



# TEN ELEMENTS OF OUTSTANDING CUSTOMER SERVICE CULTURES

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# When the pandemic first hit, we found out how important the people on front lines of customer service are,

*and how essential it is that they be supported by a strong customer service culture. Those companies that had spent years developing their customer service cultures were well positioned to rise to the challenge, while the companies that had let their service cultures languish started to strain—and sometimes fall apart—at the seams.*

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I'm a customer experience [consultant](#) and customer service [turnaround expert](#), and when the Guruphone rings (it's like the Batphone, but for consultants) and I slide down the Guru Pole to assist, the call is often from a business that was once thriving but has since lost its way with customers. The first thing I do after arriving onsite is to pore through whatever records and relics I can find from those earlier, happier days, looking for hints as to what might have changed.

What I'll find, nearly invariably, are clues suggesting that the care taken with customers in those early, golden days was superior to what's going on now in a variety of predictable ways: the level of personalization in each customer interaction, the number of customer follow-ups and the care invested in each one, the thought that went into hiring, and other similar key markers.

Unfortunately, the focus and attentiveness that are common when a business has only a few customers tend to slide when the customer roster begins to balloon. Employees stop signing their thank-you notes by hand. Managers busy themselves with paperwork in their office hideaways rather than coming out into the open to greet even longtime or VIP customers—and they're certainly nowhere to be found if a customer conflict ever erupts and needs smoothing over.

Jackie and Joanne, the quirky, charismatic telephone operators who knew the name and backstory of every customer who called in, are edged into retirement and replaced (although, in reality, they're irreplaceable) with low-paid rookies or a voice jail system.

**If you would've done something for your first customer, you need to find a way to keep doing it for your ten thousandth ...**

Is such lowering of standards inevitable? Decidedly not—if you stubbornly stick to your guns. The mantra that’s needed is this: If you would’ve done something for your first customer, you’ll find a way to keep doing it for your ten thousandth, without rushing, without cutting corners, and without doing anything that would make a customer feel less than fully valued by your business.

The secret, in other words, *is to never stop believing in the importance of the individual customer and the importance of every individual interaction*, no matter how many customers your organization has grown to serve. Don’t fall into the trap of thinking there’s an infinite supply of new customers out there for the taking if only your marketing and sales departments would do their jobs, seeking out and converting more leads. Tell yourself instead that not only are customers a limited commodity, there’s no such thing as “customers” in the plural. Rather, *there’s just one customer: the one who’s being served right now*. Advocating and sustaining this attitude of treating each customer like the only one in the world is one of the most important leadership responsibilities in any organization, and it’s one of the key weapons in the battle to avoid losing customers through perceived (and, perhaps, actual) indifference.

If you do neglect your customers, it’s probably going to hurt you more than it hurts them. In most every industry today, there are scores of businesses eager and able to accommodate any customer of yours whom you inadvertently send their way through your neglect.

But enough with the negatives. I'm too much of a natural optimist to stay in this fear-monger role for long. And the ultimate reason I want you to develop or renew your customer focus is much more positive. It's that customer-by-customer excellence is the best way to build a business, sustain a business, and reach for the stars.

(It's also the most cost-effective way to grow your business. For comparison: How much did you spend on marketing last year? Advertising? Sales? Developing a true customer focus is far and away the most effective, affordable way to keep the revenue flowing.)

And the secret of providing customer service excellence—repeatably, and for the long, long, haul? It ultimately has to come down to culture. Because the reality is that it's impossible for even the most attentive leader to attend on a micro level to all the possibilities for service to go sideways. That's where building a great customer service culture comes to the rescue.

**Company culture, of course, is currently a smoking-hot topic of business discussion,** dilating a lot of pupils and inducing a lot of heavy breathing in the boardroom. Laying my own cards on the table, I can tell you that, in terms of feeding my family, this has been an excellent development: Culture has always been one of my favorite topics, and the opportunities to consult and speak on the subject have certainly been invigorating and welcome. Yet there have been some odd, even bizarre, angles to the experience.

Out there working the “culture circuit,” I’ve run into people whose ideas about culture change are comically distorted, kind of a mashup of:

***“Let’s hang some off-road bikes on the wall to illustrate our commitment to work-life balance!”***

–and–

***“Maybe what we need are trendier-sounding job titles– ‘Ninja of the Backup Plan,’ ‘Goddess of the Interwebs,’ ‘Demigod of the Mailroom,’ ‘Queen of the Cloud’?”***

–and–

***“Hey, wouldn’t a beer tap in the breakroom be a good idea? Or, hey, I’ve got it: Would a vodka tap be even better?”***

I blame these dubious ideas about culture on the coverage the business press has given to successful companies that happen, *coincidental* to their greatness, to exhibit these types of flashy “cultural” elements. Although this sideshow gets all the attention, it’s tangential to, or at odds with, the crux of what matters. (In the “at odds with” category: No, a beer or vodka tap in the break room is not a good idea. In fact, if you look in the Dictionary of Culture that I’m going to write someday, you’ll find this under *N* for “No freakin’ way is this a good idea.”)

*The essence of a strong customer service culture is simpler and more straightforward than you might think if you've let yourself get distracted by superficialities and hype. It is, in fact, relatively easy to understand and to get a start on implementing. It just takes the interest, a drive to succeed, and a little of what's (ironically) called common sense.*

## **DEFINING CUSTOMER SERVICE CULTURE**

My definition of *customer service culture*—the practical, working definition I use on the jobsite—is as simple as 1 and 2 (there's not even a 3). Your customer service culture, for better or for worse, has two primary elements:

1. The way your company treats its customers.
2. The way your company treats the people whose job it is to take care of these customers: employees, as well as vendors and subcontractors.

**If you do neglect your customers, it's probably going to hurt you more than it hurts them.**

The fundamental complication with this two-part definition is that there may not be an all-the-time way that you treat your customers or an all-the-time way that you treat employees, vendors, and subcontractors. So, to get the full measure of a culture, we'll need to subdivide items 1 and 2 and look separately at:

- How you treat your customers, employees, vendors, and subcontractors on a normal, stress-free day (when money is flowing, nobody's called in sick, you've got your "A team" working [my Canadian clients call that their "eh team"]), and
- How you treat these entities when you are under stress (in the face of tight resources, hurricanes or other freakish weather on the horizon, demanding customers, intensive shareholder demands, difficult personal times for yourselves as employees and leaders, and so forth). In figure 2.1, the goal is for the treatment in all four boxes to be equally positive.

	When Stress Is Low 	When Stress Is High 
How We Serve Our Customers	?	?
How We Serve Those Who Serve Our Customers*	?	?

Figure 2.1. The Solomon Service Culture Matrix™

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\*Our employees, our vendors, and our subcontractors

Unfortunately, some organizations differ dramatically in the treatment they offer in stressed versus unstressed scenarios. And it's here that cynicism can grow quickly: when customers and employees see you inconsistently deliver on your principles. (Just as bad, if a first-timer happens to catch your company on a bad [stressed] day, their only experience with you may be negative. In other words, they'll experience a defect rate of 100 percent!)

By contrast, when your culture is well-conceived and consistently implemented, an atmosphere settles in where service is *a way of life*, where it's the *standard position*, something that is continually lived, pursued, and refined. In such a culture, employees can perform practical magic that doesn't happen in lesser, internally conflicted organizations. In a positive service culture, employees are often to be found taking the initiative to care for their customers, and they're well known for how fair they are in their dealings with vendors and other stakeholders in every type of circumstance. Customers and other stakeholders learn over time that the company has their interests at heart regardless of whether skies are fair, threatening, or raining down buckets.

**Never stop believing in the importance of the individual customer and the importance of every individual interaction.**

In a poorly conceived and inconsistent customer service culture, things will be askew in some or all of the following ways:

- The company will only *intermittently* uphold its commitment to providing good service (generally only doing so when times are low volume/low stress/ nobody's called in sick/the customer in question is a VIP, and so forth) rather than being a company that always does its very best for customers.
- The company will, at least some of the time, fail to support the people serving its customers—it will fail to empower employees, fail to give them creative leeway in how they go about their duties, and maybe even flat-out mistreat them.
- The company will, at least when times are tight, beat up vendors in brutal negotiations as well as openly devalue, even mock, their contributions.

You can get a hint of these out-of-whack scenarios when you see companies whose consumer reviews (such as on Yelp) and employee reviews (such as on Glassdoor) don't match up, with employees and customers having such disparate impressions that it seems as if they are describing entirely different companies.

In a sense, they are.



## FIVE STEPS TOWARD CREATING A CUSTOMER SERVICE CULTURE

Here are five steps to take toward establishing and sustaining a customer service culture:

1. Define your purpose in a sentence or two.
2. Set down a short list of principles that are fundamental to your desired culture.
3. Express your cultural expectations at every possible junction, from recruitment onward.
4. Maintain a repeating ritual for cultural reinforcement.
5. Develop an obsession with talent management.

**Define your purpose.** Write a sentence or two that defines the purpose of your business and describes the type of behaviors you'll be expecting from every associate, manager, and executive in your organization. This statement of purpose should be:

- Written in clear language
- Short enough to be memorable
- Long enough to be meaningful

One of the most powerful definitions of purpose that I know of is the one that guides the Mayo Clinic:

***The needs of the patient come first.***

Mayo's statement is exceptionally brief (seven words), uses language that is easy to understand (the only word longer than one syllable is the central word, "patient"), and is clear in the expectations it lays out for everyone who works there.

Another powerful statement of purpose guides Safelite AutoGlass:

***We exist to make a difference and bring unexpected happiness to people's everyday lives.***

The Safelite statement is only fourteen words long, and the only words that stray beyond two syllables are the salient ones: "unexpected," "difference," "happiness," and "everyday." Note in particular the "unexpected." Safelite associates tend to come into a customer's life on a day when happiness is the last thing they're expecting, yet the company devotes itself to the idea that its team will be able to bring happiness—unexpected happiness, in fact—in the course of their duties.

“You could think of us as being in the ‘negative services’ category,” says Tom Feeney, Safelite’s president and CEO. “Customers aren’t in a good frame of mind after a rock hits their windshield, or, even worse, after someone breaks into their car, shattering the glass on the way in. So this is a very specific goal that we’ve embedded in our purpose statement, to ‘bring unexpected happiness,’ which suggests that we’re going to wow customers even in the face of something that has them very frustrated.”

Write a sentence or two that defines the purpose of your business and describes the type of behaviors you’ll be expecting from every associate, manager, and executive in your organization.

Few definitions of purpose are *quite* as concise as these two, but concision and precision are exactly what you should be aiming for. It’s essential to avoid the kind of flowery, jargon-infested statement whose inevitable fate will be to languish, unremembered, in somebody’s desk drawer.

As you start to work on your organization's definition of purpose, it's certainly fine to *begin* by writing down something that's longer and more jargon-laden than you want to end up with. Just be sure to then whittle it down, taking out everything that is jargony, mealy-mouthed, or that you simply can't make yourself believe. Once you've done this, you'll have an expression of your culture's core purpose, defined in appropriately muscular and memorable language.

## **THE NORDSTROM "DO-IT-NOW" SERVICE CULTURE**

Joanne Hassis, a Nordstrom retail professional, tells me she defines the Nordstrom culture as being a "do it now" culture, as long as the "it" is a pro-customer activity.

Here's an example I personally encountered of this "do it now, for the customer" culture.

When my Nordstrom shoe delivery was left in the rain by a common carrier (UPS or FedEx or DHL; I no longer remember) and my \$200 shoes were ruined before they even got to me, it put things in a legal grey area. The responsible party *might* be me or it *might* be the trucking company, but to my understanding it's not Nordstrom.

Yet, when this happened to me, not for an instant did my salesperson, Joanne, even *consider* saying, "You need to file a claim with the trucking company."



Instead she told me, without hesitation, the following: “I’m so incredibly sorry that happened, and I’m bringing over a brand new pair of shoes—will you be home in forty-five minutes?”

When I recently asked Joanne to tell me more about this “do it now” culture, she obliged. The Nordstrom culture “isn’t something we spend much time defining or carrying on about,” she told me. “Yet it is undeniably something you can feel in the air.” A particularly inspiring aspect of the Nordstrom culture, she continued, is its circular nature: “The people who want to work here have been attracted by what they understand the Nordstrom culture to be. Then, once they get here, their enthusiasm drives all of us to live up to the best of what we can be—to *truly be as they believe us to be.*” Finally, she says, the circle takes another fortuitous turn when *future* employees are attracted to the now-strengthened Nordstrom culture that has been created.

When your culture is well-conceived and consistently implemented, an atmosphere settles in where service is *a way of life.*

**Set down a short list of fundamental cultural principles, a sort of Constitution or Bill of Rights for what your culture will be.** I would suggest you limit yourself to

no more than ten or twelve essential principles. Here are examples of what three such principles might look like:

- **We value every individual's input and creativity.** Everything we do here, from addressing defects to finding better ways to work, depends on employees' sharp eyes, input, and creativity. Every one of us here is valued for more than our labor, for more than what it says in our job descriptions.
- **We respond both to the stated requests of our customers and to opportunities to serve them in ways they may not directly request.** We can't always count on the customer to know what to ask for, nor to know what we are able to offer them.
- **Service is the responsibility of everyone here.** We seek out every opportunity to serve our customers and to improve their experiences, and we rise to the occasion to serve customers even when it pulls us away from our regularly assigned duties.

**Passionately express your cultural expectations at every possible juncture from recruitment, hiring, and employee onboarding onward.** Let employees and potential employees know, *from the first moment they come in contact with your organization*, what matters most in the culture you are striving to create.

This is essential, and is often overlooked: recruiting, hiring, and onboarding so often get bogged down in forms to fill out and other mundane details that the new or potential employee never hears—or at least doesn't hear loud and clear—what the company they're joining, or are on the brink of joining, is all about.

### **Introduce and diligently maintain a repeating ritual for cultural reinforcement.**

Setting up the framework of a great service culture is only the start. *Reinforcing* it is what ultimately makes the difference. Time is your great enemy here or can be your dearest friend; time can either chip away, daily, at what you've built, through the relentless force of entropy, or time can be your dearest ally as you methodically reinforce and add texture and bulk to what you've built. Your best hope for having your service culture persist over time is to find an opportunity to reinforce your cultural focus every single day. Without this intentional daily rededication, the seed of cultural greatness that you're striving to plant may never take root, or may ultimately get washed away by competing goals and by the frustrations and challenges that employees endure each day in the course of serving customers.

**RESOURCES FOR CHANGE THIS READERS:** *If you'd like additional help in creating and sustaining a customer service culture, I have a printable document that can help. For a copy of "Eleven Powerful Customer Service Culture Catalysts (That Can Transform Your Company Results)," let me know by email at [culturelist@micahsolomon.com](mailto:culturelist@micahsolomon.com) (careful—my URL is very error-inducing) and I'll hook you up.*

One powerful ritual that works in many types of organizations is what I call a daily **Customer Service Minute**. (In spite of its name, it will more likely require five minutes, but keep it under ten.) Hold your Customer Service Minute at the beginning of each workday (or at the beginning of each shift, if you run more than one shift a day). Some of my consulting clients call this their “huddle,” or “lineup,” or “standup meeting” (I’m not a fan of this last, disability-insensitive term); whatever you decide to call it, it will be a ritual that involves employees—ideally, *all* employees—who gather in small groups at the same time each day to kick off the workday, or shift, on the right note. Each Customer Service Minute should be devoted to a single aspect of providing great service. This typically includes sharing examples that illustrate that single service principle as well as going over helpful techniques, pitfalls encountered, and challenges overcome. I recommend that the Customer Service Minute be led by a *different* employee (not necessarily a manager, by the way) each day; if you take this approach, your employees, in rotation, will be learning and teaching at the same time, and you’ll avoid overburdening any manager or single team member.

**Develop an obsession with talent management.** Talent management is the term I use for the recruitment, selection, and development of employees. As much as anywhere, this is where culture lives or dies. It’s essential that you implement a successful approach and mindset for finding, keeping, and developing employees who have an affinity for service: employees who are selected for their interest in and suitability for your company purpose and whom you support and guide in their further development.



## TEN ELEMENTS SHARED BY OUTSTANDING CUSTOMER SERVICE CULTURES

In the time I've spent studying, and working with, companies with truly outstanding customer service cultures (such as Nordstrom, USAA, Southwest Airlines, The Container Store, Zappos, L.L. Bean, Mayo Clinic, MOD Pizza, and Bob's Red Mill) and these companies' equally excellent but lesser-known business-to-business (B2B) counterparts, I find each company's culture to be, on the surface, quite distinct. For example, an employee whose early career is spent in the straitlaced but excellent Member Support environment of USAA in San Antonio and then moves to Vegas to join the wild-and-woolly world of the Customer Loyalty Team at Zappos is *definitely* going to need an adjustment period before feeling at home. Yet, just below the surface distinctions, these cultures have a lot in common.

Setting up the framework of a great service culture is only the start. *Reinforcing* it is what ultimately makes the difference.

I've gone ahead and distilled a list of ten characteristics that I believe to be shared by all great customer service cultures. I recommend reviewing this list and considering how your *own* company culture stacks up. Then, wherever you find yourself lacking, get ready to roll up your sleeves.

- 1. Culturally consonant employee selection (hiring) practices.** Sustaining a great customer service culture is much more possible if employees have a natural predisposition to serve. While there's no complete guarantee that every employee hired via a trait-based selection approach (which I will discuss in the next chapter) will fulfill their potential and advance the company culture, great companies understand that this is the right place to start.
- 2. A commitment to ongoing improvement via customer service training and retraining, from orientation (onboarding) onward.** Training can take many shapes, from the initial inspiration and guidance that new employees receive at the time of orientation, to the Customer Service Minute, to more elaborate training sessions, workshops, and all-hands keynotes with a customer service theme. All of these are ways that great customer service cultures maintain themselves and ensure that they continue to grow. This way, service greatness isn't left to happenstance and doesn't plateau or diminish over time from inertia and entropy.

- 3. A culture of empowering every employee to take the initiative in service of their customers.** Once employees are properly selected, oriented, and trained, they require empowerment to flourish. All of these primed-to-be-great employees can't do their best work, or contribute to the greatness of a service culture, until they're given the power and leeway to do so. And all great customer service cultures do give employees such power and leeway. In fact, it's understood, in a service culture such as predominates at Nordstrom or Zappos or the Ritz-Carlton Hotel Company, that as an employee it's your job to be empowered: to take positive, creative action on behalf of others.
- 4. Employee control over how they carry out their duties.** In a great company culture, not only are employees empowered to assist customers in proactive (and, at times, inconvenient or expensive) ways, they also have a level of creative control over how they carry out their day-to-day duties. Although great companies provide comprehensive guidance and training, they don't excessively script or regiment employees in how to carry out their interactions with customers. Employees are not, in other words, just interchangeable cogs, nor are they serfs to be exploited solely for their labor. They are fully dimensional human beings who are both expected to and supported in making full and unique contributions.

**5. A common language.** At Zappos, employees refer to themselves as Zapponians; their lobby gift shop is the Z'Boutique, the contact center is called the Customer Loyalty Team, and so forth. Southwest Airlines creatively spells words such as “luv” in its mission statement and internal documents. This kind of common language, though it may seem goofy to outsiders, is useful in bringing a company together and making everyone who works at a company feel like they’re part of the “in crowd.” (Be careful here: internal jargon shouldn’t be allowed to slip into conversation or correspondence with customers, as it will likely confuse them or make them feel like outsiders.)

In a great company culture, employees have a level of creative control over how they carry out their day-to-day duties.

**6. Legendary stories.** Tales of over-the-top customer service are valuable in making a point to prospective, incoming, and even long-tenured employees about what an organization’s culture consists of and what it places a value on.

Southwest Airlines has many such stories, often about assisting passengers in distress; similarly, USAA Insurance has many inspiring tales that get told internally, often stemming from work they've done for their members in flood recovery and other disaster assistance. Each such story serves the same purpose: to show what is valued in the company's culture and the lengths to which employees should be willing to go in terms of investing empathy, resources, and creativity.

- 7. No "not my job."** There's an understanding within great company cultures that every employee will pitch in wherever needed, regardless of an employee's particular job description and level in the organization. This can manifest itself daily, as it does at Disney parks, where employees ("cast members") from each and every level of the organization can be found interrupting whatever else they may be doing to pick up stray trash wherever they encounter it. Or this pitching in outside of an employee's daily functions can come up primarily on special occasions, the days or peak hours when help is needed to handle additional volume. For example, during the holiday rush, every Zappos employee, including the CEO and other members of the executive team, spends time working the phone lines shoulder-to-shoulder with the regular call center employees. Similarly, at the Ritz-Carlton Hotel Company, when there's a time-sensitive need to convert a meeting room setup into a banquet room arrangement or vice versa, it's "all hands on deck" until accomplished.



**8. Pride.** At Southwest Airlines, which is frequently rated at or near the top within aviation for customer service, employee pride is palpable. Case in point: Once, when I told a flight attendant what I do for a living, she asked for my address and mailed me her own copy of *Nuts!*, a classic book about Southwest. Inside, scribbled throughout the book, were forty or so of her own notes, comments like, “So true! We really do try to do this for our passengers,” and “Yes! This is exactly how we aim to treat each other!” and “This is what makes working here amazing!” Again: This was not a publicist trying to gain an advantage with me. This was a flight attendant promoting her own company on her own initiative, and at her own expense.

**9. Humility.** The same companies that exhibit such pride are also, paradoxically, humble in ways that keep an organization both solidly rooted and open to learning and growth. Case in point: In response to my articles covering Nordstrom’s customer service prowess, people from a variety of levels of the Nordstrom organization have written to me and posted various comments. What’s notable to me about these comments is how uniformly they include an element of humility and eagerness to improve, rather than patting themselves on the back for the positive coverage I’ve provided in the published piece. These responses fall essentially along the lines of, “Thanks for the recognition in your article. We’re just striving to provide the best service we can and to improve every day.”

**10. Support for customer-focused innovation.** A great customer service culture can't be static. Happily, employees within a positive culture, simply due to their pro-customer inclinations, will find multiple areas for improvement, each and every shift they work. While this, of course, is a great start, it's ultimately not enough. Customer-focused innovation thrives when a progressive attitude is supported by processes and systems to harvest employee ideas and bring them to fruition.

In a great company culture, employees are empowered to assist customers in proactive (and, at times, inconvenient or expensive) ways.

*(Change This readers interested in innovation: You may also enjoy a document I have available to support innovation in your organization. For a free copy of "25 Essential Innovation Prompts," email me at [innovation@micahsolomon.com](mailto:innovation@micahsolomon.com).)*

## HOW USAA BAKES CUSTOMER EXPERIENCE INNOVATION INTO ITS COMPANY CULTURE

Here's a jaw-dropping illustration of what a culture that's focused on customer experience innovation looks like: the ideas proposed by a single security guard working at USAA, the insurance and financial services giant, have resulted in twenty-five patents for the company. These patents, each designed to improve a portion of the customer experience provided to USAA customers ("members" in USAA parlance) are just a few of the 10,000 ideas submitted by employees each year, with over 900 suggestions resulting in US patents so far.

How does USAA, which regularly ranks at or near the top for customer satisfaction in all of its markets, propel customer-focused innovation? There are some clever processes involved, and I'll get to those in a moment. But what it requires, first off, is a mindset.

"You have to realize," says Darrius Jones, vice president for innovation, "that every employee here is a customer—a member—of USAA. You get your membership with your initial onboarding documents. [USAA membership is otherwise restricted to current and retired military and their families.] This, combined with serving members every day, keeps employees in constant touch with how USAA does business" and keeps them acutely aware of ways that USAA could potentially improve its service to members, including themselves.



## **INNOVATION COMES TO THE AID OF HURRICANE-FLOODED CUSTOMERS**

Some innovations proposed by USAA employees come in response to heart-wrenching developments experienced by an employee either in their own life or encounters in the course of helping out customers. That's the genesis of the aerial imaging tool that was developed in the wake of Hurricane Harvey: "Our claims adjusters heard from members who couldn't get home and were desperate to see what damage would be awaiting them," Lea Sims, USAA's assistant vice president for employee and member innovation, tells me. "Within twenty-four hours, several teams here working together constructed an online portal with 'before' and 'after' aerial photos using existing satellite imagery and post-storm imagery from NOAA (National Oceanic and Atmospheric Administration) to determine the extent of damages. This gave our members the ability to remotely search and view damage to their homes during the hurricane, which helped them begin the rebuilding process before they had a chance to physically get back to their homes."

## **GETTING CLOSE TO THE CUSTOMER—IN THIS CASE, DEPLOYED MILITARY AND THEIR FAMILIES**

In addition to innovations that arise from employees' own experiences as USAA members, there are those that come out of employees' understanding of the experience of USAA's broader member base, in particular, deployed military and their families.



Every new USAA employee goes through an onboarding experience for military-life awareness that includes preparing and eating MREs (meals ready to eat) and drilling with a retired drill sergeant. (I understand that he takes it somewhat easier on them than he does on real troops!)

How this plays out on the banking side is instructive. USAA's banking operation is, for the most part, branchless, in the belief that phone and digitally based experiences are most appropriate for a far-flung membership. Being largely branchless and serving a unique population led USAA to become the first major US financial institution to roll out voice and facial recognition, technological innovations based in part on an employee contribution that was ultimately awarded a patent.

## **HARVESTING AND REWARDING INNOVATIVE IDEAS**

The systems USAA has set up to harvest innovative ideas include its "Always On Ideas Platform," a portal that's available to all employees, as well as what USAA calls challenges, competitions, and hackathons. "Challenges are where business sponsors within USAA present a problem or challenge and ask employee innovators to provide ideas for solving it," says Sims. "Competitions are volunteer-based and more involved, taking about eight weeks to complete with sessions over lunches. Hackathons are sponsored by particular departments within USAA and are designed to be rapid-fire problem solving over a day or two."

The rewards? While employee ideas (considered “work product”) do remain the property of USAA, the company does provide recognition and rewards, including monetary rewards for winners of hackathons and competitions as well as recognition at innovation ceremonies, and, for those whose inventions are awarded a patent, the immortality of being featured on a leaf of the Patent Tree, which has grown to take up an entire wall of the company’s innovation lab.

## **SERVING THE PEOPLE WHO SERVE YOUR CUSTOMERS**

Nothing boils my blood quicker than a company leader who shows superficial interest in my service culture matrix (see the graphic toward the start of this piece) yet manages to pass over the “how we serve those who serve our customers” row as if it somehow doesn’t apply to them. Great companies and great leaders don’t do this. Rather, they strive to give both columns in the matrix—serving customers and serving those who serve our customers—equal, or nearly equal, weight.

**What it requires, first off, is a mindset.**

But rather than go on ranting about the culturally hypocritical corners of the business world, let me highlight two companies that walk the walk: independent insurance company Starkweather and Shepley and the fast-growing casual restaurant chain MOD Pizza. If the insurance industry doesn't sound like a hotbed of cultural leadership to you, that might be because you've yet to come across a company like Starkweather. The sustained growth of this firm, one of the top independent insurance agencies overall in New England and one of the largest independent agencies nationwide for the personal insurance sector, is based on the systemic, culture-building decisions that the 140-year-old company has made over the course of many decades.

Strikingly, their employee focus is built into their company charter, and it forms an essential part of who they are. Uniquely, Starkweather is an insurance company that's held in trust for the benefit of its employees, and with a stated commitment that the firm will never be sold. "The intentions and interests of the trust are not based on returns to shareholder stock," says Chairman and CEO Larry Keefe. "Instead, the trust structure ensures the firm's existence in perpetuity for the benefit of our clients and our associates." This is a rare position and structure in an industry environment that's so rife with consolidation that employees elsewhere in the industry are commonly fearful that they'll come into work one morning and find an entirely different corporate parent in charge.

“Operating for the sake of our stakeholders [employees] and our clients is woven into the structure of how we do business here,” says executive vice president and national sales manager Andy Fotopulos. “I used to go to annual meetings [at previous companies], and the person on the podium would be up there talking about ‘making decisions that are best for clients,’ or ‘making decisions that are best for employees.’ The sad truth, though, is that while many companies talk this talk, it wasn’t ‘til I got to Starkweather that I had the beautiful ‘aha!’ moment: ‘My gosh, here it is absolutely true.’ Every decision we make is what’s best for our employees and our clients—and they are considered hand in hand.”

### **MOD PIZZA: SECOND CHANCES FOR EMPLOYEES; FIRST CLASS SERVICE FOR CUSTOMERS**

Maybe a quick-service pizza chain seems like another unlikely place to uncover a superior service culture, but I’d beg to differ, having spent time with MOD Pizza, the chain of pizza restaurants that is spreading across North America like a river of melted mozzarella. MOD is already operating more than 400 restaurants (a figure I’ve had to revise five times in the course of writing this book, they’re growing so quickly), after only ten years in business. But growth isn’t thought of at MOD as the goal. Rather, it’s considered an aftereffect of MOD’s central purpose, which I would distill down to three words: “Putting People First.”

“Putting People First” is pursued with great passion by management and employees companywide, who are empowered to make special efforts to hire “second chance” employees (former prisoners and people who have suffered from addiction) and those with special physical and intellectual needs, as well as making other accommodations that fall under the umbrella of putting people first. “It is our feeling and our strategy,” says Ally Svenson, who cofounded the company with her husband Scott in 2008, “that the employees we treat so well” after their years of bad breaks previously, “will have an innate passion to serve. In some cases, MOD means even more to our employees than it does to Scott and me, and because of its importance in their lives, **our employees have a passion that comes out in how they serve their customers in every interaction, day after day.**” 📌

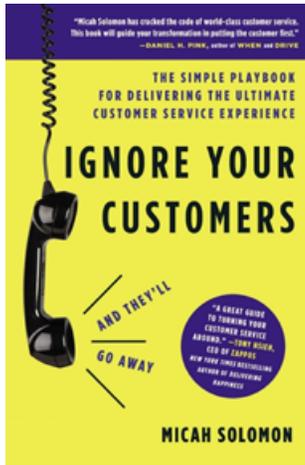
Adapted from *Ignore Your Customers (And They'll Go Away)* by Micah Solomon.

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# Info



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Micah Solomon is one of the world's leading authorities on customer service, company culture, and the customer experience. He's a bestselling author, customer service consultant, and customer experience turnaround expert. He's a Senior Contributor to *Forbes* and has been featured in *The Washington Post*, *The New York Times*, *Harvard Business Review*, as well as on ABC and CBS. Solomon is a business leader and entrepreneur, and he was an early investor in the technology behind Apple's Siri. His broad expertise includes the hospitality industry, health-care (patient experience), AI (artificial intelligence), retail, automotive, manufacturing, technology, banking, finance, nonprofit, and government. He enjoys hearing from readers at 484-343-5881, [micah@micahsolomon.com](mailto:micah@micahsolomon.com), or via his website, [micahsolomon.com](http://micahsolomon.com)



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