

Service Process Mapping: Seeing with your Customer's Eyes

by Rich Horwath

The holiday season is a wonderful time of year to realize the value of service process mapping—usually by experiencing other companies doing it poorly.

Case in point: After purchasing several items at a major retailer, a salesperson provides me with a “free” gift because of one of my selections. I take the items and “free” gift and proceed to the checkout. The checkout person charges me for the “free” gift. After informing her that I didn’t ask to purchase the “free” gift, she sends me to the customer service desk (which has a line of 15 customers waiting) to receive my credit for this “free” gift. Twenty-five minutes later, this business has lost a customer for life.

A study by the Forum Corporation reports that customers are five times more likely to switch to a competitor because of poor service than because of poor product quality or price issues. Research has also shown that customers are willing to pay up to 30% more for an average product if they receive outstanding service from the company.

The level of service is also a key method of increasing customer loyalty. Loyal customers reduce cost (no further acquisition costs and lower direct operating costs), pay more for superior service because of their confidence in the company and purchase higher volumes over time as their positive experiences grow.

Service Process Map

A service process map is a visual aid for

picturing the inputs, activities, outputs, people and resources involved in satisfying a customer’s need for your product or service. It acts as a tangible blueprint to assess exactly how efficient or inefficient the customer is being served.

Relative to strategy, a service process map gives you a quantifiable way to determine where and in what amount current resources are being allocated. Once you know exactly how your current resources are being used, you can optimally allocate resources in the future.

Service process maps move groups from a reactive to a proactive mode. They do this by prevention—not prevention as in preventing problems from recurring, but rather occurring in the first place. As W. Edwards Deming, the originator of the quality revolution once said, “I should estimate that most problems and most possibilities for improvement add up to proportions something like 94% that belong to the process and 6% to special causes.”

Origin of Process Mapping

Process mapping emerged in the 1980s and was initially developed by General Electric. GE used the concept in their “Workouts,” “Best Practices,” and “Number One or Two” programs to significantly improve their business performance. Due in large part to their commitment to these programs, GE grew their market value from \$13 billion in 1981 to \$162 billion in 1996.

The concept of process mapping was first applied to the manufacturing and production areas. Toyota used process mapping to identify waste in their production systems and ensure

that each aspect of their processes added value to the system. Companies such as GE then began applying process mapping to the service side of their business—hence the term “service process mapping.”

Just as GE was able to use process mapping to provide service standards for their multitude of business units and locations, you have this same opportunity. Service process maps have become popular because there are usually four variants of every service process at any time:

1. Process that is recorded in a manual.
2. Process that everyone thinks exists.
3. Process that actually exists.
4. Process that should exist.

Service process maps are essential as customers in all industries have come to expect more, expect it faster and expect to pay less for it.

Features of a Service Process Map

A service process map starts with a trigger, something that puts the service process in motion. The trigger should in some way originate from the customer, usually in the form of a proposal request or order. Understanding what triggers the service process can add insight into the effectiveness of such areas as sales targeting, client selection and market capture.

A key feature of service process maps is their measurement component. Metrics for service process maps should be process-based, rather than output-based. The output-based metric is only generated after the process has been completed and is therefore, reactive. Service process measures are predictive in that they reflect the performance of activities that *cause* the future outcomes. The measurement component of service maps are important for the following reasons:

- **Shows how effectively resources are used.**
- **Provides the input for analyzing root causes and sources of errors.**

- **Generates an understanding of what is actually occurring.**
- **Helps evaluate the need and impact of change.**
- **Delivers a consistent monitoring device to ensure that output objectives are met.**

For instance, a provider of healthcare products might measure the time it takes from the initiation of a hospital RFP (request for proposal) to the point that the proposal is generated and sent to the hospital. Or it can measure the time it takes for a sales rep to follow-up with a customer after the customer's initial contact with the marketing department.

Measurements can and should include the qualitative aspects of your business as well. In companies that haven't analyzed their service process, it's amazing to see the myriad of different ways people in the same functions carry them out. While it's important for each person's strengths to be utilized, having marketing or sales managers all using different strategic planning tools and templates is inefficient and ineffective. A service process map helps you identify best practices and then have those best practices utilized, maximizing your business performance.

Benefits of a Service Process Map

A service process map yields a host of benefits for your business:

- **Focuses your people on the customer's perspective of the service process;**
- **Ensures more reliable and consistent service processes across all of the company's geographic locations and functional units;**
- **Improves the start-to-finish project time;**
- **Increases cross-functional communication;**
- **Serves as an excellent training aid for new or transferred employees;**
- **Uncovers inefficiencies and non-value added activities, forms, reports and approvals;**

- **Identifies obstacles and bottlenecks that are hampering the service process;**
- **Provides management with the “big picture” relative to how they actually serve their customers.**

Creation and Implementation

The development of the initial service process map provides an exciting opportunity to rethink what you do and how you do it. Companies that have developed and implemented service maps experience reinvigoration in their work because many time consuming and irritating activities that provided little value were removed from the service process. And unlike many other initiatives, service process maps can be created and implemented relatively quickly (2-4 weeks on average).

The primary service process map phases are as follows:

1. Establish the team

- Select members from each of the functional areas represented in the process.
- Provide training overview.

2. Define the service process

- Set the process boundaries.
- Identify the goals of the service process map.
- Prepare a one-page brief outlining the deliverables, accountability and time frame.

3. Generate a list of issues to be addressed

- Current performance gaps between company and customer expectations.
- Current performance gaps between company and competitors.

4. Complete a Process Profile Worksheet

- One-page template that captures the critical process information:
 - a. Process champion
 - b. Process description

- c. Customer value drivers
- d. Customer value driver metrics
- e. Triggers
- f. Inputs
- g. Activities
- h. Outputs

5. Create the “As is” service process map

- Visually depict the process as it is currently being performed, including people, resources, actions, forms, reports, metrics, etc.

6. Review the “As is” service process map

- Determine effectiveness and efficiency of current process.
- Identify bottlenecks, non-value adds, structural and resource issues.
- Create list of best practices for each step.

7. Create the “Should be” map

- Use basic flowchart symbols to create the map.
- Create a list of potential obstacles in launching the new map and ways to overcome them.

8. Implement the “Should be” map

- Pilot test the “Should be” map.
- Train employees on the new map.
- Develop a feedback mechanism.
- Benchmark revised metrics.

‘Tis the Season to Serve

By creating a service process map for your business, you’ll allow your group to see through the customer’s eyes. And that may be your greatest gift of all this holiday season.□

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