

CUSTOMER SERVICE IN NONPROFIT ORGANIZATIONS

By Gary Bernstein

Introduction

Your nonprofit organization depends on customers or members for its means of support. Without them, JCC's & Y's would be nonexistent. Excellence is what differentiates a quality organization from the ordinary. Treating each customer as an individual will serve you well. Providing good customer service is the lifeblood of any business. You can offer promotions and slash prices to bring in as many new members as you want, but unless you can retain your members, your agency won't be in business for long.

An objective of any JCC or Y must be to provide the utmost level of customer care possible and to always strive for excellence. A customer, who feels good doing business with you, is more likely to stay affiliated and endorse you to their friends, neighbors and relatives. Customer service is no longer about telling people how great you are. It's about producing incredible moments in time, and letting those moments become the pivotal point of how astonishing you are, told not by you, but by the member who you pleased.

Good customer service is all about retention and keeping them happy enough to pass positive feedback about your JCC or Y along to others. If you're a good salesperson, you can sell just about anything to anyone once. But it just might be your approach to customer service that determines whether or not you'll ever be able to sell that individual anything else in the future. ***The core of good customer service is cultivating a healthy and strong relationship with your members, a relationship that will optimistically last forever.***

The way you go about establishing such a relationship is by remembering the one true secret of good customer service and acting accordingly; ***you will be judged by***

what you do, not what you say. Good customer care matters because keeping current ones is easier than finding new ones and contented customers will do a lot of your advertising. Invest time and attention on the members you already have to ensure that they will be loyal to you even when a competitor opens up shop down the street and offers services for less. There is an old saying "Treat people the way you want to be treated".

Defining Customer Service

Any nonprofit should endeavor toward keeping their constituents happy. To do that, you have to do things that will make people want to do business with you. To define customer service is to help JCC's & Y's learn and understand what their members' needs and wants are, so that procedures can be developed that improve and put into practice processes that are user friendly. For the purpose of this article, the working definition of **customer service** is a positive attitude of caring and ability to deliver the needs of the user, an assurance to provide quality service to internal and external customers and staff in a suitable manner, the practice of providing customers with top class benefits in order to satisfy them.

When one talks about outstanding customer service, Nordstrom must be included in the conversation. Nordstrom, the department store company that has grown from one downtown Seattle shoe store into a nationwide fashion specialty chain known for its outstanding customer service approach would rather hire nice people and teach them to sell, then hire salespeople and teach them to be nice.

Demonstrating Good Customer Service

In 2006, Claes Fornell, a professor at the Ross School of Business at the University of Michigan, along with other colleagues published what has become a classic study in customer service in the *Journal of Marketing*. Using data he created, Fornell found that companies with high customer service ratings were more profitable.

"Organizations that focused on superior customer service turned out to be all around better, more successful companies than those that treated customers like a grudging afterthought or a necessary evil." (Anderson & Zemke, 1998)

The difference between good customer service and bad customer service is often a single word: Attitude! More than any other single factor, a positive attitude makes the difference. Motivational speaker Zig Ziglar says, "It's your attitude more than your aptitude that determines your altitude." (www.ziglar.com)

Customer service trained staff who have a positive attitude will endeavor to help, even if they don't have all the answers. They will always find someone to help or will seek out an answer. Users will notice and appreciate this from your staff. On the other hand, a poorly trained staff member with an uncaring negative attitude will see a request for help as a nuisance or something that interferes with their "real" work. And once again, members will notice that type of attitude as well.

According to (Michelli 2012), Zappos (the online clothing store) seems to embody three characteristics that can easily be applied to JCC's & Y's:

- They plan to exceed their customers' expectations (they call this the WOW factor).
- They make a personal connection with their customers (call center staff are encouraged to take as long with a caller as it takes to resolve the problem).
- They don't stop at good customer service. Zappos people persist until they "make their customer whole again." If you have customers, you're in the customer service business. With increasing access to information and alternative products, your customer is electing where to do business based on the level of service they receive.

The Walt Disney Company has never lost sight of its founder's edict: "Give the public everything you can give them." From this simple statement, everyone at Disney strives to exceed guest expectations every day. For more than 80 years this singular pursuit of excellence in delivering consistent quality service has earned the Disney organization a world-renowned reputation and ongoing business success. (www.disneyinstitute.com)

Some think that good customer service is not about speedy service, but helpful service. If you are at the grocery and you ask a worker where a certain item is, most

of the time they will just tell you what aisle it's on. Those are the ones that are just doing their job. However, the ones with great customer service are the ones that not only tell you where that particular item is but accompany you to the exact location. Scott Ehrlich, Chief Executive Officer of the David Posnack JCC in Davie, Florida says, "We have a one story very large center with many hallways so instead of pointing members and guests in a direction, we walk them to their destination".

Customer satisfaction begins with the first contact a member has with your organization. Good customer service looks like this: Make sure you deliver a program, service or event you believe in! Then deliver a warm, sincere greeting during your first member contact. Establish whether your agency has what the member needs and offer to help find it or provide it or suggest a better alternative, to their benefit.

Develop an easy, positive rapport with your customer, which lets them know they are respected and appreciated. Strive to go above and beyond and then provide an easy, efficient way to complete the transaction. Sincerely and warmly thank the customer and invite them to come back if ever they need your help again (in whatever way is appropriate in your case). That's an example of excellent customer service and it will keep your members coming back to you.

In order to provide outstanding customer service and to keep your members happy, here is my **Top Ten List** of what your members and staff wants most from you.

- Promptness (never having to wait for service)
- Professionalism (confidence in your knowledge and character)
- Accuracy (confidence that things will be done right)
- Personal treatment (not becoming a statistic)
- Courtesy (friendliness, respect, trust)

- Product or service fulfillment (quality and reliability)
- Willingness to listen (your customers and employees want to be heard)
- Price/Value legitimacy (getting what you pay for)
- Flexibility (the business and staff can recognize the individual)
- Acceptable physical facilities (accessible, comfortable, clean and safe)

Moments of Truth

A moment of truth is when a person is generally put to the test. There are several critical times during a customer's relationship where a decision is made by the member to continue or discontinue interacting with that particular organization. This may be the first written membership correspondence or a monthly dues statement, how long your phone rings before being answered and how a phone call is handled, a purchase experience, or any event where a customer comes in personal contact with staff. These are called "moments of truth" and how a staff member interacts with the customers can significantly increase (or decrease) the long-term viability of that relationship.

A **moment of truth** in customer service is any contact, episode or interaction between a user and an organization through a product, sales force, or visit that gives the customer an opportunity to form or change an impression of the quality of its service.

The definition above is just that; a definition. Moments of truth can be defined in real-world examples like:

- The tone of your voice portrayed when you pick up the phone to greet someone
- The appearance of your facility during a users visit
- Your organization culture. Yes, they can see it in your attitude!

- Your agency logo, each and every time and place it's displayed
- Your efforts to collect on past due accounts, or handle other sensitive, potentially challenging and/or embarrassing moments
- Your ability to practice empathy. Put yourself in other's shoes and determine how you would like to be treated.

If you manage these moments well, you will receive high scores and earn a repeat visit. However manage these moments poorly and you will lose them possibly for life. This list of real world moments of truth examples could go on and on, for the numbers of moments of truth in one staff person's day are numerous, and will manifest themselves in a variety of different forms. Apply the concept to your JCC or Y and brainstorm a minimum of six to ten moments of truth you and your staff might encounter in a given day.

This training exercise may be used with your staff at monthly meetings or retreats. Develop and compile a moments of truth manual and use it during a new employee orientation session or with agency staff throughout the year. Please remember that every staff member (receptionists, housekeepers, fitness trainers, daycare workers, lifeguards, program directors, membership staff, clerical and support staff) is on the service management team because every employee manages certain moments of truth. In addition, every employee has the power to influence their moments of truth and every employee should have a plan for positively affecting the outcome of their moments of truth.

Effective Customer Service Skills That Work

Good customer service is all about giving your members the opportunity to express their wishes or disappointments, then doing everything within reason to make those wishes happen. You must make it easy for your customers and staff to contact you and voice their concerns either by mail, phone, e-mail or in-person. Executives who never see complaints are fooling themselves. Be sure not to insulate yourself on the grounds of protecting your precious executive time.

“Executives who hide from complaints also tend to develop a culture among managers and all staff that is scared of complaints, which naturally causes people to cover up and distort complaints when asked to report on them at a board meeting.”
(www.businessballs.com)

Organizations of all sizes and in all industries have learned vital strategies, such as answering calls within three rings and responding to inquiries within twenty-four hours. Caring about a customer is an expression of an internal value more than reading a script. JCC's & Y's can do a great many things to foster an environment where people are given the authority to act to satisfy their people. Excellence in any job function doesn't happen by accident, and customer service is no exception.
(www.super-solutions.com)

Manage well by hiring employees with good customer service skills and then empower them to deliver great customer service. Involve your staff and get their input on how to improve service to your members and guests. Your employees that have the most “people” contacts daily really understand what it takes to rectify the root causes of the complaints and to hopefully prevent the problems from re-occurring.

Your agency will be more effective when you get the culture right. This might seem outrageous, but open all communications and encourage complaints and make use of your employee's contributions to the whole process. **Here are ten customer service skills that are highly effective: 1) effective listening, 2) handling complaints, 3) identifying ways to improve customer service, 4) caring for customers, 5) under-promising and over-delivering, 6) working with positive team members, 7) presentation skills, 8) policy, 9) relationship building, and 10) positive voice.**

1) Effective listening

There are times when members can be irritating or even downright rude. All you can try to do is disarm them by being patient and listen to their particular problem; do not sink into an argument; and make every effort to be responsive, helpful and polite. Customers need to feel that they've been heard and understood, and that

doesn't happen without good listening on the part of the employee. Listen and let the customer talk about their complaint and let them emotionally unload if that's what they need to do. JCC of Staten Island CEO David Sorkin says, "Quality customer service has become the defining factor in the sustainability of most service related organizations and the critical element of the quality of customer service is the availability and attentiveness of employees. Most customers/members want immediate access to employees who have the authorization and ability to solve issues "on the spot." It is imperative that management understands this concept and provides employees with the training and authority to solve customer/member issues. I also ardently believe that members treasure the opportunity to engage with employees so it is essential that employees are physically accessible and available to engage members."

Listening is one of the secrets at Zappos, which is frequently recognized for its outstanding customer service. "If they want to talk, we want to listen," even if it has nothing to do with selling shoes, said Rob Siefker, the company's senior director of customer service. "One of our biggest metrics for evaluation is whether we made an emotional connection with every customer".

Chris Lovasco, Chief Executive Officer of the YMCA of the North Shore in Beverly, MA shares his agency customer service statement. "As a community-driven, member-based nonprofit organization, we feel it is important to create a culture of listening and learning in order to provide the best customer service possible. We do this in many ways, but maybe most importantly, by training our staff to proactively solicit feedback as an opportunity to build relationships and gain insight, helping us to continuously improve and adapt our member experience."

2) Handling complaints

If a consumer comes to you about a complaint, be very serious about how you handle it. If they are upset and angry, first calm him with words and action and show that you are serious about doing something to correct the problem. Even if it is obvious that he's wrong, sometimes it's better for repeat business to take the loss and compensate the individual.

Then, when your customer is satisfied that his complaint has been properly addressed, thank him for bringing the problem to your attention. Remember, no

amount of advertising can repair the damage done by failing to properly address a person's concern. Even more damaging to a JCC or Y is the "silent complainer." That's the customer who simply walks out of your facility without saying a word, and you never see him again. These silent complainers have friends and their friends have friends. According to www.businessballs.com, "80% of customers tell someone if their complaint is not handled well."

3) Identify ways to continuously improve customer service

Best practices dictate that every staff member who has contact with the customer knows the individual by his full name and, when possible, other personal or business information about him. "Good morning, Mrs. King. Welcome to our agency today. "By the way, Mrs. King, "Did your daughter ever accept her offer at Central Florida? Last time I saw you, you expressed concern that Nikki was having difficulty deciding on what graduate program to attend."

It's simply a great practice remembering a members name and a few pieces of information that your member shared with you the last time she visited your facility. When you can show care and interest about what matters most to your customer, that's smart business, and you can bet on it that you've just retained them for life. Remember, any customer who is a parent will always find time to talk about their kids. If you sincerely inquire about how little David is doing at Cub Scouts or how little Susan is doing at soccer, you'll surely score big!

4) Caring for customers; empathizing and helping

"If you aren't taking care of your customers, your competition will." Print this message out in large, bold letters and place it where your staff will see it most. Most people prefer not to leave you for a competitor down the street. They really have better things to do with their time, which means that retaining your customers should in fact be easy. Easy if only organizations would attend to the basic customer service principles and keep them happy. In short, customers largely do not usually leave unless they are upset enough to do so.

5) Under promise and over deliver

Always exceed your employees and your customers' expectations. If your employees expect a \$100 bonus, give them \$150. If a client expects a shipment in three weeks, get it to him in seven days. It might cost more, but you can make your agency special by doing the things that others will not do because it seems 'above and beyond'.

Over time you will start seeing an extra-ordinary amount of positive benefits.

“Customer Service is a function of how well an organization is able to constantly and consistently exceed the needs of the member.”

(<http://www.customerservicepoint.com>)

Once every other decade a company comes around that dares to defy the odds and do things differently. We saw this with Henry Ford in the 1900's-1920's, with Walt Disney in the 1930- 1960's, and with Saturn and Netscape in the 1990's. Disney is well known for its exceptional customer service and its focus on guests. What good is the ability to exceed customer expectations if it can't be delivered consistently throughout the organization? (www.themedattraction.com/disney)

At the West Suburban Y in Newton, MA, they frequently have the opportunity to do the unexpected and all jump at the chance and lead by example. According to Jack Fucci, President & CEO, “Recently during a busy time at our Y and during camp drop off, a members car broke down in a troubling location in the parking lot. I along with another staff member helped her push the car into a safe place while she waited for the service truck to arrive. We love to surprise our membership by jumping in, getting our hands dirty and helping out in ways unrelated to our Y programs and services. We love looking out for our members”.

6) Working with positive team members

A high level of customer retention by way of effective customer service increases staff morale and motivation. No one enjoys working in an environment that feels like a sinking ship, or where stressful arguments prevail. When members are happy, the staff is more contented and productive too. Improved staff morale and

motivation positively benefits staff retention.

Staff Training should start on day one. Exceptional service does take time and needs ongoing attention. The payoff is worth the effort. Imagine what your JCC or Y could do with loyal staff out there singing your praises.

7) Presentation skills or Choose Your Attitude

“You make your mood, and your mood can stress or relax you. Smiling is contagious. When you see a customer looking a bit sullen, make eye contact and turn on one of your best and brightest smiles. Ninety-nine times out of a hundred, you will get a smile right back.” (Anderson & Zemke 1998)

In the best-selling book *FISH*, “I realize that each day when we come to work we bring an attitude. We can bring a moody attitude and have a depressing day. We can bring a grouchy attitude and irritate our coworkers and customers. Or we can bring a sunny, playful, cheerful attitude and have a great day. We can choose the kind of day we will have.” (Lundin, Christensen & Paul, 2000)

8) It's Our Policy

Processes should never be hassles; they should be designed to remove barriers to providing excellent service. An elderly woman learned about a particular YMCA from her friend. She decided to make a donation because she was so taken with what the Y did for physically challenged children. She contributed \$50 online at the organization's website. She got a receipt by email but never received a proper thank you letter in the mail nor any other form of communication from the organization. Guess what? She never donated again.

A woman and her husband were given tickets to a local theater production from a friend. There was a mix-up about the date so the couple showed up on a Saturday night instead of Friday. The box office attendant greeted them warmly, said nothing about the error, and seated them for the performance. Later the couple realized their mistake but was so taken with the way the theater handled the situation that they bought season tickets for the following year.

These two stories are true. One of these Y's lost a potential supporter who could have been of long-term value. The second gained two friends, their financial support, and great word- of-mouth endorsement.

9) Relationship building

Developing robust relationships with your clientele is critical to effective and dynamic customer satisfaction and retention. The true achievement of your organization depends on your ability to build relationships. Your customers are at the center of this relationship, not your agency. To be highly effective, you must focus on them. Respect and understand the needs and motivations of your customers. (This means you have to really get to know them.) Communicate your programs and activities and their value to them. Follow-up, cultivate and nurture this relationship. Cultivation activities include customer recognition, personal meetings, and events where you hang out and talk with them. Good Customer Service is of the utmost importance at the Mid-Island Y JCC in Plainview, NY. "As a full service community center serving members as young as 6 weeks old all the way up to our centenarian population, we work hard to address everyone's needs and requests. Whether it is a friendly face saying hello at our Welcome Center, a personalized phone call when someone doesn't show up for program or hasn't been in to see us in a while or one of our many forms of outreach (emails, texts, social media); we make sure we communicate in a way that meets the needs of a various populations", says Rick Lewis, Chief Executive Officer.

10) Positive voice

Positive language is the art of using words and phrases to create a positive image in the user's mind with an emphasis on what can be done, not on what cannot. Using positive language shows a willingness to serve and a commitment to building customer loyalty. It's especially important to use positive language when saying no or delivering bad news to a client. Following are two examples of a staff member conveying the same message with and without positive language.

Example 1

- Without positive language: “You have to take the system offline before I can make the repair.”
- With positive language: “In order to make the repair, I need to temporarily take the system offline. This prevents permanent loss of stored data.”

Example 2

- Without positive language: “I can’t get you that uniform until April; it’s on backorder.”
- With positive language: “That uniform will be available in April. I can place the order for you now and make sure the uniform is sent to you as soon as it reaches us.” (www.impactlearning.com)

Theodore Levitt wrote in his book, *The Marketing Imagination*, “The essence of competition is differentiation: providing something different and providing it better than your competitor”.

Your goal is to make the most of the hand that you are dealt. Since you may not be able to compete in areas that you have little control, you should make sure that your staff excels in the area of customer service. If your agency is to first stay afloat and later to prosper and succeed, you must find the edge over your competitors in the area of acquiring and training the finest staff in delivering superior customer service to your customers.

It all comes back to one thing and that one thing is ***developing positive and quality relationships with your members***. The quality and staying power you can offer is your caring and dedicated staff. The crucial and constant factor is the human element, which is how members are treated and communicated with, because simply, they are people and people respond to people.

Summary

If you truly want your JCC or Y to succeed, then get out of your office and talk face-to-face with your members and guests. You often hear the phrase that the “customer is always right”, but how would you know if you don’t leave your office? JCC and Y staffs that don’t move outside their office and mingle with customers, miss the chance to get ahead of customer complaints, of competitors, and of their own careers. Getting out of the office to interact with people can teach your staff a great deal. By talking with and asking your customers questions, you will undoubtedly learn a lot.

Make a difference each and every day with the relationships you develop and cultivate with your clientele. The glue which holds it all together for the user and often the only thing that really matters to them is the quality of customer service that they feel and experience.

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