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Correct answers located at the end of the chapter.

TRUE/FALSE - Write 'T' if the statement is true and 'F' if the statement is false.

1) The goals of providing quality customer service are the same in their focus despite the differences between organizations.
   - ◎ true
   - ◎ false

2) Customer service is the ability of knowledgeable, capable, and enthusiastic employees to deliver products and services to their external and internal customers.
   - ◎ true
   - ◎ false

3) Vendors, suppliers, and people on the phone or internet are considered external customers.
   - ◎ true
   - ◎ false

4) Law firms are an example of organizations that provide both products and services.
   - ◎ true
   - ◎ false

5) The U.S. Census Bureau and Department of Labor Statistics describe companies and organizations that provide products alone as making up the service sector.
   - ◎ true
   - ◎ false

6) A manufacturer of consumer goods, wanting to reduce costs, relocates its production facility to a rural location. This is an example of a cottage industry.
   - ◎ true
   - ◎ false

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7) Organizations such as the International Council of Customer Service Organizations (ICCSO) work to help develop and promote service and professional excellence standards globally.
   - ◎ true
   - ◎ false

8) According to the U.S. Bureau of Labor Statistics, the long-term shift from goods-producing to service-producing employment is expected to reverse, resulting in fewer service jobs.
   - ◎ true
   - ◎ false

9) Examples of networking are joining and becoming actively involved in committees and boards of governors or directors for professional associations or groups that support your industry.
   - ◎ true
   - ◎ false

10) Employees who work from their homes or satellite locations are considered to be telecommuting.
   - ◎ true
   - ◎ false

11) The practice of telecommuting tends to be limited to major metropolitan areas.
   - ◎ true
   - ◎ false

12) Instant messaging refers to a form of internet communication where users can transmit text messages and images or chat in real time via the internet to one or more people.
   - ◎ true
   - ◎ false

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13) COVID-19 resulted in an increase in telecommuting that required companies to adjust to new operational requirements.
- ◎ true
- ◎ false

14) The service sector, small businesses, and sole proprietors were most affected economically during the pandemic.
- ◎ true
- ◎ false

15) When Nazmia moved to Milwaukee to start a job in customer service, she joined a local group of people with similar jobs who met monthly to share experiences and discuss the job market. This is an example of professional networking.
- ◎ true
- ◎ false

16) One result of the shift to home-based work during the pandemic was a potential increase in mental health crisis situations.
- ◎ true
- ◎ false

17) A trend among U.S. companies is to outsource certain job functions that have been traditionally managed internally to third-party companies.
- ◎ true
- ◎ false

18) Today's workforce is expected to grow at a faster pace than in previous decades.
- ◎ true
- ◎ false

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19) The development and increased sophistication of standard office technology has led to an increase in manufacturing and blue-collar jobs.
- ◎ true
- ◎ false

20) The U.S. government has not made any effort to upgrade and expand broadband access nationwide since the late 1990s.
- ◎ true
- ◎ false

21) Offshoring refers to the practice of contracting with third-party companies outside the organization.
- ◎ true
- ◎ false

22) Typical occupations in today's service sector include steelworkers, farmers, and machinists.
- ◎ true
- ◎ false

23) Customer service professionals need to be abreast of current organizational policies and procedures.
- ◎ true
- ◎ false

24) Customer satisfaction refers to the feelings of a person whose needs have been met by an organization.
- ◎ true
- ◎ false

25) External customers are the ones who actively seek out; research; and buy, rent or lease products or services offered by the organization.
- ◎ true
- ◎ false

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26) Organizational culture impacts employees, not customers.

- ◎ true
- ◎ false

27) The best way to approach a job interview is from a consumer mentality.

- ◎ true
- ◎ false

28) Learning organizations are businesses that work in education-related fields.

- ◎ true
- ◎ false

MULTIPLE CHOICE - Choose the one alternative that best completes the statement or answers the question.

29) The term used to define components of the economy that primarily provide services to consumers and businesses instead of physical products is

A) customer service.
B) private sector.
C) service sector.
D) service dealers.

30) A multinational software company works to satisfy its clients by identifying their needs and establishing policies and procedures to support excellence in service delivery. This company could be described as a(n)

A) customer-focused organization.
B) offshoring organization.
C) cottage industry.
D) outsourcing organization.

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31) Salespeople, travel professionals, administrative assistants, and computer analysts are examples of occupations in the_____ sector.
A) service
B) primary
C) public
D) private

32) During the early days of business growth, many sold or bartered products from their homes in what became known as
A) insourcing organizations.
B) cottage industries.
C) service industries.
D) customer-focused organizations.

33) _____is the term that describes the process through which people, countries, and businesses around the word exchange products, services, information, and ideas.
A) Networking
B) Telecommuting
C) Globalization
D) Deregulation

34) Which of these jobs is expected to continue to grow at a rapid pace?
A) assembly line worker
B) healthcare worker
C) federal government jobs
D) transportation and warehousing

35) A company allows its employees to set up home offices and communicate electronically to its corporate office. This is an example of
A) downsizing.
B) outsourcing.
C) telecommuting.
D) offshoring.

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36) The term that applies to the situation in which employees are terminated or empty positions are left unfilled once someone leaves an organization is
A) offshoring.
B) downsizing.
C) networking.
D) outsourcing.

37) Of these countries, which was the *least* impacted by the COVID-19 pandemic?
A) New Zealand
B) South Africa
C) France
D) Japan

38) Which of the following has been a downside for businesses that have switched to a mostly remote operational model since the pandemic?
A) Office expenses have decreased as less office space is needed.
B) Employees have more interpersonal contact with coworkers because of technology such as teleconferencing.
C) Employees and customers prefer face-to-face interactions with others.
D) Employees have less need for training in communicating with customers.

39) Miguel is an economist whose job it is to predict trends or shifts in consumer needs and expectations. He is likely to use a graphical representation of data called a
A) dashboard.
B) supply chart.
C) consumer behavior graph.
D) demand curve.

40) What recent event caused the most economic challenges globally?
A) the COVID-19 pandemic
B) the recession of 2008
C) the attack on the World Trade Center
D) the 2016 presidential election

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41) In what way has the consumer mindset changed in the past few years?
A) Consumers are spending less time shopping online and more time in brick-and-mortar stores.
B) Older consumers have increased their use of restaurants and retailers.
C) Restaurants and retail stores have lowered expectations of cleanliness and disinfecting.
D) Easy access to online shopping has resulted in better informed customers.

42) The U.S. Bureau of Labor Statistics released projections on labor force makeup from 2023 to 2033, including
A) overall labor force participation is expected to increase.
B) population growth is projected to be fastest in older age groups.
C) changing consumer preferences will lead to improvements in employment in the agriculture sector.
D) the manufacturing sector is expected to rebound by the end of the decade.

43) B2B stands for
A) back to business.
B) brand to brand.
C) brokering to business.
D) business to business.

44) A company needed to lower its expenses, so it decided to move its manufacturing facility from the U.S. to Thailand where labor is cheaper. This is an example of
A) offshoring.
B) insourcing.
C) deregulation.
D) outsourcing.

45) _____occurs when organizations decide to have their own employees assume functions and perform work instead of contracting out to third parties.
A) Insourcing
B) Deregulation
C) Outsourcing
D) Offshoring

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46) Shifting age groups, an increase in women, different ethnicities and genders, immigrants from around the world, and people with different abilities—these all contribute to_____ in the workplace.

A) diversity
B) stagnation
C) homogeneity
D) failure

47) _____are basic and fundamental beliefs that help motivate or guide the actions and attitudes that people have about the world and others around them.

A) Attitudes
B) Emotions
C) Personal values
D) Company ethics

48) How have changing consumer values impacted the automobile industry?

A) Consumers have become less cost-conscious, so the market for luxury vehicles has grown.
B) Auto manufacturers have needed to develop vehicles that are more energy efficient.
C) Service has become less of an issue with more reliable technology.
D) As more consumers choose alternate forms of transportation, vehicle sales have slowed.

49) Which statement best describes the term "e-commerce?"

A) It originated in the early 1990s to describe electronic commerce or internet-based business.
B) It is a trade agreement entered into by the United States, Canada, and Mexico to help eliminate barriers to trade.
C) It is a process by which employees are terminated or empty positions are left unfilled once someone leaves an organization.
D) It refers to the group of companies operated by the federal government that sells products free of cost.

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50) Service providers invest large amounts of money in training employees because
A) such businesses lose business and revenue if they do not meet the service expectations of customers.
B) such businesses are unaffected by economic recessions and massive job losses.
C) a larger number of consumers are opting to buy rather than rent homes and cars.
D) consumers act on impulse and purchase any product or service that they desire to buy.

51) Those who actively seek out; research; and buy, rent, or lease products or services offered by a business are its
A) external customers.
B) internal customers.
C) investors.
D) suppliers.

52) Which of these is an example of external customers?
A) subordinates
B) suppliers
C) coworkers
D) security personnel

53) Employees of other departments or branches, coworkers, and other people who work within the same organization are_____ customers.
A) external
B) internal
C) salaried
D) current

54) Which of these is an example of internal customers?
A) vendors
B) suppliers
C) potential clients
D) subordinates

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55) The_____ includes any element of an organization that a customer experiences.
A) service sector
B) organizational culture
C) service environment
D) service recovery

56) An organization undertakes activities such as recruiting, selecting, training, retaining, and supporting qualified people, otherwise known as
A) human resources.
B) customer relationship management.
C) service recovery.
D) organizational culture.

57) There are three potential areas of customer satisfaction or dissatisfaction when a company provides products or services: quality, quantity, and
A) price.
B) service effectiveness.
C) prompt feedback.
D) delivery.

58) The_____ is the method(s) used by an organization to provide services and products to its customers.
A) distribution procedure
B) transport method
C) delivery system
D) supply chain

59) _____is a term that describes an organization that uses knowledge as a basis for competitive advantage.
A) Learning organization
B) Customer-focused organization
C) Service industry
D) Cottage industry

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60) Ben purchased a blender that stopped working after a month of use. He took it back to the store and they honored the warranty and gave him a new blender. This act of remedying a problem is called
   A) service recovery.
   B) a problem/solution.
   C) customer satisfaction.
   D) de-escalation.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

61) Define the service sector and list a few industries that it covers.

62) Distinguish between offshoring and outsourcing.

63) Define e-commerce. Give two examples of activities that would be considered e-commerce.

64) Discuss the term "organizational culture."

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Answer Key

Test name: Chapter 01

1) FALSE
2) TRUE
3) TRUE
4) TRUE
5) FALSE
6) FALSE
7) TRUE
8) FALSE
9) TRUE
10) TRUE
11) FALSE
12) TRUE
13) TRUE
14) TRUE
15) TRUE
16) TRUE
17) TRUE
18) FALSE
19) FALSE
20) FALSE
21) FALSE
22) FALSE
23) TRUE
24) TRUE
25) TRUE
26) FALSE
27) TRUE
28) FALSE
29) C
30) A
31) A
32) B
33) C
34) B
35) C
36) B
37) A

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38) C
39) D
40) A
41) D
42) B
43) D
44) A
45) A
46) A
47) C
48) B
49) A
50) A
51) A
52) B
53) B
54) D
55) B
56) A
57) B
58) C
59) A
60) A
61) Short Answer
62) Short Answer
63) Short Answer
64) Short Answer

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Chapter 1
The World of Customer Service

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Learning Outcomes

LO 1-1 Identify quality customer service.
LO 1-2 Describe shifts that have occurred in the service sector.
LO 1-3 Recognize societal factors affecting customer service.
LO 1-4 Realize how evolving consumer awareness, preferences, and expectations are affecting the service sector.
LO 1-5 Assess how societal factors impact businesses and consumers.
LO 1-6 Summarize how businesses and organizations can adapt to meet societal and consumer changes.

Brief Chapter Outline

I. Origins of Customer Service
   A. The Evolution of Customer Service
   B. Post-World War II Service in the United States
   C. The Shift to Modern-Day Service
II. Shifts in the Service Sector
   A. Effects of Government and Economy
   B. Changes in the Business Environment
   C. Growth of E-Commerce
   D. Job Creation in the Service Sector
   E. Distribution of Service Jobs
III. Societal Factors Affecting the Service Sector
   A. Technological Advancements
      1. The Growth of Technology
      2. Online Technology
      3. Technology and Customer Service
   B. Globalization
   C. Societal and Personal Values
      1. Societal Values
      2. Personal Values
      3. Differing Values
   D. COVID-19 Worldwide Pandemic
   E. Population and Labor Force
   F. Diversity in the Workforce

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G. Women Entering the Workforce
IV. Consumer Evolvement
A. Changes in Customer Preferences
B. Enhanced Consumer Awareness
C. Expectation of Quality Service
V. Components of a Service Environment
A. Assess How Societal Factors Impact Businesses and Consumers
B. The Customer
1. External Customers
2. Internal Customers
C. Organizational Culture
D. Human Resources
1. Strategies for a Successful Interview
E. Products and Services
F. Delivery Systems
G. Quality Service
VI. Adapting to the Changes

Chapter Outline and Lecture Notes

I. Origins of Customer Service

- **Customer service** is the ability of knowledgeable, capable, and enthusiastic employees to deliver products and services to their internal and external customers in a manner that satisfies identified and unidentified needs and ultimately results in positive word-of-mouth publicity and return business.
- Depending on an organization's focus, such as retailing, medical, etc., the goals of providing customer service may vary.
- **Service industry** is a term used to describe businesses and organizations that are engaged primarily in service delivery. *Service sector* is a more accurate term, since many organizations provide some form of service to their customers even though they are primarily engaged in research, development, and manufacture of products.
- **Product** is something produced or an output by an individual or organization. In the service environment, products are created to satisfy customer needs or wants.
- All companies and organizations have **internal** or **external** customers, or both. Internal customers are people within the organization who either require support

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and service or provide information, products, and services to service providers who interact with external customers. External customers are those people outside the organization who purchase or lease products and services.

- The term **service sector** as used by the Census Bureau and the Bureau of Labor Statistics defines components of the economy that primarily provide services to consumers and businesses instead of physical products.
- A **customer-focused organization** is a company that spends energy and effort on satisfying internal and external customers by first identifying customer needs, and then establishing policies, procedures, management and reward systems to support excellence in service delivery.
- Some common characteristics of leading-edge customer-focused organizations:
    - They support internal customers (for example, peers, coworkers, etc.) and/or external customers (for example, vendors, suppliers, etc.).
    - Their focus is on determining and meeting the needs of customers while treating everyone with respect and as if he or she is special.
    - Information, products, and services are easily accessible by customers. Many organizations use an interactive **artificial intelligence (AI) phone messaging system** to provide information and facilitate easier ordering and delivery.
    - Policies are in place to allow employees to make decisions in order to serve customers better.
    - Having customer-focused systems and policies in place.
    - Management and systems support and appropriately reward employee efforts to serve customers.
    - Reevaluation and quantitative measurement of the way business is conducted is ongoing and results in necessary changes and upgrades to deliver timely quality service to the customer.
    - Continual benchmarking or comparison with competitors and societal trends helps maintain an acute awareness and implementation of best service practices by the organization.
    - Executives, managers, and supervisors are actively involved with professional organizations. They create proposals for change and gather information on latest industry shifts, issues, and solutions.
    - They build relationships through customer relationship management (CRM) programs.

A. The Evolution of Customer Service

- The concept or practice of customer service is not new throughout the world.

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    - Over the years, it has evolved from a meager beginning into a multibillion-dollar, worldwide endeavor.
- In the past when many people worked on farms, small artisans and business owners provided customer service to their neighbors.
    - To supplement their income, many people made and sold or bartered products from their homes in **cottage industries**.
- When industry, manufacturing, and larger cities started to grow, the service industry really started to gain ground.

B. Post-World War II Service in the United States

- After World War II, the desire, and in some cases need, to obtain products and services started to grow throughout much of the world.
- In the United States, there was a continuing rise in the number of people in service occupations.

C. The Shift to Modern-Day Service

- The age of the **service economy**, a trend in which businesses have shifted from primarily production and manufacturing to more service delivery, has been alive and strong for some time now.
    - Tied to this trend has been the development of international quality standards by which effectiveness is measured in many multinational organizations.
- Organizations such as the International Council of Customer Service Organizations (www.iccso.org) work to help develop and promote service and professional excellence standards throughout the world.
    - This is being done by setting internationally acceptable standards and certifications to create a global atmosphere of service.
- To help attract and maintain a more loyal customer base, many customer-centric organizations are stepping up their enthusiasm and support for such standards.
- Since the end of World War II, people have moved from manufacturing and manual labor occupations to join the rapidly growing ranks of service professionals.

II. Shifts in the Service Sector

- Research from the Bureau of Labor Statistics points to changes in the workforce through at least 2033.
    - Service-providing sectors will account for most of the jobs added in the next decade.

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- Health care and technology industries of the service sector will likely account for most new jobs added to the economy over the next decade. Reasons include increases in the aging population, rates of chronic illnesses, and other diseases.
- Other service sector industries are also projected to grow over the next decade, especially positions requiring expertise in various technologies.
- But with the rapid development of AI tools, no one really knows what the world of customer service will look like by 2033.

A. Effects of Government and Economy

- Each component of the economy affects the ability of companies and service providers to meet the needs, wants, and expectations of today's consumers.
- In addition to governmental policy and economic changes, new legislation impacting health care and taxes, job elimination in the government sector, and shifts in consumer spending all significantly affect both profit and nonprofit organizations.
- Other factors affecting the service sector include changes in the business environment, the growth of **e-commerce**, the types and numbers of jobs available, and distribution of those jobs within the service sector.

B. Changes in the Business Environment

- Businesses are bombarded with worldwide competition, rapidly evolving technology, evolving customer expectations, changing consumer behavior, economic shifts, and stifling government regulations.
- Because of changes in the retail and service sectors, companies have made dramatic shifts in the way they do business, provide customer service, and attempt to attract and hold customers. This includes:
    - Enhancing and standardizing marketing efforts
    - Streamlining operations
    - Looking for ways to stand out
    - Embracing the power of employees and partnering with them
- In times of financial turmoil, the retail and service sectors are often one of the most severely affected.

C. Growth of E-Commerce

- Technology plays a dominant role in every aspect of modern life, especially in the service sector where businesses are trying to adapt to changing customer needs, wants, and expectations.
- Competition from **big box stores** is another factor smaller companies must

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deal with.

- Price matching policies make competition difficult for **brick-and-mortar businesses.**
- Research indicates that a major percentage of people shop online monthly, but still prefer customer support via live chat, phone, and email.
- Owners and creators of innovative sites and products can provide products, services, and information worldwide without ever physically meeting with a customer.

D. Job Creation in the Service Sector

- The COVID pandemic decimated businesses and created one of the worst economic crises in recent history. Unemployment rose, and the service sector, small businesses, and sole proprietors were hit hardest.
    - The impact of this sharp decline in employment affected virtually every aspect of life in the country; service and production virtually disappeared.
- Since mid-2022, nearly every major sector of the labor market has more than recovered the jobs lost during the pandemic.
    - The bad news is that Bureau of Labor Statistics employment projections from 2023 to 2033 indicate that jobs for customer service representatives will decline in the next decade by 5 percent.
- Ongoing development of new technology, such as **artificial intelligence (AI),** requires retraining current employees and hiring new ones with advanced technical skills.
- A looming issue involves changing workplace demographics as more **millennials** are moving into supervisory or management positions, while **Generation X** employees have replaced **baby boomers** who are retiring or moving into part-time positions, and early **Generation Zers** are starting to enter the workforce.
- Employees who obtain and maintain better customer service jobs will be those who are better educated, trained, and prepared. These employees will embrace the concept of **professional networking.**

E. Distribution of Service Jobs

- There are a variety of jobs available that span a range of industries in the service, as service is not only delivered from a cash register, counter, or desk.
- **Telecommuting** and **telework** were first used in the 1970s. Today, many employees work from their homes all or part of the time:
    - In 2000, Congress authorized some federal employees to work

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remotely, and businesses followed suit.
    - When COVID hit, work came to a virtual halt worldwide, but companies and individuals shifted to alternative schedules to allow people to work remotely.
- In a post-pandemic era, many jobs are still performed from alternate work sites supplemented by technologies. Workers employed in professional and business services, financial activities, education, health services, are most likely to work at home.
- The importance and impact of working remotely by incorporating technology into the workplace formula was amplified tremendously during the COVID-19 pandemic. **Contingency planning**, or a backup plan developed in case of unexpected physical or financial emergencies, also increased in importance.
- Small businesses also use the telecommuting strategy to hold down the costs of hiring full-time employees. That practice can have a significant impact on the service sector and society—both positive and negative.
- With enhanced phone technology and **broadband internet access**, personal communication with customers, suppliers, distributors, and colleagues is easily facilitated.
    - Visual imaging and collaboration software like **Skype**, **Zoom**, and **GoToMeeting**, **instant messaging** (e.g., **WeChat** and **WhatsApp**), **social media**, email, and other technology, allow employees to work from their homes or satellite office locations worldwide.

III. Societal Factors Affecting the Service Sector

- The economies of North America and other geographic areas are being dramatically modified by the changes that are shaping the world.
- Major shifts that are occurring include:
    - Shifts in consumer needs, wants, and expectations
    - Declining economic conditions in some areas
    - Demographic shifts in population
    - Technological change
    - Globalization
    - Deregulation of industries
    - Geopolitical changes
    - Increases in the number of white-collar workers
    - Socioeconomic program development
    - More women entering the workplace

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A. Technological Advancements

- The development and increased sophistication of machines, service equipment, and computers have caused an increase in production and quality.

1. The Growth of Technology

- According to UN estimates, the global population reached nearly 8.2 billion by mid-2024, with about 5.52 billion having access to the internet.
- In the United States, broadband usage continues to rise. According to the Pew Research Center, 96 percent of Americans use the internet.
- While parts of the world have little or no effective internet services, private and governmental efforts have been underway to help reduce that gap.
  - **SpaceX** stepped up to help expand worldwide internet when it partnered with Fidelity and Google to raise money for a fleet of more than 12,000 low Earth-orbit satellites to expand internet service worldwide.
  - Facebook and Google are also working to expand services.
- As more consumers have internet access to products and services, this means less need for face-to-face sales associates but greater potential for remote customer care representatives, call centers, and support employees who can interact and assist customers via technology.

2. Online Technology

- Video or web conferencing, remote meeting, video chat, and virtual meetings are a form of online technology that allows people in different geographical locations to communicate.
- Provides an economical and efficient means to stay connected, and are crucial elements of today's business environment by:
  - Increasing productivity
  - Enhancing efficiency
  - Facilitating ongoing communication and collaboration
  - Enabling remote work
  - Saving time for employees and customers
  - Automating routine tasks
  - Reducing costs

3. Technology and Customer Service

- An advantage of replacing manual labor with technology is that machines and equipment can work 24 hours, 7 days a week with few lapses in quality, no

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need for breaks and without increases in salary or benefits.
    - They potentially enhance the ease of customer service and provide faster processing.
    - Can also enhance a customer's experience in a retail setting.
    - Customers can access information via websites or quickly interact with a customer care representative, information technology specialist, **virtual assistant**, or **chatbot** via telephone, text, or online.
- Technology is extremely attractive to profit-minded businesses and corporate shareholders and managers who are concerned with service delivery and how it impacts sales.

B. Globalization

- **Globalization** is not new: international trade has existed since the earliest part of known civilization.
    - In ancient times, goods were transported across Africa, Asia, Europe, and East Asia along the **Silk Road**.
- In the United States, many factors contributed to expanded international economic cooperation and competition when trade barriers started to come down in the 1960s.
- Today, advances in technology, communication, and transportation have opened new markets and allowed decentralized worldwide access for production, sales, and service. But companies must also hone the service skills of their employees, strengthen their quality, and look for new ways of exceeding customer expectations.
- **Offshoring** and **outsourcing** strategies have been used to save money or improve services, but **insourcing** (when organizations decide to have internal employees assume functions instead of contracting it out) is an interesting trend in recent years.
- When the pandemic raised awareness of challenges in the global supply chain, some companies began implementing new policies of **onshoring** (returning jobs from overseas) or **nearshoring** (relocating operations or recruiting from overseas).
- While these newer practices have not totally reversed those sending jobs and business operations overseas, they are likely to have a future impact on the economy and jobs in the service sector.

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C. Societal and Personal Values

- Values are subjective and differ between individuals and organizations. These differ from **morals**, but both can affect the outcome of any customer–service representative interaction.

1. Societal Values

- Societal values contribute to the personal values that individuals develop as they move through life. For example, people in the U.S. value personal control, equality, individualism, freedom to act, and competition.
- People from other parts of the world might value traditionalism, group cohesiveness, societal ownership, and acceptance of hierarchy, status, and birthright.
- Differing societal values can lead to disagreements between governments or organizations. Organizations and service providers must continually monitor value shifts in consumer behaviors, businesses, etc.

2. Personal Values

- Personal values are core to one's personality and are internalized through individual life experiences and societal norms.
  - Represent one's basic and fundamental beliefs.
  - Values of service provider and customer can influence outcome of their interaction.
- Service providers must be trained in delivering quality service to all to have interactions result in **customer satisfaction**.
- Throughout the world, there has been a tremendous amount of dynamic change due to economic instability, quickly expanding and enhanced technology, and global mobility.

3. Differing Values

- Because different societies view what is important from different perspectives, clashes can sometimes result when service providers encounter customers who have different values.
- As a result of societal values, companies often change their approach to doing business as a competitive strategy and to attract and hold customers.
- Because many consumers are now cost-conscious, are ecologically aware, and value sustainability, many automobile manufacturers are developing vehicles that are more energy efficient, use ecologically

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sensitive fuels and electric power systems, and cost less.

D. COVID-19 Worldwide Pandemic

- Few events in modern history have directly impacted and changed the way of life for so many people and organizations in such a short period.
- It prompted a total rethink of business supply chain and customer service processes and procedures around the world.
- Repercussions of the pandemic on U.S. society, the world, and customer service are still being felt today, including affecting how customers interact with service providers and shopping.
- After the pandemic, most businesses returned to a traditional office setting, but many employees continue to work remotely. Customer service employees are often now required to possess enhanced technological skills and must be able to communicate effectively in a variety of ways.
    - Interacting mainly via technology has its limits when it comes to the ability to develop and use interpersonal skills, and such a lack of interpersonal skills can negatively impact service levels.
- Because of the duration of the worldwide medical crisis, people and organizations may never want to return to the old norms related to how services are delivered.
    - This has created new customer expectations.

E. Population and Labor Force

- The U.S. Bureau of Labor Statistics Employment Projections: 2023–2033 Summary report indicates that population growth is projected to be fastest in the older age groups, who are less likely to participate in the labor force.
    - The overall labor force participation rate is projected to fall from 62.6 percent in 2023 to 61.2 percent in 2033.
    - The recent increase in labor force participation for women ages 25 to 34 coincides with a decreasing fertility rate, which is holding down population growth.
    - In addition to normal attrition, stricter governmental immigration policies in the future could further slow workforce growth.
- The upside of the growing, evolving, and aging population is that there will be a need for more consumer goods and services to provide for the needs and expectations of diverse customers.
- This aging population will also lead to the addition of more jobs to address expanded production and service needs in other employment sectors,

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especially those related to retirement life.

- Even as experienced workers age out, there is a steady stream of younger, skilled workers coming from other countries, including health care professionals, information technology, and other high-end service providers.
- Since the size of the labor force is the most important factor related to the size and makeup of the available pool of workers, organizations that hire service representatives will have to make some adaptations related to the way they recruit and hire.
- One segment of the economy that will likely maintain stability is the service sector.

F. Diversity in the Workforce

- Shifting age groups, an increase in women, different ethnicities and genders, immigrants from around the world, and people with different abilities—these are the basis for the workforce in the United States.
    - Those groups come from the U.S. population and, as such, their members should be represented in the workforce.
- The diversity factor can also have a potential impact on the service sector, both for workers and for consumers.
- All employees must remember that they represent the organization and what they do and say, and how they conduct themselves when interacting with a customer reflects on them personally.
- Members of this expanded worker category bring with them new ideas, values, expectations, needs, and levels of knowledge, experience, and ability.
    - As consumers themselves, workers bring a better understanding of the needs of the various groups that they represent.
    - A prime benefit of having access to a wider demographic is that customers from the same population have people like them with whom they can conduct business.

G. Women Entering the Workforce

- Movement of women into the workforce picked up momentum during WWII and continued during the second half of the 20th century.
- The labor force participation rate for women in 2024 was 57.3 percent compared to men at 68.1 percent. This has made a positive impact on the U.S. economy in various ways.
- Congress passed the Equal Pay Act in 1967 to increase pay parity, but

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this has still not been achieved six decades later.

- The fact that more women are in the workplace means that many of their traditional roles in society have shifted, out of necessity or convenience.
- This shift from performing the traditional tasks of childcare provider, family chauffeur, cook, errand person, and house cleaner at home has led to a need for others to fill those roles.
- When women come into the workplace it generates a second income for a family. This additional money can help boost revenue for those offering products and services to workers.

IV. Consumer Evolvement

A. Changes in Customer Preferences

- Prominent consumer shifts in recent years include:
  - Price sensitivity and increased comparative shopping.
  - Decreased brand loyalty; sometimes this has resulted in manufacturing **dual branded** products.
  - Desire for sustainability, especially among younger consumers.
  - Social media shopping, and reliance on **influencers.**
  - Proliferation of internet for shopping, price-comparison, and information.
- These shifts stem from changing consumer needs, wants, and expectations.
- For years, economists have used **demand curves** to illustrate shifts in consumer behavior in the marketplace.
  - Managers can use similar tools to monitor the purchase or use of products and service categories so that they can modify, as necessary.
- Changes in the business world can be tied directly to demographic shifts in the population.
  - Aging population is creating a greater need for certain services.
  - Desires of younger consumers.
  - People who immigrate to a country often bring differing desires and preferences.
  - Recent developments in various industries (i.e., Lyft, Spin, Airbnb, Vrbo, DoorDash, Uber Eats, etc.) reflect changing preferences.
  - Larger companies are acquiring a variety of retail and service operations to expand their customer base.

B. Enhanced Consumer Awareness

- Customers today are not only more highly educated than in the past, but they

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are also well informed about the price, quality, and value of products and services.
    - This has occurred in part through website development, ongoing advertising, and publicity by companies competing for market share and magnified by the activities of consumer information and advocacy groups that have surfaced.
- Hence, all business owners find that they have to continually prove the worth of their products and services.
    - They must provide customer satisfaction or face losing customers to competitors.

C. Expectation of Quality Service

- Most customers expect that if they pay a fair dollar, in return they will receive a quality product or service.
    - If their expectations are not met, customers simply call or visit a competing company where they can receive what they think they paid for and expect.
- Companies recognize that if they do not meet the service expectations of customers, they lose business and revenue.
    - Superior service providers invest large amounts of money in training and empowering employees, providing the latest service technology, and building a supervisory team with the knowledge and skill to effectively coach and support employees to achieve peak performance.

V. Components of a Service Environment

A. Assess How Societal Factors Impact Businesses and Consumers

- The six key components of a **service environment** are the customer, organizational culture, human resources, products or services, delivery systems, and quality service.
    - With the exception of the customer, all of these factors are under the control of the service provider and staff.

B. The Customer

- The central component in a customer-focused environment is the customer.
    - All aspects of the service organization revolve around that crucial entity.

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1. External Customers

- **External customers** are those people outside the organization who buy, rent, or lease products and services.

2. Internal Customers

- **Internal customers** include coworkers, employees of other departments or branches, and other people who work within the same organization.
- One way to improve internal customer service is to shift thinking of other employees as “coworkers” and refer to them as “customers.”
- The important point to remember related to your internal customers is that you must take care of them, just as you do your external customers.

C. Organizational Culture

- **Organizational culture** includes any element of an organization that a customer encounters.
- Typically, culture includes the dynamic nature of the organization and encompasses the practices, ideologies, values, and beliefs that are important to the organization and its employees and managers.

D. Human Resources

- **Human resources** refers to the employees of an organization.
- To make the culture work, an organization must take great care in recruiting, selecting, training, retaining, and supporting qualified people.

1. Strategies for a Successful Interview

- Anyone looking to enter the customer service sector as a career would do well to factor in how a potential employer views and values its employees.
- A big part of interview preparation is to ask your recruiter or other interviewer questions about the organization’s mission, goals, and values. Also ask about your future manager’s/supervisor’s approach to leadership.

E. Products and Services

- The fourth component of a service environment is the **products** and **services** offered by an organization.
- A product may be a tangible item manufactured or distributed by the

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company or a service available to the customer.

- There are three potential areas of customer satisfaction or dissatisfaction:
  - Quality
  - Quantity
  - Service effectiveness

F. Delivery Systems

- The fifth component of an effective service environment is the **delivery system**—method(s) by which the product or service is delivered.
- In deciding on delivery systems, organizations examine the following factors:
  - Costs
  - Industry standards
  - Customer expectations
  - Capabilities
  - Insurance
  - Equipment maintenance
  - Control
  - Security
  - Current and projected requirements

G. Quality Service

- Stated simply, service is the manner in which you and your employees treat your customers and each other as you deliver your company's products/services.

VI. Adapting to the Changes

- Developing strategies for providing premium service that will attract and hold loyal customers has become a priority for most organizations.
- To this end, organizations must become **learning organizations**—organizations that value knowledge, education, and employee training.
- In the past, many organizations took a reactive approach to service by waiting for customers to ask for something or by trying to recover after a service breakdown.
- In today's economy, a proactive approach of anticipating customer needs is necessary and becoming common.
- To excel, organizations must train all employees to spot problems and deal with them before the customer becomes aware that they exist.
- If a service breakdown does occur, managers in truly customer-focused

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organizations should empower employees at all levels to do whatever is necessary to satisfy the customer.

- This concept is known as **service recovery,** the process of correcting or remedying something that has not gone as promised involving provision of a product or service to a customer.

Class Activities and Sample Assignments

1. Ask students to get into discussion groups to discuss their best and worst experiences with customer service. (LO 1-1)

2. Ask students to get into discussion groups for onsite/on-ground courses, and discuss any of the questions you choose from the discussion opportunities section below. (LO 1-1 through 1-6)

3. Ask students, either alone or in teams, to visit a retail store. After visiting the store for at least 15 minutes, ask them to create a report or presentation addressing how well the company met each of the components of a customer-focused environment and what can be done if they need to make improvements. (LO 1-5, 1-6)

4. Ask students to bring in a recent newspaper or magazine and put themselves into groups of 5 or 6. Then, using their articles, find at least 4 examples of socioeconomic, demographic, consumer behavior, and economy changes that might impact customer service. Have them prepare and present a summary of their articles, along with a description of how customer service can be impacted as a result of these articles. Divide students into equal groups (3-4 people per group, depending on the class size) and give each group a marker and sheet of flip chart paper to use as they participate in the activities noted herein or in those that you develop. (LO 1-2, 1-3, 1-4)

Discussion Opportunities

1. In what specific ways do you see technology impacting customer service? (LO 1-4 and 1-5)

2. Which of the demographic changes discussed in the chapter has the greatest impact on customer service in your opinion? Why? (LO 1-2 and 1-3)

3. What does great customer service mean to you? (LO 1-1)

4. Give examples of companies you think focus on all six areas of the customer-focused environment. Describe how you think the company meets all of these

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areas. (LO 1-5)

5. This chapter discussed learning organizations. How can individuals contribute to this ideology? (LO 1-6)

In the Real World Notes (p. 7)

Every chapter has an opening, real world example of customer service. This section in the instructor's manual will address the opening and give suggestions on initiating class discussion.

Grocery—Trader Joe's

This opening discusses the history of Trader Joe's, a privately held grocery store chain. Founded in California in 1967, today it is part of German-owned Aldi and ranked as one of the top three grocery store chains in the U.S. Its success is based on selling unique products and delivering a welcoming and stress-free customer experience. Although its prices are competitive, Trader Joe's does not use coupons or sales and does not collect customer data. It focuses on hiring people-oriented employees and training them to deliver exceptional customer service. Trader Joe's retains good employees by offering competitive salaries, promotional opportunities, and generous benefits.

The questions and possible answers for this section are as follows:

1. Do you have personal experience with this company as a customer or employee? If so, describe your impressions of the organization (e.g., positive, or negative) and explain why you feel this way.

   Student answers will vary. Many will have experienced being a customer or an employee of Trader Joe's.

2. How does this organization differ from other grocery chains of which you are aware?

   Trader Joe's is smaller than typical grocery stores and offers a personalized shopping experience in a fun and appealing environment. It has a limited but unique product selection, and 90 percent of its offerings are store brands.

3. Related to providing quality service, what do you think are the strengths of Trader Joe's?

   Student answers will vary, but might include the friendliness of its employees, the helpful product suggestions and recipes, or the ease of the shopping experience.

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Some may mention the unqualified money-back guarantee offered on every product.

4. As a current or potential customer, what do you think the company might do to improve customer service and satisfaction?

   Some potential answers may include offering a broader product selection (Trader Joe's are smaller than other grocery stores), or a faster checkout experience. Trader Joe's does not offer self-service kiosks, as it prefers to have their employees interact directly with customers.

5. Do you think that the organization lives up to its mission and core values? Why or why not?

   Answers will vary, but regular customers seem to appreciate the store's offerings, people, atmosphere, and service.

6. Would you want to work for this company? Why or why not?

Work It Out Notes

Every chapter has several Work It Out sections that ask the students to think about the material a bit deeper and relate it to their own life. This section will provide notes for class discussion for each of these Work It Out topics.

Work It Out 1.1—*Elements of the U.S. Economy* (p. 18)

This box asks students to research various elements of the U.S. economy affecting the service sector. How do these factors affect service sector employment? Can they think of additional elements that have changed in the post-pandemic business world? Students are likely to cite factors they have experienced directly, such as the lowered supply for certain products (electronics or car parts), or the rising rates for student loans.

Work It Out 1.2—*Personal Exposure to Globalization* (p. 37)

This box helps students recognize the impact that globalization has on them and their family as consumers. Students are asked to list five major products that they or their family members own, along with their country of origin. Most likely, students will find 10-15 countries of origin where these products are manufactured.

Work It Out 1.3—*Improving Service Quality* (p. 56)

This box asks students to list some of the changes related to service that students have

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personally witnessed in the business world. Are these changes for better or worse? Students may cite not being able to get a hold of an English-speaking person when calling for technical help or too many buttons to press to speak with a real person, but they may also cite the ability to order things online, live chat, and other features for a better customer service experience.

You can facilitate a discussion here on how companies can remedy the things about customer service that have gotten worse. In other words, ask them to come up with solutions, too.

Work It Out 1.4—*Types of Service* (p. 57)

To complete this exercise, ask students to work in groups and brainstorm types of "service" that are provided to external customers. Next, on the board or a flip chart, have them write the top ten things they came up with and then engage in a class discussion on each. You can point out here that the intangibles are sometimes more important than the tangibles. For example, if a contractor remodels your bathroom, the service provided, including the timeliness, quality of work, and cleanup, is often as important as the work performed.

Work It Out 1.5—*Who Are My Internal Customers?* (p.60)

This question asks students to think about internal versus external customers. Ask students to get into groups and identify their internal customers in a current or past job. You can start by telling students that they are the external customers, whereas your program chair, dean, financial services department, registration department, and other faculty would be considered internal customers. Every job likely has both external and internal customers.

Work It Out 1.6—*Attracting and Training Employees* (p. 61)

This box looks at some of the things companies use to attract good quality workers besides compensation. In a down economy, companies generally have to offer less to attract people but often do provide attractive benefits to keep current people happy. Things such as signing bonuses, relocation packages, telecommuting, and flextime options are the norm, while extreme attractions might be that some companies provide day care services and concierge service to employees.

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End-of-Chapter Material Notes

Key Terms

- Artificial intelligence (AI) (p. 23)
- Artificial intelligence (AI) phone messaging systems (p. 11)
- Baby boomers (p. 25)
- Big box store (p. 19)
- Biometric facial comparison technology (p. 12)
- Broadband Internet access (p. 28)
- Brick-and-mortar businesses (p. 19)
- Business-to-business (B2B) (p. 21)
- Chatbot (p. 33)
- Contingency planning (p. 27)
- Cottage industry (p. 13)
- Customer-focused organization (p. 10)
- Customer satisfaction (p. 38)
- Customer service (p. 9)
- Delivery system (p. 64)
- Demand curve (p. 52)
- Downsizing (p. 21)
- Dual branding (p. 51)
- E-commerce (p. 17)
- External customers (p. 9)
- Generation X (p. 25)
- Generation Z (p. 25)
- Globalization (p. 35)
- GoToMeeting (p. 29)
- Human resources (p. 61)
- Incubator program (p. 54)
- Influencers (p. 51)
- Insourcing (p. 36)
- Instant messaging (p. 29)
- Internal customers (p. 9)
- Learning organization (p. 66)
- Millennials (p. 25)
- Morals (p. 37)
- Nearshoring (p. 36)
- Networking (p. 25)

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- Offshoring (p. 35)
- Onshoring (p. 36)
- Organizational culture (p. 60)
- Outsourcing (p. 36)
- Product (p. 9)
- Products/services (p. 63)
- Service economy (p. 15)
- Service environment (p. 56)
- Service recovery (p. 67)
- Service sector (p. 9)
- Silk Road (p. 35)
- Skype (p. 29)
- Small Business Administration (SBA) (p. 54)
- Social media (p. 29)
- SpaceX (p. 32)
- Telecommuting (p. 26)
- Telework (p. 26)
- Virtual assistant (p. 33)
- WeChat (p. 29)
- WhatsApp (p. 29)
- Zoom (p. 29)

Review Questions

1. Is there a standard way to deliver service in all businesses and organizations? Why or why not?

   Since service delivery must be customized to the needs of individual customers, what works in one business or organization might not work in another. However, all successful organizations strive to stay relevant, hire competent people and train them well, and grow by introducing new products and services that keep up with or surpass competitors. They also continually enhance their customer service initiatives by striving to be a customer-focused organization, which focuses effort on satisfying both internal and external customers.

2. What are at least three attributes of a leading-edge customer-focused organization?

   Attributes of customer-focused organizations include:
   - Supporting internal customers and current or potential external customers
   - Focusing on determining and meeting the needs of customers while

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treating everyone with respect and as if they are special
- Providing information, products, and services that are easily accessible
- Putting policies in place that empower employees to make decisions and better serve customers
- Having customer-focused systems and policies in place
- Setting up management and systems support, including rewarding employee efforts to serve customers
- Reevaluating business conduct on a regular basis using quantitative measures, and making necessary changes and upgrades

3. What are the elements of the economy that affect the service sector?

Elements of the economy that affect the service sector include:

- Manufacturing/production
- Lowered supply/demand
- Inflation
- Interest rates
- Local and international trade
- Consumer/business spending on goods and services
- Governmental policies
- Business/individual capital investment
- Unemployment levels
- Economic growth

4. What are typical changes that are bringing about changes in today's business environment?

Today, businesses are being bombarded with worldwide competition, rapidly evolving technology, evolving customer expectations, changing consumer behavior, economic shifts, and stifling government regulations. These factors cause businesses to re-evaluate and produce new approaches for attracting, satisfying, and retaining customers.

5. Why are more customer service representative jobs projected to become available in the next decade?

More customer service jobs are projected to become available in the post-pandemic era, when many service jobs which disappeared are being reinstated: people need and want more things, and enjoy traveling and spending time with family and friends by visiting restaurants, theme parks, theaters, beaches, mountains, etc. Technological advances in the computer and telecommunications industry have also created hundreds of service jobs for people who install, monitor,

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run, and repair the machines and automated systems. In addition, an evolving and aging population has created need in the service sector professions, especially those related to health care and social assistance.

6. How has the internet and other technological advancements impacted the way consumers shop and what does that mean for the customer service sector?

   A result of expanded internet service is that more consumers around the globe now have access to products and services via the internet through various electronic devices. While there is less need for face-to-face sales associates, this opens the door for more remote customer care representatives, call centers, and support employees who interact with and assist customers from all over the world via technology.

   The ongoing development of technology will continue to impact the way that companies handle customer service. Customer service tasks previously performed by employees can now be handled by virtual assistants or chatbots. This creates a need to retrain current customer service employees or hire new ones with technical skills in the areas of computer hardware, software development, operation, maintenance, and artificial intelligence (AI).

7. What is globalization and what are four practices that companies use to facilitate international exchanges?

   Globalization is the process that enables people, countries, and businesses around the world to exchange products, services, information, and ideas that can enrich the lives and economies of all participants. Four practices that companies use to facilitate international exchanges are innovative practices, enhanced state-of-the-art technology, supply chain systems, and trade agreements.

8. How do societal and personal values potentially impact service delivery?

   Societal values contribute to the personal values that individuals develop as they move through life. Personal values are core to one's personality and are internalized through individual life experiences and societal norms.

   Because societies view what is important from different perspectives, clashes can sometimes result when service providers encounter customers who have values that are different from their own. Customer service providers should be well-trained in delivering quality service to all customers.

9. What is a potential upside to an aging workforce population in the U.S.?

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An upside of the growing, evolving, and aging population is that there will be a need for more consumer goods and services to provide for the needs and expectations of diverse customers. This is especially true in the service sector professions. This may include health care, social assistance, as well as other service needs related to retirement, such as travel and leisure.

10. When interacting with a customer who they perceive as different from themselves, what must a professional service provider remember?

The important thing to remember in such situations is that neither the customer nor the provider has the "right" set of values or experiences; they are simply different, and each must respect and honor those of the other party if a positive customer–provider relationship is to occur. Diversity must be embraced and respected for the benefit of all internal and external customers.

11. How has having more women in the workforce helped the economy?

More women in the workforce contributes positively to the economy and the organizations for which they work. It has added to the workforce, and helped fill labor deficits, increased consumer spending, and helped improve income inequalities between families and individuals. Many workers now have more disposable income than in the past, which can benefit members of the entire family. The additional money has also helped boost revenue for businesses and individuals offering products and services to workers.

12. How have customer preferences changed in recent history?

Today's customers are more price sensitive and have decreased brand loyalty. They have an increased desire for brands which support sustainability in their products and practices. Although previous generations looked to Facebook and Pinterest as well as similar sites for trends and information, Gen Z consumers look to TikTok, YouTube, and influencers for product information and recommendations.

Additionally, the internet has also increased the number of customers who search online for information about products/services and competitive pricing before buying. This has resulted in sales declines for brick-and-mortar businesses.

13. What are typical expectations that consumers have related to receiving quality customer service?

Most customers anticipate that if they pay a fair amount, they will receive a quality product or service in return. Similarly, their expectations of quality service include

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warm and welcoming service, feeling appreciated, having a convenient means of communicating, that any needs or concerns will be addressed promptly, and that companies will deliver what is promised with seamless service.

14. What are the six key components of a service environment and how does each directly affect customer service and satisfaction?

    The six key components of a service environment are:

    1. *The customer:* Customers are the "stars" of the show and should be the central focus of all work-place efforts.
    2. *Organizational culture:* This refers to any element of an organization that a customer encounters. Each subcomponent (practices, ideologies, values, and beliefs) must contribute to the overall service environment.
    3. *Human resources*: Without motivated, competent workers, any planning, policy, and procedure change or systems adaptation will not be effective in customer service. Organizations must attract and keep qualified employees.
    4. *Products or services:* In products and services, there are three potential areas of customer satisfaction or dissatisfaction: quality, quantity, and service effectiveness.
    5. *Delivery systems:* If a company delivers physical products by cars, trucks, trains, planes, or ships, they need a reliable and dependable system. The delivery method(s) chosen must meet organizational goals, budget, and uphold the standards of your brand.
    6. *Quality service:* During each service interaction, customers are typically mentally comparing their stored memories to what occurs between them and a service provider. If there is a positive match between their expectations and what is experienced, they are likely happy and satisfied.

Collaborative Learning Activities

1. Walk around the room as this discussion takes place to ensure students stay on topic. Ask probing questions to each group as you walk around, such as:
    - What is the role of schools today in terms of customer service?
    - Do you think schools provide good customer service?
    - How can schools get better (while staying in budget) at providing good customer service?
    - Who should be responsible for preparing students for their role in providing customer service?

2. Walk around the room as this discussion takes place to ensure students stay on the topic and answer the following questions:

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- What additional competencies do you feel are necessary to be successful when working with customers?
- Do you believe each of these competencies is crucial or not?

3. Walk around the room as this discussion takes place to ensure students stay on the topic and answer the following questions:
   - How do you believe this development has most affected customer service in your lifetime? Why do you believe this to be true?
   - Do you believe this development was a positive change? Why or why not?
   - Do you think the developments during your lifetime have impacted customer service more or less than earlier developments? Why or why not?

4. Students should independently research organizations and online resources that provide information about local job search opportunities and strategies. Findings will be shared in a class discussion.
   - How can strategies be applied to searching for a customer service job?
   - What strategies are appropriate for making a job change?

Face-to-Face—Getting Ready for New Employee Orientation at Ship & Store All

This situation asks the student to imagine they have been hired at Ship & Store All and are about to attend an orientation. The orientation will address service culture, policies and procedures, techniques for handling customers, and specific job skills and requirements.

The following questions are asked of the students:

1. What interpersonal skills do you currently have that will allow you to be successful in your new position?

   Student answers will vary. They may mention interpersonal skills like listening, reading nonverbal cues, and feeling more connected to others.

2. After reading through this chapter, are there other skills and knowledge that you might need to acquire to perform required duties in this organization? How will you go about reducing those deficits?

   Most skills and knowledge are specific to the actual position. The most direct way is to approach the manager. Not only do Ship & Store All owners/operators attend a rigorous eight-week management training program, but they participate in retreats in which they share best practices, receive additional management training, and have an opportunity to ask questions in a structured setting. It is in

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their best interest that they provide their employees with ongoing training that fits their organization's needs, mission, and values. If the deficit lies in technology, the employee might seek training at a community college, for example.

3. As a new employee, what general questions about the organization and handling of customers should you ask your supervisor?

   Again, answers will vary. As part of the interview process, the employee should have questioned the organization's mission, goals, and values and asked about the manager's/supervisor's approach to leadership. Questions will arise naturally as the employee has on-the-job experiences.

4. If a customer asks for a service that Ship & Store All does not provide, how will you handle the situation? Exactly what will you say?

   Student answers will vary, but handling of the situation will depend on the service provider's training and how much leeway this person has been given by the manager as well as by company policy.

   Consider asking students to work on this by themselves, then share answers within small groups. The most interesting question is number two, as it concerns how situations are handled when someone has not been trained or needs additional training. Ask students to share strategies used in their current jobs to handle customers who are difficult or challenging.

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