, including verbatim comments, are presented online. Verbatims can be searched by key word and can be sorted by respondent satisfaction score, transaction, division, state or other criteria specified.

Putting a system-wide online reporting system in place required four steps:

1. Determine the user set – the levels of management that would need access, user password hierarchy, etc.

2. Determine user needs – the data users want to see and the types of reports needed, from executive summaries down to customer verbatim responses used by field service crews in the local offices.

3. Develop and test the system, including the look and feel of the site.

4. Train the trainers.

Development of WIN began with an intensive two-day meeting at CMI's offices with representatives from the peer advisory panel. The team determined who would be using the site, what would be available on the site and the types of filters that would be built into the system so that users from all levels of the organization could access the results they needed.

Mock-ups of all major screens were created so that panel members could see what the reporting system would look like before it was created. This allowed them to get internal buy-in and create early buzz within their organization for the new system.

### **Number of successes**

After only two years, Ameren's peer advisory panel, customer satisfaction market research program and online reporting system have resulted in a number of successes.

CMI meets with the panel quarterly by phone and semi-annually in person to review survey results and current process improvement initiatives and to hold a half-day planning session for the next set of initiatives. Identification of new improvement initiatives frequently leads to questions about specific processes, generating the need for incorporation of new survey questions. The result is that the survey instrument and WIN change regularly as new areas for improvement are identified. Of course, core questions needed for tracking are maintained, but the panel has chosen to view the survey instrument as not just a tracking vehicle but also as a tool for improvement, an information resource that evolves to meet changing needs.

One area of change is in how the divisions and service areas are defined. After using the system, managers quickly saw that redefinition of divisions and areas would make the information more actionable for them. By eliminating information about functions and activities over which they had no control and ensuring that they had information pertaining to the areas for which they were being held accountable, managers could focus their efforts more effectively. As a result, divisions have been realigned and new divisions added to better reflect improvement priorities and accountability of managers.

Ameren saw another interesting behavioral shift emerge. WIN, which was immediately accepted and is used by all levels throughout the organization, has allowed the divisions to benchmark themselves against other divisions that they saw as comparable and use that information as the basis for improvement. For example, one feature of the system enables the user to roll his/her mouse over an area of the screen to bring up the best-in-class division name and contact information, allowing managers to easi-

ly follow up with a peer for advice. Information such as this has opened the door for consulting with others in the organization, creating a more collaborative environment.

### **Basis for action**

Furthermore, the peer advisory panel is using WIN results as the basis for action, change, goal setting and compensation. The results give them places to look for improvements and problems. For example:

- For electric service problems, panel members created a process to provide on-site communications with the customer and/or a follow-up call stating that the company worked on the customer's problem and the cause of the problem.

- Panel members also identified a gap in communications regarding lighting repairs. As a result of the survey, managers determined that customers didn't know if or when repairs were made, and as a result were giving low or neutral satisfaction scores. The panel developed a standard for communication with customers regarding their street-light orders. An automated callback is made to inform a customer that his or her request has been com-

pleted, more extensive repairs are needed or that the light is not Ameren's. This has increased lighting repair customer satisfaction scores dramatically.

- The panel identified the problem of managers being held accountable for services and staff that they do not manage. The result is the creation of a new division that removes those services and staff to another division where responsibility is direct.

- The panel determined that new-service processes were not working as desired. An initiative team was created and recently returned to the group with a set of recommendations for changing the whole process, including installation of customer service staff that are specially trained to work with contractors, developers and others involved in new services requests and installations.

- For 2008, the panel is looking at changing the service transaction areas that are measured. Some areas are doing extremely well and really are not candidates for significant improvement, although it is important to keep the scores at a high level. As a result, during the August 2007 meeting it was decided to reconsider some of the areas not in-

cluded in the original August 2005 meeting to focus on new areas that may need improvements.

### **Truly customer-centric**

By working with the peer advisory panel and Ameren management, CMI has been able to bring focus to what was previously a scatter-shot approach to customer service measurement. The result is an organization that is truly customer-centric and effective at responding to its customers' needs.

There are five requirements for this type of strategy to succeed:

1. There must be visible C-level support and encouragement.

2. The feedback mechanism must be timely, accessible and easily used by all levels of management.

3. The implementation team must be knowledgeable and respected by those affected.

4. The organization's incentive and reward system must reflect the new focus.

5. The survey questions must result in actionable information. This means that the survey must be continuously reviewed for opportunities to update the content to meet the latest needs of the organization. |Q