Understanding and Improving Customer Focus

How customer focus can help sustain and grow your organisation

Module 1: Introduction to Customer Focus
Last updated: December 2013

For more information and details on support available visit the clearinghouse website at www.communitydoor.org.au/SectorReadiness
Understanding and Improving Customer Focus: Program Overview

These are just some of the questions posed by disability service providers as the National Disability Insurance Scheme (NDIS), one of the most significant social changes in recent Australian history, is introduced. For people with permanent and significant disability, their families and carers, the NDIS provides greater choice over the care and services they receive, and shifts purchasing power from the government to consumers.

For disability providers, the NDIS will result in a move to a competitive open market. Providers will need to market their services and work hard to attract and retain clients. They will need to carefully balance the achievement of missional objectives, whilst ensuring the sustainability of their business.

Disability providers are being supported to make this shift via a series of modules on *Understanding and Improving Customer Focus* as part of the Sector Readiness and Workforce Capacity Initiative. These modules will help providers gain insight into their clients’ needs and ensure that all aspects of the business (e.g. strategy, marketing, customer service, human resources, finance and operations) are aligned to deliver on this.

The program includes the following four modules:

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Module 1:  
Introduction to Customer Focus

Module Objective
This module is designed to introduce disability service providers to the concept of customer focus. At the completion of the module, participants will be able to:

- Describe the concept of customer focus
- Identify their organisation’s different customer groups
- Outline why customer focus is important to the disability sector
- Identify the four elements that define a customer-focused organisation
- Outline how to become a more customer-focused organisation

Introduction to Customer Focus

“The single most important thing to remember about any enterprise is that there are no results inside its walls. The result of a business is a satisfied customer.” Peter Drucker

The concept of ‘Customer Focus’ has been gaining prominence in recent years as organisations realise the importance of concentrating on customers. For truly customer-focused organisations, every business activity is informed by customer needs and is designed to improve the customer experience.

Customer focus is a key source of sustainable competitive advantage for organisations. Customer-focused organisations understand their customers, and align their strategies, systems and people to deliver on customer needs. Customer focus improves the effectiveness of marketing and service activities, which will be essential in the new, competitive NDIS landscape.

What is customer focus?

Customer focus is an approach to achieving organisational success by aligning systems, processes and activities around a common purpose – the customer. Organisations can choose to focus on a range of things – manufacturing efficiency, internal processes, new product development. These things are important, however only customer focus ensures that the organisation is delivering to the changing needs of those people that will keep them in business.

Customer focus is different to customer service. Customer service relates to the interactions between frontline personnel and customers. Customer focus relates to the alignment of the organisation’s vision, strategy, people, processes and systems, to deliver on identified customer needs. While customer service is the role of a team or department, customer focus involves everyone in the organisation.
Who is the customer?
The word ‘customer’ generally refers to the purchaser or user of the organisation’s products and services. However, by taking a broader perspective on the concept of ‘customer’, systems and processes can be designed to effectively engage all stakeholders.

An organisation’s customer groups may include:
- Users, clients or participants
- Decision-makers (e.g. family members, carers and other influencers)
- Purchasers
- Funders
- Referrers
- Staff, who are internal customers.

While successful organisations identify and design services for their primary customer, they also don’t lose sight of the importance of other key stakeholders who engage with them.

What defines a customer-focused organisation?
It is critical that customer-focused organisations have a clear vision and strategy that has been informed by customer needs. From this foundation, every aspect of the organisation can be aligned to deliver on that vision and strategy, including the core elements of business leadership, customer experience and employee experience. These elements are inter-related as shown by the diagram below:

![Diagram 1: Four Elements of a Customer-focused organisation](chart.png)
Why is customer focus important to the disability sector?

The disability sector in Australia is currently undergoing a major philosophical shift towards the user of services, and their supporters, having a choice of:

- Who will provide the services (which provider)
- In what setting (home, in the community, or elsewhere)
- How funds are allocated and distributed (through one provider, through many, or self-managed)

As a result, customers and their supporters will have more choices available. They will spend more time evaluating the customer experiences they receive from providers in the sector.

Successful and sustainable organisations will be those that have identified the unique needs of their customers, and have aligned all parts of their business to deliver a consistent customer experience. Customer insights will inform their approach to marketing, customer service, HR, finance and operations.

How to become a customer-focused organisation?

To become customer-focused, organisations will need to:

- Understand who their customers are, and seek to generate deep insights into their needs and drivers
- Align their business strategy, systems and people to deliver on those needs
- Continue to engage with customers over time to inform continuous improvement efforts

The Understanding and Improving Customer Focus modules developed as part of the Sector Readiness and Workforce Capacity Initiative give disability service providers a step-by-step guide to reflect on their current level of customer focus, understand their customers better, and design a tailored program to improve customer focus in their organisation.

The modules include:
Module 1 - Introduction (this module)
Module 2 - Customer Focus Self-Assessment
Module 3 - Understanding Our Customers
Module 4 - Developing Strategies to Build a Customer-Focused Organisation

Next Steps

After reviewing this introductory module, it is recommended that you discuss the need to improve customer focus with your Board and Senior Management team, and gain their commitment to the implementation of customer focus. This will provide the necessary context to position and complete Module 2 – Customer Focus Self-Assessment.
User Feedback
A module on improving customer focus would not be complete without a request for feedback from users!

We are keen to hear from disability service providers on:

- How you have used this information
- Any suggestions for improvement on this, or subsequent modules

3rdView Consulting are also happy to discuss options to guide you and your organisation through the Customer Focus Self-Assessment (Module 2).

Feedback, or requests to discuss the information contained herein, can be sent to 3rdView Consulting at info@3rdview.com.au.

For more information and resources, visit the Sector Readiness and Workforce Capacity Initiative Clearinghouse: http://Communitydoor.org.au/SectorReadiness

The Sector Readiness and Workforce Capacity Initiative is a collaboration between the Department of Communities, Child Safety and Disability Services, Health and Community Services Workforce Council, National Disability Services Queensland and the Southern Queensland Institute of TAFE.

This resource has been developed by 3rdView Consulting Pty Ltd in consultation with National Disability Services Queensland.