

# ASM BULLETIN

Associated Subcontractors of Massachusetts



## Treating Your Employees Like Customers

By Nicholas B. Martorano

In the reshaping of business and industries, efforts are made to maximize production and minimize expenses. Investments are considered carefully and operational costs are analyzed closely. For many, the satisfaction of the existing external customers is essential, but not very many consider that the employees or “**internal customers**” require attention as well. Employees, however, are indeed customers, and the recognition of this concept can have a huge impact on the success of any organization:

- Greater productivity and improved efficiency
- Increased profitability
- Improved customer service and customer satisfaction
- Better quality of life

The same logic, strategy, commitment to service and satisfaction apply exactly to internal and external customers. Businesses are a collection of integral parts, all of which must harmonize and interact seamlessly in order for an organization to better deliver its goods and services.

If the internal components don't mesh smoothly, then surely the delivery of goods and services is disrupted, deadlines are missed, labor stands idle, work must be redone, productivity drops and takes profits down as well. Customers are unhappy and dissatisfied and other work is delayed.

Step back and take a look at how your company executes work from original bid to start of a job and all through the entire process until final payment. How many things get snarled along the way and contribute to improper or untimely information, misunderstandings, incorrect or misunderstood directions or instructions, and unnecessary delays in getting paid promptly. Are your employees considerate of each other and do they watch out for the next person in the chain? Do people focus only on their own affairs? Are they working at cross-purposes? It is important at every step that each employee understands what will be required by the next person in the process so that each one can properly complete a task and help ensure success all down the line.

If one individual does not provide complete information, the next person may not be able to complete the next step correctly or on time. Customer service is usually measured by our ability to deliver the work on time and within budget. One can appreciate that the customer will be the final recipient of improperly completed orders or the wrong products. Employees who don't extend proper consideration to each other or subordinates must be taught to understand clearly that the impact of their own performance is like a rifle shot directly to the external customer.

How can someone in shipping execute an order within the commitment the company has given to the customer if the order taker does not properly inform the person picking the goods of the correct delivery address or the date that was promised? Chances are it will not happen correctly. The result is painfully obvious. An unhappy customer will complain to management, who in turn will complain to the employees who in turn will complain about each other. When a situation like this one remains unobserved and unresolved it can repeat itself over and over again. If the concept of the **internal customer** is instilled in every individual from the janitor to the president each task will be executed with more care and thoughtfulness because this thinking is woven into the process through the hearts and minds of all employees.

All organizations must do a better job of improving their cultures to recognize and wholeheartedly develop respect and regard for the **internal customer** as a vital factor that contributes to longevity and success. To ensure that employees embrace this concept, companies must scrutinize internal relationships among departments, divisions and individuals to ensure universal recognition. More importantly, it must be demonstrated by the sincere example of upper management that the **internal customer** is not just a passing fancy or “top down directive” meant only to be employed until the next brainstorm.

The real route to the **internal customer** begins with respect, basic communication, mutual problem solving, and effective delivery of information between parties. Another important aspect of this concept is that the effort must be perpetual. It must not be construed as more empty corporate talk about exotic new management fads. Unfortunately, many concepts are viewed with such cynicism. This effort requires a lot of work and constant attention to ensure a high level of success because it will not work without total commitment. Why go through all this? The measurable results will show that the well being of an organization will improve dramatically and have a very positive impact on profitability. In this era when many feel that they have little control over the external forces that affect their companies, this is an area where you can control the outcome and produce favorable results.

Companies that don't appreciate both their internal and external customers equally will remain weakened and will not be on the cutting edge of their industries. The resulting improvements to your internal operations will be manifestly noticeable to your external customers. It is very costly to replace existing customers but replacing employees is even more expensive. Logic dictates that organizations must strive harder to retain both through a process of continuous improvement. Companies with a better understanding of themselves will obtain the best opportunities and they will grow successfully because of their internal strength. If you wish to have your company develop to its maximum potential this is your call to action.

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