



Focus on the Soft Skills to Get the Hard Stuff Done



By Dr. Nara Venditti

World-class customer service underpins a company's long-term survival, especially in today's service-oriented economy. Not surprisingly, a study by The Forum Corporation showed that 65 percent of customers move to another provider because of poor customer service. A company may have excellent products and a well-trained technical staff, but if it fails to provide more than adequate customer service, it may not be able to sustain its business. Each phone call, e-mail, or face-to-face interaction that front-line employees have with customers presents a valuable opportunity to reinforce a positive company image. However, the basic interpersonal skills that one must possess in order to achieve this typically are not taught in schools, and academic life generally offers little opportunity for learning the art of dealing with people.

During my many years of working in the customer service field, I have found that teaching a CLEAR approach—communicate, listen, empathize, ask, and relationship building—helps to improve soft skills. (See *Figure 1*.)

• **Communicate.** Words are powerful tools that affect and determine the outcome of the business

Figure 1

C = Communicate
L = Listen
E = Empathize
A = Ask
R = Relationship Building

INSIDE MANAGEMENT BRIEFS



Focus on the Soft Skills to Get the Hard Stuff Done

By Dr. Nara Venditti

page 51



Healthcare Technology Support 2006: An Updated View from the Market

By William J. Beaumont

page 52



Services Marketing: Deal or No Deal?

By Joe Siderowicz

page 54

dialogue. They can trigger positive or negative feelings. In business, the words we speak (verbal communication) are one component of communication. Separate from technical substance, courtesy and understanding are crucial to good customer service. The service professional who can use words appropriately will have a clear advantage in the service interaction. The simple statement, "Is there anything else that I can help you with?" will be music to the customer's ears when asked at the right moment during the service transaction.

Nonverbal cues expressed in face-to-face situations are another component of communication that can be more revealing than what is said. Body language often can convey confidence and sentiments more so than spoken words. Some of the more obvious cues in nonverbal communication are smiles, eye contact, handshaking, personal distance, and physical contact.

For instance, in the U.S., an acceptable distance between conversing individuals is between one and a half to two feet. Less space can trigger discomfort and anxiety and distracts from the subject. Except for the British, Europeans tend to stand closer while engaged in conversation. A good, acceptable distance in Japan is approximately four feet. The essence of nonverbals will vary across cultures, and your services professionals need to be aware of them. Learning to recognize, interpret, and react to body language and other nonverbal communication can be a powerful advantage.

- **Listen.** Customers expect service representatives to possess and demonstrate the ability to listen, understand, and take action on their specific needs. Active listening such as nodding when you are interacting face-to-face or an

occasional "I see" over the phone reassures the customer that the service rep understands the problem and will recommend the best action.

- **Empathize.** Acknowledging another person's emotional state by saying, "I understand why you feel this way," demonstrates sensitivity to a customer's needs. Empathy can help to relieve the customer's anxiety and turn a defensive attitude into one of cooperation. To quote Jack Canfield, "They don't care what you know, until they know that you care."

- **Ask.** To be certain of a customer's intentions, one needs to master the art and science of asking questions. Among the many types of questions that a service rep should be familiar with are open-ended and closed questions, preview and probing questions, and confirmation questions, to name a few. Each category can include appropriate questions to ask as well as questions to avoid (depending on the situation).

An example of a good close-ended question is, "Do you prefer to be contacted by phone or e-mail?" If an appropriate question is asked at the appropriate time, the customer will recognize and appreciate the concern, develop trust, and connect with the customer service professional.

- **Relationship building.** All of the above points add up to good relationships. Those who communicate well, listen hard, and empathize sincerely will build strong relationships. Creating a positive experience will leave the customer with a positive impression of both the company and its products and services. A satisfied customer often will lead to repeat business and favorable publicity. A good relationship is good for business.

Training your services profession-

als to use soft skills effectively, domestically, and across the globe will help enable you to satisfy your customers' needs, exceed their expectations, sell more through good services, and make a significant, positive contribution to your bottom line. ▼

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Healthcare Technology Support 2006: An Updated View from the Market



By William J. Beaumont

In late 2005, ISS Solutions commissioned research to obtain a qualitative assessment of what was on the minds of service delivery executives supporting IT and clinical engineering (CE) technologies. The research was focused on large hospitals or systems representing 500 or

more beds.

The core research was performed by D.F. Blumberg Associates and involved discussions with a broad range of hospital senior executives, department managers, and representatives of group purchasing organizations (GPOs). It was supplemented with conversations with senior officers of independent services organizations (ISOs) that provide technology support for hospitals. In total, participants represented over 150 hospitals.

The below findings provide insight into the attitudes, challenges, and issues faced by healthcare service delivery executives. Not all findings are universal, varying by organization. However, in aggregate, the findings do provide insight into the general thinking across the industry.

ISS Solutions is making this information available to the industry based on the belief that through an exchange of ideas and viewpoints, the industry's participants can become more efficient and effective in improving the quality of healthcare in the U.S.

Findings

1. Cost and productivity is a challenge. The healthcare industry has a poor reputation related to controlling costs. Payers and the public are questioning increasing costs. In addition, a large portion of the population cannot afford healthcare, creating a political problem. We found that industry executives universally feel this cost control pressure. This has found its way into services and support organizations.

2. Costs are not always known. Despite cost pressures, not all organizations know their costs and consequently cannot control them. Separate cost centers, reporting relationships, and procurement processes restrict vis-

ibility into the total cost of ownership (TCO) of technology. In addition, we did not find many organizations setting cost and productivity targets based on "best in class" suppliers. We found that, in some cases, annual cost increases are planned based on anticipated higher patient volumes, new technology deployments, and required new skill sets.

3. Support requirements are changing. Our interviews pointed out that the need for quality support is increasing. 24x7 support is becoming a standard as technology becomes the underpinning of communications, medical records, diagnostic capabilities, and healthcare delivery. "Real time" is now a prerequisite of both revenue generation and patient treatment.

4. OEM support still is perceived to be costly. OEMs and software publishers generally offer services with their products at least through the warranty period. However, it is the industry perspective that OEM support can be expensive. In addition, healthcare organizations appear to find it difficult to obtain required documentation, training, and cooperation when a third-party provider is used. It was pointed out that arrangements with OEMs need to be negotiated when equipment is purchased in order to maximize cost economies. Many organizations have limited experience in this area due to the infrequency of purchase. Consultants, ISOs, and GPOs can and, in some cases, do add value to this process.

5. A single provider approach is no longer viable (if it ever was). Total IT and CE support programs are complex. We heard that no one party could provide a complete solution. An effective service strategy usually includes

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internal staff, OEM support, and ISOs. Some in the market are referring to this as open sourcing.

6. Healthcare organizations face an outsourcing paradox. Many organizations outsource low-value-creating work while concentrating on core business processes. However, we found that in the healthcare service area, there is a tendency to handle "commodity technologies" internally. This includes PCs, notebooks, hospital beds, pumps, and so forth. The key question for management is whether these technologies are really mission-critical. On one hand, it can be argued that anything involving patient care is mission-critical. On the other hand, third parties can handle commodity technologies adequately.

7. Imperfect market knowledge limits choices. Our research found that internal services organizations can be skeptical about the capabilities of third-party maintainers. They generally rate the performance of ISOs as adequate, at best. However, few knew the major market players or their programs when questioned. This suggests that effective alternatives may be available that are not known.

8. ISOs are skeptical regarding the effectiveness of internal support programs. Based on their experience with multiple clients, third parties question in-house staff's effectiveness in optimizing services program costs and quality. They point out that many internal organizations do not know their costs and are not skilled in best practices. However, when questioned, few ISOs reported having developed capa-

bilities to help a client benchmark and evaluate the cost-effectiveness of their programs.

9. Service is local. Healthcare organizations indicated that service experience is closely related to the service delivery professional. The services business is a people business. We found that the attitudes and skills of the local technicians and managers can influence the overall perception of a company's services greatly.

10. The procurement process is a challenge. Our discussions indicated that in a healthcare organization, multiple parties are involved in the procurement process. This can involve physicians, administrators, services professionals, finance professionals, technology staff, advisors, legal staff, and of course, suppliers. This environment creates a time-consuming procurement process and can result in a less than optimal decision. Effectiveness in this environment requires a high level of trust between the parties, open communication, and a shared vision of the organization's objectives. This is a challenge for some organizations, especially where turnover is evident.

11. Convergence has occurred. Participants have looked for the consolidation of IT and CE departments as a sign that convergence has occurred in the IT and biomedical areas. This has not happened. However, we found that IT certainly has permeated biomedical devices. Moreover, network and IT capacity is being deployed actively to support clinical applications. Organizational structures have not kept pace with technology changes.

12. Management of complexity required. Interviewees felt that managing technology within a healthcare facility can be more complex than in other industries. In addition to the criti-

cal nature that technology can play in delivering patient care, many modalities contain proprietary technology that creates interoperability issues and separate service arrangements. In addition, many clinicians have strong hardware and support bias that must be accommodated in the construction of a service plan.

13. Wisdom from "the field." When asked how to handle the challenges of managing technology support in the healthcare industry, parallels with other environments were suggested. These included:

- Understanding the service level requirements and their related costs.
- Designing an optimal support program using the best resources, both internal and external.
- Choosing knowledgeable partners locally, with the right attitude and skills.
- Implementing a continuous improvement program.
- Actively communicating the results of the progress as well as creating a common understanding of the program and its progress.
- Acquiring an external view of the world that includes routinely interviewing OEMs, services vendors, consultants, and GPO executives in order to learn best practices and anticipate change. ▼

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Services Marketing: Deal or No Deal?



By Joe Siderowicz

Most executives running companies that manufacture and distribute technology-based products will answer in the affirmative when asked if they have a services marketing function. Historically speaking, this has not always been the case. Early on, software companies identified the need to implement professional services initiatives, while many long-standing product manufacturers were latecomers in recognizing that services held more than a break/fix opportunity. What remains constant is the wide-ranging role that services marketing plays. High-impact services marketing functions are not uncommon. Unfortunately, many services marketing efforts are little more than services support functions.

Many companies have grown their services revenues aggressively by implementing well-thought-out and executed plans. Still common are those focused primarily on supporting product marketing. Others masquerade as services marketers, using cloaking strategies reliant on tactical pricing and repackaging variations on the same theme. More uncommon are companies that value services marketing simi-

larly to product marketing.

There are many reasons why companies may continue to ignore the huge amounts of potential revenue and profit available through marketing services aggressively. Unfortunately, many companies believe that they are services-marketing-enabled. These companies have recognized the opportunity, but are not fully engaged. Most are missing their window of opportunity and the desired revenue stream.

The following list outlines key components of an aggressive, growth-orientated services marketing program. How does your company measure up? (See *Figure 1*.)

- **Service is a business.** Marketing current services capabilities to support product sales does not constitute a services marketing program. In this environment, service is relegated to the position of a product feature. With rare exception, if service is a support function and not a business unit, an effective services marketing effort is not present. It's difficult to motivate management to invest in a business if there are not quantifiable returns. Although models can be developed that demonstrate significant positive implications for customer satisfaction, contract renewals, or additional product sales, nothing is more effective than a P&L statement in measuring business success.
- **Equal voice.** There exists an inherent conflict in the fragile balance between product support needs and service delivery capabilities. In reality, there should be a degree of stress between the groups. From my experience, if a state of harmony exists between sales and services, unnecessary resources likely are being expended somewhere. What is required and often difficult to achieve is a balanced

view by executive management. Typically, management communicates their vision of services and sales as equal partners in moving a company forward. Often lacking is the special vigilance required, when sales are soft, to ensure that the partnership remains intact.

- **Strategic plan.** Companies expend large amounts of time and resources developing intricate plans for product businesses. Once these plans are drafted, they usually are forwarded to service as a guideline for service planning. Typically, service strategic plans include the tactics and resources required to synch the plans. Unfortunately, most service strategic plans come up short in identifying new services business development opportunities. A service strategic plan should include a services marketing plan that outlines growth goals independent of product support needs.
- **Market research.** Most services organizations have some vehicle for gathering customer feedback. Customer satisfaction surveys, voice-of-the-customer surveys, and feedback from product marketing research are most common. In many cases, specific service market research that examines new or adjacent markets is lacking. All too often, services marketing strategies are based on hunches or on what is considered to be a safe, incremental

step from current practices. Progressive services marketing organizations recognize the need to measure the performance of their services organization, their competitors' services operations, and other potential market segments.

- **Brand management.** Successful companies have well-defined brands that support their business goals. Marketing communications plans are crafted in order to ensure that the intended messaging and positioning is communicated to the marketplace. Most companies spend considerably less time (if any) developing their service branding. Brand identity for services often is defined by product marketing. This situation can create a major barrier to services growth. Brand extension strategies are critical to accelerating the growth of a services business. Developing a services branding plan that supports existing business and opens the door for services business development is crucial.
- **Available resources.** Services marketing initiatives commonly suffer from underfunding. The manpower, training, tools, and marketing expenses required in order to launch a new initiative can be considerable. Assigned budgets may be short on time and long on expected returns. This problem is usually the result of either a miscon-

Figure 1

	DEAL	NO DEAL
Service Is a Business		
Equal Voice		
Strategic Plan		
Market Research		
Brand Management		
Available Resources		
Commitment to Change		

ception that new initiatives can be rolled out sharing already overburdened resources or that the program will gain traction immediately. New initiatives require new and dedicated resources in order to drive the business. They also require adequate time to test, develop, and implement. Attempts to do more with the same resources are rarely successful.

- **Commitment to change.** In order for services to achieve accelerated growth or enter new markets, commitment is required at all levels of the organization. All company executives, division managers, support functions, and field personnel must share the same vision. Services marketing programs generally are given the go-ahead with the caveat that they don't upset the applecart. All parties involved must recognize that new issues and challenges will surface that may have a negative effect on other areas of the business. Without a solid commitment by all potentially affected parties, the effort may wither at the first sign of stress.

It's possible to be successful in marketing services without all of the key components discussed. It's probable that measured success can be realized when a majority of the items are in place. Success is almost certain when a company has committed to all of the listed requirements. The result will be a services marketing function empowered to grow revenue far in excess of current projections. ▼

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