

## *Meaningful Objectives and the Process Approach*

Meaningful objectives are arrows pointing toward improvement. Reducing customer complaints concerning response time by 25% within three months is meaningful. Maintaining service response time at its present level is not. Meaningful objectives are developed by defining where you are, projecting where you want to be, and determining how to know that you've arrived.

### **Define the Process**

For example, to ensure the 25% reduction, you would have to define the following:

- The services performed.
- The current response time for each service (the baseline).
- The number of response-time complaints per service.

From this you could target the services with the most complaints to get fast and useful results.

However, addressing the problem requires more than just looking at how your employees respond to service requests. Part of the problem could be lack of inventory, unrealistic expectations conveyed to the customer at time of sale, poor communications, etc. The only way to determine the root cause of the problem is to define all those activities that contribute to the service process and see how they impact the outcome. This is the **process approach**.

A process is the steps involved in an activity in product or service fulfillment . These activities include design, purchasing, production, product installation, equipment calibration, packaging, statistical analysis, quality assurance, even sales and accounting. Unless you look at the system of processes you could miss critical activities that are impacting the end result without your knowledge..

Based on this, setting meaningful objectives through the process approach requires that we define the processes that are a part of the product or service. Many will be easy. The design process produces design documents that are used to produce templates, milling and assembly instructions, packaging, etc. The service model produces what will be delivered, how and when. But what about ancillary activities? How can they affect the customer?

The quote to the customer from sales is part of the process. What if that quote had an unreasonable service response time? The budget for producing the product or service, developed by accounting, is part of the process. What if necessary equipment wasn't purchased or service representatives weren't hired because the money wasn't in this year's budget? The collection of debt is part of the process. Maybe the budget was tight because money isn't being collected. While it may seem ridiculous to be examining the whole company for a service response issue, how else can you determine what is really causing the problem?

### **Define the Objectives**

Next is developing meaningful objectives that a) address an attribute that can be accurately measured and b) can be continually improved. Measured means that what you want to accomplish can be measured quantitatively. Continually improved means that once you've attained the objective and improved the process, you can aim toward improving even more.

**"Maintain customer satisfaction at current level,"** isn't quantitative nor does it lead to continual improvement.

**"Increase customer satisfaction to 90%,"** is quantitative but what's being improved? How do you define and measure "satisfaction." How do you define and measure "dissatisfaction?" What can you

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do to fix something you probably can't define? Many surveys have indicated high customer satisfaction with companies that are doing poorly. These surveys tested satisfaction but not loyalty and the producers soon found that satisfied but unloyal customers leave as often as dissatisfied. The attribute is slippery.

**“Reduce customer complaints concerning response time by 25% within three months,”** fits the criteria. A complaint can be categorized and counted. The processes that contribute to response time can be defined. Once the 25% reduction is achieved, further reductions can be targeted. If the reduction is not achieved, at least you know what processes need your attention. Most important, cleaning up the complaint process likely will lead to some increase in customer satisfaction because you are addressing a customer-related activity not a customer-related feeling.

Once processes and objectives are defined, your employee team can use process improvement tools such as root cause analysis or business re-engineering to define what's wrong and what has to be done to make things right. What needs to be fixed then becomes sub-objectives leading to attainment of the main objective.

You may not meet your objective the first time around but as you refine your skills in analyzing processes and issues, your success rate will continually improve, which is our real objective.