Quality Driven Relationships

Create Better Client Experiences with Real-Time Project-Based Feedback

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clientfeedbacktool
THE POWER OF FEEDBACK

The following white paper is presented by Ryan Suydam, Director of Operations at DesignFacilitator. DesignFacilitator created the **Client Feedback Tool** - the only feedback solution specifically designed for the A/E/C industry - to help firms constantly create value with their clients and project stakeholders. Included are best practices for collecting feedback, along with research and results from real data about the A/E/C industry.

Implementing Continuous Improvement with Feedback

Kaizen is a Japanese word meaning "change for the better." Any LEAN organization, at one point or another, will run across this idea. Wikipedia summarizes nicely:

> *Kaizen is a daily process, the purpose of which goes beyond simple productivity improvement. It is also a process that, when done correctly, humanizes the workplace, eliminates overly hard work, and teaches people how to perform experiments on their work using the scientific method. In this way everyone learns how to learn to spot and eliminate waste in business processes. In all, the process suggests a humanized approach to workers and to increasing productivity: "The idea is to nurture the company's human resources as much as it is to praise and encourage participation in kaizen activities." Successful implementation requires "the participation of workers in the improvement." People at all levels of an organization participate in kaizen, from the CEO down to janitorial staff, as well as external stakeholders when applicable.*

Note the incredible focus on *everyone* in the organization, in a very human way, seeking means to improve. Just as important, Kaizen requires a systematic approach to test and measure efforts. Without a methodical system to monitor results, changes can be a shot in the dark, and lasting change difficult to obtain.

Service businesses (architects, engineers, contractors, etc.) face even greater challenges realizing incremental improvements. The very nature of a professional service is a customized, solution-oriented approach to each unique project and client. Kaizen comes from manufacturing, where practitioners performed the same function repeatedly. In an assembly line one can easily measure widgets per hour, consistency of quality, and cost per widget - each of which monitors how changes affect production output.

Services are rarely so easily repeatable. In fact, the only thing "standard" about a "standard" project is that no project ever matches the standard process. And while services firms may earnestly measure billings, schedule delivery, and quality of deliverables, they rarely objectively measure the real goal - client satisfaction.

Professional services, by nature, means we are tasked to serve our clients. And while our "master" (the client) requests a product (technical drawing, constructed building, etc.), what they really *need* is our help - our *service*.

To truly practice kaizen - and realize lasting continuous improvement in your professional services firm - you must measure how well your service delivery met the client's expectations. Gathering feedback objectively, consistently, and continuously will give you the real-time data needed to always get better. Employing a system that everyone (from the CEO to the janitor) can use allows *everyone* to get better.

> *Client Experience is a concept that everyone is talking about these days. We are trained to focus primarily on the design and technical aspects of our profession and too often forget about service: the importance of a positive, enjoyable, rewarding client experience. Feedback has been extremely successful at driving a sense of stewardship of the client to every member of our team. We've seen a big boost in both customer and employee satisfaction.*
>
> *And it is a terrific, robust management aid – allowing us to stay well ahead of issues before they can develop into problems. I'm a big fan.*
>
> ***--Chris Browne, HOK***

Trends in Feedback: Asking Great Questions to Get Great Results

Getting great feedback starts by asking great questions. What typically happens, though, is a committee of people (principals, marketers, and anyone one else in earshot) all sit in a room and brainstorm questions they'd like to ask. The result is a hodgepodge of overlapping and sometimes un-related questions -- usually a list way too long to be practical.

Since 2004, DesignFacilitator has been researching client feedback, finding many simple techniques that can restore sanity to this process. In this whitepaper, you will learn:

- The best length for a feedback survey
- What type of feedback to collect
- How to ask good questions
- How to score responses

DesignFacilitator's Client Feedback Tool is available for firms to use constantly throughout your projects, and includes hundreds of pre-built templates that follow these guidelines.

How Long is Too Long?

Based on research done with over 35,000 client surveys, 6-8 *simple* questions seem to be the optimum length of a survey. When the questions are written well and succinctly, clients can complete a survey like this in about two minutes. Shorter surveys tend to receive higher response rates - 52%, with a 98% completion rate. Most electronic surveys receive fewer than 5% return rate, usually because they are too long, have too many questions, and are too complex. In fact, clients are more willing to respond to several short surveys over time than one long survey sent less frequently. Therefore, while it may be tempting to ask many questions with several nuances, it's likely to actually provide you with less overall feedback.

What Should I Ask?

The ultimate challenge of gathering effective feedback is to make the survey very comprehensive while also being very concise. DesignFacilitator has distilled the typically asked survey questions to a total of seven. In order for only seven questions to cover a wide gamut of client service issues the surveys divide topics covered into two main categories: *Deliverables* and *Relationships*. "Deliverables" inventory the client's perceptions of WHAT the design firm produced. "Relationships" questions collect feedback on HOW the firm's process worked. Deliverable questions focus on product while relationship questions focus on process.

The key factors regarding the Deliverables include how well the design firm's products:

- Attended to the Schedule goals
- Addressed the overall Budget parameters
- Included the appropriate Accuracy required to be effective
- Confirmed the Scope of work and Fees rendered conformed to agreements

The key factors regarding the Relationships include how well the staff's process:

- Offered the Helpfulness needed by the client
- Included the Responsiveness desired by the client
- Contained the level of Quality sought by the client

This breakdown of categories produces the most constructive feedback for professional service firms. It also allows the client succinct but satisfying opportunities to offer feedback -- with the goal to help produce the most successful project. While the firm gets full credit for being proactive and professional in asking for feedback, the client becomes more involved and engaged in the project and therefore feels more ownership in the outcome.

Putting this to work for you means developing a survey process that includes one question in each of the above categories. Knowing what to ask about, is a start - but great surveys also require you to ask great questions.

How Do I Ask Great Questions?

Great questions are comfortable to answer, easy to understand, and concise. A great deal of thought should go into crafting each question, to assure it won't impede someone responding. One common mistake is to ask questions about people, performance, and personalities. People don't typically intend to do things incorrectly. If you focus on the people involved, feedback often turns to *blame*. The typical outcome is trying to find someone else to "pay" for a problem. This builds conflict between you, your team, and your client; conflict which can be detrimental to building effective processes.

Instead, talk about the process that resulted in the undesirable outcome. By pointing fingers at a process – which is emotionless and easy to adjust, you don't have to try to change personalities. After all, the same person can do great work for ten very different clients. He doesn't have to be a different personality for each client - he just needs a process crafted to fit each client's unique needs. Processes can be documented, explained, understood, and modified on the fly to produce different results. A process can be drawn on a white board to identify which components work best for each person, and consensus built on a client-focused plan. If the client designs the process, he will take more ownership of the results. More importantly, you've again been trained as his expert – worth a premium price so he doesn't have to spend time training someone else.

Take this mindset into question design. Ask questions about the processes used, rather than the people involved. Your client can comfortably provide constructive criticism - all without hurting anyone's feelings. "Evaluate our process for addressing the project budget." There's a short, simple, impersonal question that works.

How Should I Score My Results?

Surely you've taken a survey at some point in life with the feedback scale everyone seems to use. It goes something like this:

Please rate my performance:

1. *Very Dissatisfied*
2. *Dissatisfied*
3. *Neutral*
4. *Satisfied*
5. *Very Satisfied*

Perhaps you've seen other variations (Very Poor/Poor/Neutral/Good/Very Good). It seems that these scales are what *everyone* uses. But why? When DesignFacilitator started the Client Feedback Tool back in 2004, this scale was implemented initially. However, after data began pouring in, several key limitations were discovered – the data didn't actually offer the insights most needed to create real improvement.

In the first year, 94% of the feedback collected arrived at the top level. While this *sounds* like a good thing – you then must remember that the purpose of feedback is improvement. If your answer scale eliminates any room for improvement 94% of the time, you will rarely be able to fine-tune or tweak your processes.

Further, the tone of the words used is rather uncomfortable. The scale sets up a pass/fail scenario, and most people *feel* uncomfortable giving a score less than "Very Satisfied." Likewise, receiving feedback on the mid-range *feels* merely mediocre. People giving feedback then tend to give higher scores than they would otherwise, just to avoid confrontation and/or hurt feelings. Rather than a bell-curve distribution of scores, our research showed a small cluster of "Very Dissatisfied" responses, a huge quantity of "Very Satisfied" responses, and very little in between. Yes/No questions reveal the same problems. Adding more steps between (scale of 1-10) also didn't affect results by a large degree.

Also, the scale says nothing about your *clients*' perspective and their perceived *value* of what was delivered. Every good or service consumed is measured against a perceived value gained. If you aren't measuring against that value, the measurement is inherently inaccurate. You may not be *very satisfied* with the quality of a $3 fast-food burger, but you still *chose* to order it, and will do so again. Likewise, you may get the best steak ever at a classy restaurant – but never go back. Why? It all comes down to understanding value expectations.

What's needed is a way to measure your performance against the expectations of your clients. Each client has a unique set of expectations, based on their perceptions of value received for the fee being charged. All clients have different backgrounds – different sets of assumptions based on their individual experiences. As such, no two clients ever have the same *expectations* of you – even if you are selling each client the same service at the same price. What matters is that you meet or exceed each client's individual expectations on a consistent basis.

So, if one client *expects* to be very satisfied with your work, and he is, then you have performed at a "centered" level. You met expectations. On the other hand, if a client *expects* to be disappointed (airline companies are famous for this), a very middling but quite adequate service may exceed expectations. Let's look at our burger and steak to understand this more clearly.

If you go to a burger joint, you expect disappointing (or at least greasy) food. But, it's cheap and convenient and fills you up. Therefore, you make a rational decision that, though the food quality is expected to be poor, the value provided is worth the $3 spent. Now, what about the time when you order, and they just took the burger off the grill. They just got fresh shipments of lettuce and tomato, and they put the perfect amount of mayo on. In fact, you're not terribly disappointed by the burger after all. It's not what you might call *good*, but it does exceed expectations. If they always made it like this, you may even be willing to pay $4, instead of $3.

> *I like your idea of making feedback available directly to the people doing the work. This fits in with my belief that we should work to empower our people as much as possible so that we maximize their ownership of the issues.*
>
> ***--Jeothish Babu, WorleyParsons***
>
> *We are all hungry for customer feedback. This is not just an adequate tool, it's a great process.*
>
> ***--Stuart Elliot, WorleyParsons***

Now consider a special event, and you want to go out for a nice dinner. You choose the nicest steak house in town. The 12 oz Filet Mignon costs $37 a la carte. You *expect* this steak to be perfect. For that price, medium rare better be medium rare on the spot. There should be no fatty chunks. The flavor and texture should be excellent. This is, after all, the most expensive steak you'll ever buy – it better be one of the best. Instead, it's slightly overcooked. There's one stringy corner which you don't eat. And, it needs salt.

Now, given the choice, you'll probably opt for the not-quite-perfect Filet Mignon over a not-actually-disgusting burger. It's more *satisfying*. However, when you factor in *expectations* given your value judgments, the cheap burger exceeded expectations while the steak was merely acceptable.

Consider the two restaurant managers. Understanding their restaurants' performance based on expectations is the more critical business information to have. Knowing the effect of expectations, the fast food manager knows freshly made burgers with fresher condiments are worth more. He can decide to manage towards this goal, and increase his prices accordingly. Or, he can make the decision to keep prices (and quality) lower. He can evaluate the business case for each, identify which maximizes his profit, and be successful.

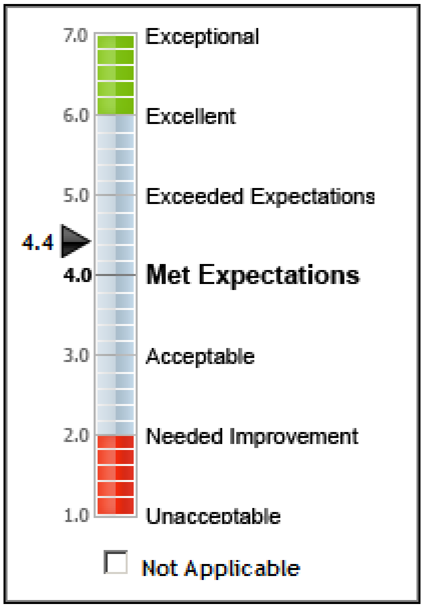
The steak house manager, on the other hand, realizes his business is based on being the best, bar none. He either needs to put additional quality control measures in place to justify the high prices, or he can lower prices, which would lower expectations going in, and maintain his existing processes. Either way, he is working to match the food he provides to the expectations you have, based on the value context. If he fails to match his steaks to diners' expectations, people will stop buying his steaks and the restaurant will have to shut down. If he's only asking about satisfaction rather than expectations, he'll miss this critical distinction.

A service business (architects, engineers, lawyers, etc.) must make the exact same decisions. Your fees are based on an expected value provided. If you do not know what your clients' expectations are, and how you measure against them, you are flying blindfolded. Most professionals will use a combination of metrics to set their fees – usually based on what competitors are doing (and often that information is flawed and from limited sources). However, if your clients *expect* you to be better than the competition, then you can charge more. The perceived value is there. However, the only way to *know* this is to ask. You need to ask early, and then throughout the life of the project or relationship to make sure you are maintaining performance in alignment with their expectations. And their expectations will change constantly. Every time you deliver, new expectations are being made, adjusted, and tweaked based on perceived value and quality of your job performance. You need to ask.

Where does this leave us?

- We must measure our clients' perceptions based on their expectations.
- We must measure constantly because expectations change.
- When expectations are exceeded, continuing to perform at that level will become the new expectation.
- Feedback must be comfortable to give and receive.
- Feedback systems must be flexible enough to capture the subtleties of each expectation.

To address these unique needs, DesignFacilitator's Client Feedback Tool utilizes a patented feedback scale and ranking device seen below.



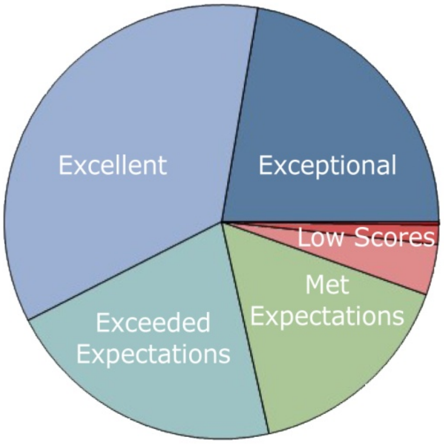
First, notice that "Met Expectations" is in the center of the scale. When someone first views a question and sees this scale, the slider is set in the center at 4.0 / Met Expectations. This is where MOST feedback should occur. After thousands of surveys sent using this scale, results show data that more closely fits a bell curve. Met Expectations is not a "C" score – it's not a measure of mediocrity. In fact, meeting expectations is GREAT! You have successfully delivered a service that matches the value as perceived by the client.

Second, the scale operates by dragging the slider up or down. By engaging the respondent in a kinesthetic activity, they are forced to assess their ranking and decide where to move the slider. On the more common "Satisfied/Dissatisfied" scale you have to select one of five buttons. It's just as easy to select an extreme score (Very Satisfied) as it is to select a centered score – so people tend to select scores on the two ends of the scale. Using a sliding scale requires some effort to change the scale, so people are inclined to change the score ONLY when they have a reason to do so. Thus, if a score is provided at "Excellent" you know the client gave you that score with intent, and not just to complete the question/survey. The pie chart to the right shows the actual distribution of feedback obtained by users of our Client Feedback Tool. You can see only 22% of scores obtained are in the top scoring category. This distribution helps you clearly identify where you have the biggest successes, and where you've created optimum value.

Third, the scale is self-centering. If you exceed expectations consistently, that level of performance will become the expected. This allows for continuous improvement of your services. If you consistently got feedback of "Very Satisfied" you have no room to innovate. By constantly resetting in the middle, this scale gives clients the opportunity to repeatedly applaud innovations that worked well so you can incorporate process improvements over and over again. Maintaining high scores of "Exceeded Expectations" proves you are continuously creating additional value with your clients.

Fourth, the words used are very *comfortable* for everyone involved. Not only do the word choices at "Met Expectations" and above indicate a job well done, but even the first notch down, "Acceptable", is not a "bad" word. If something just barely missed the mark – the performance was acceptable. Good enough. There are fewer hurt feelings than you might have with "dissatisfied" or "poor." Going down, "Needed Improvement" and "Unacceptable" both are focused on the process used, not the person. The results were unacceptable – not the son. While strong action is needed to correct this course, it is as easy and comfortable as possible to both provide and receive this kind of corrective feedback.

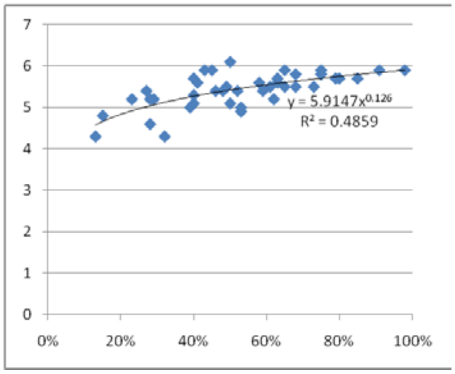
Finally, the scale offers incredible granularity. The slider can hit not only the 7 key markers, but any of 10 slots between each – a total of 61 possible answer values. This makes it very easy for a timid soul to move the slider down to a 3.9 when he may be afraid to criticize. Likewise, when looking at the breadth of a service, the nuances of what worked well really come out. Life is full of shades of gray, and supporting that variety is critical if you want the most honest, accurate feedback. With this scale, you can truly identify the little tweaks that can add up to top-notch performance.



What Does the Research Show?

DesignFacilitator's Client Feedback Tool uses this consistent approach to help an entire industry gather feedback. The results of these feedback interactions produce some very clear trends, with both expected and sometimes surprising results.

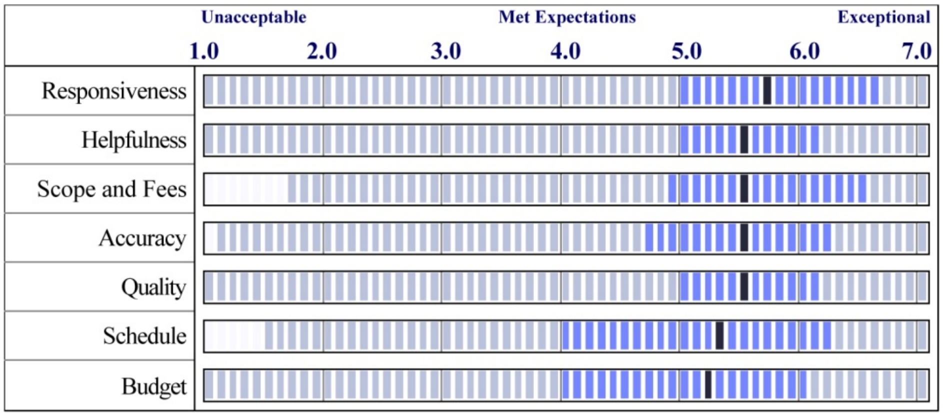
First, we have observed a clear correlation between strong performance and high response rates. Firms that score highest overall, also tend to obtain the best participation with their clients. Feedback is not just for firms with problems - it's for everyone. In fact, the more feedback you receive, the better indicator you have of true client loyalty. To the right, observe the chart for a recent random sample of 40 firms around the US and Canada, which demonstrates the correlation.

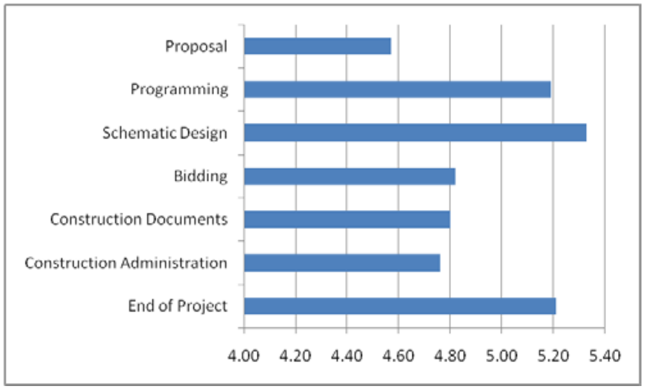


Overall, firms using our Client Feedback

Tool (and the processes supported by it) receive a 52% response rate. Within that trend, we observed a typical pattern of performance in different key areas, as noted in the graph below. The black bar shows average score, the blue the range of 25-75th percentile, and the gray shows min and max scores. Compared to 2010, this 2011 data is interesting because "Scope and Fees" has moved from last place into third place as an industry average. In fact, a full 25% of AEC firm clients now rate their firms as having exceptional fees - a clear sign that opportunity for more lucrative work exists. We have also observed two distinct trends with firms. Some firms - generally those who speak most about production and delivery of work - score highest in schedule, budget, and accuracy questions. Other firms - typically those touting client focus and relational vision statements - score highest in responsiveness, helpfulness, and quality.

As projects progress, we also observe trends in the typical phases (right). Early in projects when some of your most creative and needed services are delivered, feedback from clients is highest - they value your role most highly. As projects progress, more opportunities for problems and other challenges rise, and scores tend to drop. Feedback works very well here to uncover issues and ultimately bring resolutions to light. This is shown most clearly by the radical uptick in feedback between the final phases of a project and the post-project survey. The low scores and *discovered* problems didn't diminish the firm's value at all - but instead lead to a higher degree of value as they were addressed in time to affect a better outcome for all.





Taking Action - What's Next?

Overall, feedback is really very simple to do and do well, if you have the right tools and processes in place to capture good information quickly and efficiently. Most feedback programs fail because they are flawed fundamentally in how feedback is collected. A service professional that solicits feedback without focusing on the client, his expectations, and his value perceptions will not only get poor feedback data (if he gets any at all), but is missing a huge opportunity to discover what really makes your relationships work. Armed with that knowledge, you can do the best work for your client, meeting his needs better than anyone else, and maximizing your own long-term prosperity.

Let us help you implement an industry-leading Voice of the Client program in your firm. Learn more at:

www.designfacilitator.com

Top 10 Feedback Techniques for Project Delivery

1. Make the feedback process comfortable to use for all parties
2. Ask questions that create actionable results
3. Ask about the process (during the process), rather than people or products
4. Ask questions regarding client's expectations, not satisfaction
5. Ask questions that reduce liability, and encourage positive outcomes
6. Collect feedback throughout – not just at the end
7. Collect feedback in trackable format to assure action items are visible
8. Collect feedback to allow instant alerts and drive real-time follow-up
9. Collect feedback quickly, easily, and simply – keep the client first
10. Collect electronically, resolve personally – follow-up is the key!

Further Reading

Learn how follow-up eliminates 83% of client-identified problems.

http://bit.ly/JkYodF

5-Minute Video Overview

Feedback Process Intro:
http://bit.ly/HZhjJV
Feedback Tool Overview:
http://bit.ly/IETNPN

Further Reading

Learn why collecting positive feedback is critical to influencing client loyalty.

http://bit.ly/QQ3BtQ