
**DESIGN AND IMPLEMENTATION OF
EXTRAORDINARY SERVICE GUARANTEES**

"When Chris Hart first introduced the idea of extraordinary guarantees, you could see the light bulbs going off in heads all around the conference room."

"We knew immediately that this was the critical tool for crystallizing and attaining our vision for GTE. Our subsequent experience has shown us that the concept works."

Charles R. Lee
Vice Chairman
Verizon

At Spire Group, our goal is straightforward: To boost the satisfaction and loyalty of your customers by providing you with the most powerful state-of-the-art strategies, tools and concepts. One of the most effective of these is a powerful guarantee. Although product and service guarantees abound, most of them are limited in scope and power. Very few organizations have instituted what we call an "extraordinary" guarantee.

What makes a guarantee "extraordinary"? It promises exceptional, uncompromising quality that minimizes customer vulnerability by assuring total customer satisfaction. In the event a problem does occur, the guarantee promise is backed with a payout that makes the customer feel whole -- and that protects your relationship and reputation. When an organization offers such a guarantee, senior management and employees make an explicit promise to customers to do **whatever it takes** to satisfy them. In this regard, an extraordinary guarantee is a catalyst for generating major improvements in every area of an organization where failure could result in customer dissatisfaction. Its effect could be described as "turning up the pressure in the hose," exposing quality leaks and creating an unparalleled source of customer-focused energy to plug them.

Stated differently, if an organization fails to live up to its promise, it exposes itself to the substantial payout liability that is part of the guarantee. That possibility provides the impetus for the organization to identify and eliminate all sources of errors that create dissatisfaction -- errors that are highlighted each time a consumer invokes the guarantee. Rather than being viewed as a negative, a guarantee payout must be viewed as a "golden nugget" that can be used to eliminate weaknesses in every organizational process that relates is linked in some way to customer satisfaction.

External customers are not the only targets for extraordinary guarantees. Internal customers -- that is, departments or functional units within an organization -- can also benefit from strong guarantees that break down interdepartmental barriers by overcoming chronic problems in communication and teamwork. Further, by providing your employees with failure data, internal guarantees facilitate and fortify a company's efforts to attack broader, company-wide problems.

All of this may seem like a lot to attribute to guarantees, but the results speak for themselves: When properly designed and implemented, an extraordinary guarantee is a powerful tool for reaching new levels of customer satisfaction, loyalty and profitability.

Why Spire Group?

However intuitive the guarantee concept is, implementing a successful guarantee-design and implementation initiative is not. The greatest risk is that the guarantee will be poorly designed, inadequately prepared for, or carelessly implemented.

Our job is to reduce those risks through application of proven change-management methods acquired from our years of experience working with scores of companies to implement successful guarantees.

We are the world's leading experts on the design and implementation of guarantees. Ever since Christopher Hart, president of the company, first articulated the concept in a *Harvard Business Review* article, Spire Group has continually refined and streamlined its approach. It is this experience in all phases of guarantee design and implementation that sets us apart - - and that will enable you to reach your organizational goals with confidence.

A Team Effort

An ambitious guarantee is nothing without the infrastructure to support it. That is why we work with you in managing the entire change process. Through a combination of experienced professionals, leading-edge techniques, and a proven, comprehensive methodology, we build the organizational capabilities that are the foundation of a successful guarantee.

Many of our clients chose to start by exploring the potential of the guarantee concept through a one-day workshop for senior management. We tailor the workshop to your needs and to the particular characteristics of your business. (As you would expect, our workshop is unconditionally, 100% guaranteed.) This way, we generate understanding, analysis, and, if the extraordinary guarantee concept turns out to hold significant potential, enthusiasm, and commitment--an important first step for the people who ultimately need to be the extraordinary guarantee's leading advocates. In some cases, however, a guarantee's potential is low, for any of a variety of reasons, in which case a quick decision can be made that minimizes expenditure of additional resources.

Aligning the Organization

We define a "successful" project from the client's perspective, based upon its fit with the organization's broader strategic goals. So, from the beginning, we make sure we have a good understanding of the dynamics of the client's overall business, including strategy, key organizational and political issues, business systems, and resources. Armed with this knowledge, we concentrate on coordinating activities and processes that support a customer-focused vision.

Understanding Customers' Needs. For a guarantee to be "extraordinary," it has to address real customer needs. In your business, what are the greatest "customer sacrifices"--risks, costs, aggravation, and pain that customers must put up with to do business--with you or your competitors? How deeply do you understand your customers' needs and risks? What would represent "breakthrough" performance? Depending on the adequacy of your existing customer information, we can conduct detailed research and analysis to help you see "through the lens" of your customers. The Spire Group/client team synthesizes these findings into the key elements of an ideal extraordinary guarantee--including the promise, payout, invocation process, and potential impact on satisfaction, loyalty and profitability.

Building Organizational Capabilities. The ideal extraordinary guarantee is the standard to which you will "raise the bar" of quality. An assessment of your organization's current capabilities determines what needs to change in order to raise that bar to that standard. Using proven process-management techniques and working closely with client teams, we identify critical project success factors, analyse gaps, and find innovative ways to provide the breakthrough performance that will create defection-resistant customers who feel your firm has developed trust relationships with them.

A clear aspect of the "alignment" concept is bringing your personnel into a state of agreement and cooperation. Beginning with research, the management workshop and continuing throughout the awareness-building, analysis and design stages, we focus on maintaining management consensus. By the time planning is complete, senior management clearly understands the transformation process and is ready to implement an extraordinary guarantee.

**Rolling Out
the Guarantee**

Targeted pilot programs, employee training and effective marketing, both internally to employees and externally to customers, are all parts of a comprehensive implementation strategy that minimizes risk.

Unlike many other consulting companies, our work doesn't end with a set of recommendations. Our goal is to give you the tools and knowledge to sustain the guarantee effort on your own. Spire Group is there, with you, actively monitoring and evaluating all aspects of the guarantee rollout, providing feedback and consultative support.

**Representative
Industries Served
by Spire Group**

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Consulting
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Information Technology

Hospitality
Information Management
Insurance
Relocation
Retail
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Financial Services
Healthcare