Excellence through Ethics™

Session 11

The Customer Service Game

High School

Junior Achievement®

Excellence through Ethics

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Session 11

The Customer Service Game

Content: Ethics and Customer Service
Methods: Game
JA Foundational Pillars: Ethics, Work Readiness, and Entrepreneurship

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Acknowledgements

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The Customer Service Game

Overview

Students examine customer service. They consider attitudes and behaviors that build customer trust.

Objectives

Students will be able to:

- Learn the cost of and payoff for word-of-mouth advertising.
- Recognize the negative bias some people have toward business.
- Explore the methods businesses use to guarantee customer satisfaction.

Preparation

Review the activity. Prepare the necessary copies and session materials. Separate the five scenario slips from the Customer Service Game. Fold these slips and mix them in a shoebox, so that teams can draw them randomly. Bring 2-3 examples of customer feedback cards from various businesses.

Group work is incorporated into this session. You may consult with the teacher to determine how best to form the groups.

Post Key Terms and definitions in a visible place.

- **Ethics:** The standards that help determine what is good, right, and proper.

Recommended Time

This session typically takes 45 minutes to complete. Ask the teacher to help you keep track of time.

Materials

- Customer Service Game (1 per group)
- Examples of customer feedback cards (2-3)
- Shoebox

Presentation

Introduction (15 minutes)

Greet the students.

Ask, “When do you know your product or service is truly successful?” **Possible answers:** high demand, good cash flow, profits, etc. Permit several students to respond, and have them explain their answers.

Guide students into a discussion about how many of their answers are financial indicators of how satisfied customers are with a product or service. Explain that businesses interested in long-term success are truly interested in customer satisfaction; they want to know how their customers “feel” about their products and services.

Tell the class that many businesses gather this information through customer feedback cards. Show students the cards you have brought.

Ask students if any of them have ever filled out a customer feedback card. Ask those students who have why they took the time to fill out such a card. Explain that most customers who take the time to fill out customer feedback cards have had an "unusual" experience—unusually good or unusually bad. Further explain that customers who have had an unusually bad experience are far more likely to share their experience with friends or family than those who have had unusually good experiences.

Say, "In fact, according to Yahoo! News, an angry customer is likely to tell anywhere from 11 to 20 other people about the experience. Compare this to the one other person a happy customer is likely to tell, and you can see why customer service is so critical to the success of an enterprise."

Ask students if any of them have had a truly horrible customer service experience. If they have, have them share the experience with the class. Ask students who respond how hard it would have been for the company to have made them happy customers. If it is appropriate, share a poor experience of your own with students.

Explain that companies make many ethical decisions about products and services long before they reach customers at the point of sale. Many of these decisions have tremendous impact on the level of satisfaction a customer feels.

Ask, "For example, if a company decides against investing money in employee training, how might that affect customer satisfaction at the point of sale?" Broaden the discussion by asking what would happen if a company realized after testing a product that it had a slight defect, but then decided not to fix the problem based on the low probability that a customer would actually take the time to complain or return the item. Discuss the ethical aspects of a company's responsibility to provide its customers with quality products and services.

Explain that customer service blunders are often made because ethical concerns are ignored. Ask the class if they can think of any customer service blunders that have made local or national news. Discuss their examples by exploring what the companies did wrong, and which internal and external customers were affected. If they have difficulty thinking of examples, provide them with one.

Tell the class that while a few customer service issues are serious enough to make the local or national news, most deal with simple, day-to-day relationships. How a company handles the "little" things is just as important as how it handles the "big" things. Ask the class what is probably more important to customers, price or customer service. **Answer:** Customer service. According to the U.S. Commerce Department, 68 percent of customers switch vendors because of poor customer service attitudes, while only 9 percent switch because of price.

Tell students that it is much more expensive to attract new customers than it is to keep existing ones. Many companies have built their customer service policies around this idea. Nordstrom, for example, has a "no questions asked" return policy that does not even require a receipt. Their philosophy: "It is better to reward the 95 percent of customers who are honest than to inconvenience and punish everyone because of the 5 percent who are dishonest."

Explain that customer service is all about solving problems for customers. It generally occurs when companies have their employees follow the "golden rule" of treating people the way the employees would want to be treated. It is also about making ethical decisions that are focused on long-term results.

Ask the class if good customer service means that the customer is always right. Discuss the point, and accept a range of opinion without criticism. Contrast the discussion with the Nordstrom return policy. Ask students how often they think customers return items that were not even purchased at Nordstrom. Tell them that it has, indeed, happened, and Nordstrom has never questioned a customer's integrity, but has instead happily returned their money. Ask the class why Nordstrom does that. Were the customers right? How many people did those "customers" probably tell about their positive experience? Do they still shop at Nordstrom?

Say, "Regardless of whether the customer is always right, the customer is always the customer." Explain that the goal of customer service is to create an all-around enjoyable purchasing experience. It is about employees with pleasant, professional, positive attitudes working to solve customer problems. Sometimes that involves returning money or exchanging products, and sometimes that involves educating the customer about a policy or even about the intended use of a product.

Activity

The Customer Service Game (25 minutes)

Tell students that they are now going to have a chance to practice their customer service skills. They will get a chance to play the Customer Service Game. They will play in teams; each team will have a captain who acts as the team's spokesperson. Each team captain will draw a customer service scenario that the team must solve.

Teams will have 5 minutes to discuss their scenarios before presenting their solutions to the class.

Solutions should be centered on a specific course of action. Before the captains present their team solutions, they must read their scenarios aloud. Solutions will be scored by a class vote, excluding the team presenting, and as follows:

- 10 points if the class feels the solution keeps both the customer and the company 100 percent satisfied.
- 5 points if the class feels the solution keeps the customer and the company somewhat satisfied.
- 0 points if either the customer or the company would not be satisfied.

The first team to challenge another team's solution, after it has been scored, has the chance to offer their spontaneous "challenge solution" as an alternative. If the class, excluding the two teams, feels that the challenge solution is better than the original solution, points may be awarded to the challenging team. The team with the most points wins the title "Customer Service Kings."

Separate the class into five teams. Have each team select a captain. Have the team captains randomly draw their scenarios. After five minutes, call the class to order and have the team captains present their solutions.

Summary and Review (5 minutes)

Briefly review the vocabulary introduced in the session. Encourage them, as potential entrepreneurs, to consider creating a customer service policy in their businesses, which might include customer service training for employees and product/service training for customers.

Reinforce the "golden rule" and the Nordstrom philosophy. Briefly review how good customer service benefits a company in the long run. Explain how companies such as Nordstrom retain customers by calibrating their policies to the 95 percent that are honest instead of the 5 percent who are not. Ask students if they can think of limits to the effectiveness of such policies.

Conclude that a good reputation is built when people are satisfied with the product, say good things about it, and create positive word-of-mouth advertising.

Session Outline

Introduction

- Greet the students.
- Ask, "When do you know your product or service is truly successful?"
- Show students the customer feedback cards.
- Discuss the difference between how unusually good and unusually bad customer experiences affect word-of-mouth advertising.
- Discuss how ethical business decisions made before the point of sale affect customer service.
- Explain that it costs more to find new customers than to keep existing ones; discuss Nordstrom's return policy.
- Describe customer service as creating an all-around enjoyable purchasing experience.

Activity

- Introduce the Customer Service Game.
- Separate the class into five teams.
- Each team will draw and discuss a customer service scenario.

Summary and Review

- Briefly review the vocabulary introduced in the session.
- Reinforce the "golden rule" and the Nordstrom philosophy.
- Thank the students for their participation.

The Customer Service Game

Scenario A

Your product is sold with "100 percent Satisfaction Guaranteed." A customer attempts to return a product for a refund, saying he is dissatisfied with it. The product is showing a lot of wear, and you have no doubt the customer has received a lot of good use from it. What do you do to satisfy this customer?

Scenario B

You receive a complaint about one of your products that didn't perform according to the customer's expectations. Upon careful examination, you find the instructions in the box were for an earlier model of the product, which operates a bit differently. This problem was obviously caused by the manufacturer. What do you tell the customer? What do you do to satisfy this customer?

Scenario C

A customer returns a product with which they are unhappy. You try to determine the reason, but they only make vague statements that lead you to suspect that they just want a refund so that they can go buy a competitor's new product. What do you do?

Scenario D

Your company has created a good product that is selling well. However, some users have found a way to modify the product for an alternate use that you didn't anticipate, which involves risk and danger. What do you do?

Scenario E

You have an enthusiastic sales force selling your product, and the initial sales reports are impressive. You get feedback that some customers are not satisfied because the salespeople are making exaggerated claims about the product that are creating unrealistic customer expectations. What do you do?

Appendix

Welcome to Junior Achievement's *Excellence through Ethics*

As a Junior Achievement (JA) volunteer or teacher, you are joining other teachers and volunteers from across the United States in providing students with a unique educational experience. Junior Achievement's *Excellence through Ethics* offers students learning opportunities to share knowledge and information regarding ethics in business. JA strives to show students how business works, and to better evaluate organizations that conduct their operations in the right way.

Excellence through Ethics is designed to equip volunteers and teachers with supplemental, ethics-based activities for use with JA in-class programs for grades four through twelve. All these activities provide students with current and essential information about business ethics.

These activities are designed to reinforce students' knowledge and skills, teach them how to make ethical decisions, assist them in learning to think critically, and help them to be better problem-solvers. All the activities are hands-on, interactive, and group-focused to present the material to students with the best instructional methods.

Within these supplements, you will find sections to help you effectively implement the activities in your volunteer experience. Materials include: (a) an introductory discussion of business ethics, marketplace integrity, and the growing capacity of students for ethical decision-making; (b) activities and student materials that connect to and expand current classroom-based Junior Achievement programs; and (c) a functional glossary of terms relating to a wide spectrum of ethics, quality, service, and social responsibility considerations in business.

Appendix

Introduction and Overview

- *How do I do the right thing in this situation?*
- *Should I be completely honest, even if it puts others in jeopardy?*
- *What kind of community do we want to be?*
- *How do we do what's best for the long term?*
- *Who should cover the cost of "doing the right thing"?*

These are all questions having to do with business ethics. They are valid and necessary questions, and good business people have asked them for generations. They form the backdrop of vital discussions as business, community, and political leaders grapple with significant issues. Many students would ask these questions, even if Junior Achievement hadn't developed this ethics curriculum.

Business Ethics Discussions Are Here To Stay

Business ethics has been in the spotlight for much of the past decade, especially as examples of wrongdoing come to light in the media. New technologies and international competitive pressures cause a steady focus on the question, "Is it possible to be competitively successful in business today and still operate in an honest and ethical manner?" The past decade has seen individuals search for deeper personal meaning in the workplace, which has contributed to lively ethics discussions in the business realm. For these reasons, the discussion of business ethics is not a passing fad; it's here to stay.

Many graduate schools of business have either required ethics coursework or integrated ethics principles throughout all areas of study. That is commendable. We believe this vital area of exposure and instruction also should happen at earlier ages and continue throughout the students' educational journey. Many of today's students haven't had access to a well-rounded education in economics and free enterprise or have come to see these in a very negative light. They have limited awareness of the extent to which good business leaders engage in the challenging exercises of ethical decision-making amid heavy competitive pressures. As students learn the general principles of economics and business, it's critical that these be underpinned with a strong foundation in ethics. This will accentuate the best in American business traditions, while laying the groundwork for students' continued evolution into future generations of leaders.

Integrity in the Marketplace?

Many adults and young people choose to believe that the marketplace is driven only by greed. They view it as bringing out only the worst in human behavior, demoralizing the human spirit, and driving out any sense of idealism. While elements of greed and extreme self-interest among some individuals cannot be denied, solid research has shown time and again that companies with a long-term focus on ethics and a broad consideration of stakeholders' interests are much more profitable than those lacking such a focus.

James A. Autry, in his book *Love and Profit: The Art of Caring Leadership*, said it well: "I do not doubt the presence of greed in the marketplace because I do not doubt the presence of greed in people. But, I also do not doubt the ennobling aspects of work, of the workplace, of the community, of endeavor, of

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the marketplace. So I choose to believe that most of the marketplace is driven by people who want to do good work for others and for themselves."

Excellence through Ethics accepts the challenge of educating youth in the basics of economics and business while establishing a positive balance on the side of well-informed, ethical business practice. This may appear to place a heavy burden on Junior Achievement volunteers, who are not trained ethics experts. The following informational pages will not turn you into an ethics expert. That's not what we're striving for here. What students need most is meaningful interaction with people who are willing to engage in a discussion of these vital issues.

Lively Practitioners Rather Than Dry Theorists

This program is more about day-to-day ethics practice than the nuances of ethics theory. Some believe that working in business requires a disconnect from one's personal ethics. We do not believe this is the case. Students need to know that what they learn about fairness and honesty in general also applies to business. While business ethics may address some specific areas of business practice, it's not a separate and distinct specialty to be set apart from the general ethical principles that apply in other areas of life. Young people need to encounter the wisdom of age and experience that volunteers bring to the classroom.

Students' Growing Capacity for Ethical Decision-Making

Excellence through Ethics is designed to foster discussions at the appropriate level for each age group. The curriculum developers have designed the ethics activities with sensitivity to student's mental maturity. At the late elementary and middle-grades levels, students' capacities for ethical reasoning tend toward good personal behavior as determined by adult rules and authority. In relationships, personal trust, loyalty, and respect are of paramount importance. For these students, corporate ethical behavior is viewed in much the same light as their own personal behavior: it's governed by rules.

As students advance into high school, their ethical decision-making moves into the larger arena of social contracts and systems that guide and govern societal and group behavior. Here the rationality and utility of laws are scrutinized, as students become more capable of higher-ordered, principled thinking. Students are increasingly aware of the diversity of values among different cultures and communities. At this level, students' capacities for processing the complex, ethical dilemmas that may be encountered in business are greatly enhanced.

You will gain confidence as you come to realize that conducting a robust, provocative discussion with students is more important than "having the right answer." The activities have been designed to leave room for lively discussion and multiple points of view. Having the courage to share your own experiences is very valuable to students.

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You don't have to apologize for the excesses students may see in business. Don't assume responsibility for actions that are not your own, and do not try to defend the indefensible. While accentuating the fact that most businesses operate ethically, it's okay to scrutinize the unethical players in the marketplace who give business in general a bad name.

Continuing Education

Teaching this material to students will no doubt strengthen and enhance your own ethics awareness and continuing education. Some students will challenge your best reasoning capacities. Having your own support network of professional colleagues with whom you can share and discuss some of these issues is very valuable. It's also helpful to seek out colleagues with philosophical views that differ from your own. This serves as a valuable "cross-pollination" function because you will be able to understand and discuss a variety of views with students, as well as share students' perspectives with your colleagues. In this way, everyone learns.

Finally, please be assured that your contributions here have tremendous value to students and will serve to upgrade business ethics in the future. We're dealing with the future generation of leaders in their formative years. We can take pride in the fact that we've had a hand in shaping the very people who will be responsible for business ethics and social responsibility in the future.

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