



# EMPOWERING STAFF

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IN MOST SERVICE companies, things go wrong with the customer experience from time to time. Obviously people expect this to happen sometimes—we don't live in a perfect world, after all—but companies are judged not so much on what goes wrong, but on how they go about putting things right. Usually, correcting problems is something reserved for managers or complaints handlers—which is fine, except that the customer often has to go from one person to another to get the problem fixed.

In services, the people element of the provision is obviously extremely important. In some cases, people actually ARE the service: hairdressing, teaching, entertainment, and so forth. For retailers, the staff are the company as far as the customers are concerned, so retailers need to consider hiring good “people” people in the first place. Not all of them do—and staff training is no substitute for hiring people who are polite and helpful anyway.

Combining these two elements, we see that customers who have a problem stand a good chance of being greeted by a disinterested store assistant, who refers the problem to someone else who may or may not be available and who may or may not be able to help. This will hardly enhance the customer's experience with the service—and it is extremely unlikely to result in a return visit.

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## The idea

IKEA, the Swedish furniture retailer, is famous for many things—stores the size of football pitches, simple Scandinavian designs, flatpack furniture, and Swedish meatballs in the store cafeteria, among

others. What they have beyond any doubt, though, is committed and capable staff (whom they call co-workers). Getting a job at IKEA is by no means simple: the company is looking for people who can act on their own initiative, and who can deal pleasantly and capably with customers, so IKEA is extremely selective in who they employ.

IKEA staff are all empowered to fix customer problems immediately. Whichever employee is approached, he or she will deal with the problem straightaway, whether by replacing a faulty product, offering a reduction, or offering a meal voucher for the restaurant. Obviously staff have guidelines for what they should and should not do, but the guidelines are just that—staff are expected to do whatever is necessary to solve the customer's problem.

Because the staff are well trained, well motivated, and intelligent, they can be trusted to deal with problems. The result is actually a cost saving, because less staff time is wasted on dealing with a problem—if a free meal in the cafeteria saves even half an hour of management time, it is money well spent. The net result is that IKEA runs with fewer staff than most comparable retailers, and scores much higher on customer satisfaction surveys.

## **In practice**

- Hire good staff to start with.
- Train them well, especially in terms of understanding the boundaries of their empowerment.
- Don't second-guess them. If they were over-generous in handling a complaint, or believed a customer who was pulling a fast one, it won't help if you start giving the staff member a hard time.
- Most people, staff or customers, respond well to fair treatment.
- Hire trustworthy people, then trust them.