**Scenario:**

*Disclaimer: The organization and characters depicted in this exercise are fictional. Any resemblance to real organizations or individuals is purely coincidental.*

**Your Interview with ProExpress’ Management Team**

# VP Operations, Michael Cassalla:

Let me tell you a little about ProExpress. We are a regional package delivery company, and we serve California and the Southwestern United States. We focus on large(r) packages, the kind that aren’t normally handled by the big national companies, so we don’t compete with them (much). We have a (fairly) unique market niche. The large items we deliver include things like furniture and industrial equipment, although we’ll deliver just about anything, as long as it’s legal! Because items are sometimes unique and they are often fragile, we also offer an extensive menu of individualized crating and packing services to help our customers secure their items before they are shipped. We will also connect with national and international shipping companies if items need to be transported out of our coverage area.

# Regional Director, Vicki Montes:

You should know that we’re organized into three regional divisions--Southern California, Northern California, and the Southwestern U.S. Each region has a Regional Director--I’m the Regional Director for Northern California. The three of us Regionals are responsible for all

operations within our region. Each of us has a Delivery Manager and a Call Center Manager who reports directly to us. The Delivery Manager oversees the staff, equipment, scheduling, and all the logistics to offer safe and on-time package delivery within his area. The Call Center Manager oversees staff, the software, scheduling, and any logistics needed to take customer orders by phone and then dispatches whatever packing and delivery personnel are needed to assure safe and timely delivery of the package. Each of us Regional Directors functions with a fair amount

of autonomy, because the needs and geography of our regions are pretty different from each other.

# Marketing Director, Shemaiah Jackson:

Here’s the issue we need your help with. Our company has seen about 5%-7% annual revenue growth pretty much every year of the past decade, except for one year when the economy really took a nosedive, that was 2009. We are privately owned, and our owners are satisfied with the level of growth we have been sustaining, but they also expect to see management maintaining this level of growth in the future, year after year. That’s why I am a little worried. Most of the Management Team here is comfortable with the company’s performance in customer satisfaction… (Is interrupted here by Vicki Montes)

# Regional Director, Vicki Montes:

I know that Shemaiah is worried since last year Customer Satisfaction with the Phone Reps was

8.9 and this year it’s 8.8 out of 10. But both of those numbers round up to 9.0, which is an excellent overall rating for customer service. And a drop of 0.1 point doesn’t seem like much to us--couldn’t that just be a fluke? That’s why most of us think it’s too early to worry about anything. Yeah, if this continued next year, dropping again, we might raise an eyebrow.

# Marketing Director, Shemaiah Jackson:

Like you see, I’m the main one here pushing for your consultation. I am a little worried about the data for Region 3. I know that Steven — I don’t know if you met him yet, he’s not here today but he’s the Regional Director for Region 3 — I know that Steven says everything’s fine in his area. And the others don’t see a problem. That’s why we need you to look at our data, to maybe do some digging, and tell us if there is something we should be worrying about or doing differently. My feeling is that the numbers for Customer Satisfaction with the Phone Reps in Region 3 are the lowest, and they went down this year. And also — and please remember that I’m not a statistics person, none of us are — there seems to me at least to be some inconsistency in the numbers when I look at the details. They don’t look harmonious. I am afraid they may be telling us something that we don’t want to see, and that if it continues, we could have a problem with unsatisfied customers and a loss of business down the road.

# VP Operations, Michael Cassalla:

Let me tell you about our metrics, so you have some idea where the numbers are coming from. A few years ago, ProExpress hired a consultant who developed quality metrics for a range of our services. Before that, we really didn’t measure much of anything (laughs)! One major area that we now monitor is Customer Satisfaction. We use a 10 point scale to monitor Customer Satisfaction, with 1 meaning poor and 10 being excellent. Here’s how we get the data. Once packages are delivered, customers receive an automated phone call, where they are asked three questions about the delivery process — timeliness of the delivery, package integrity (in other words, was it delivered undamaged?), and friendliness of the delivery carrier. This gives us the data for Customer Satisfaction with the Delivery Process. Following each customer service phone call, customers are also routed to an automated system that asks them two questions about their level of satisfaction with the phone call — was the representative able to meet their package delivery needs, and the friendliness of the representative they spoke to on the phone. This gives us data on Customer Satisfaction with Phone-Based Representatives, or what we usually just call, “Customer Service.” Metrics are then produced by creating some averages — it’s all automated — and we look at the averages. This Management Team receives monthly, quarterly, and annual reports on the data. I will give you a copy of our most recent annual report, because that’s where Shemaiah thinks he sees a problem.