



## Increase Customer & Employee Loyalty & Retention

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**Customers are more sophisticated than ever** – they understand their power and aren't afraid to use it. They demand value pricing, exceptional and personalized customer service, and they won't hesitate to take their business elsewhere if they don't receive it. They want to feel understood and appreciated... immediately, and every single time they interact with your organization.

**Skilled talent will continue to be hard to find and losing the key talent you have is expensive and disruptive.** Employees are less likely to be attracted to an organization that doesn't invest in their workforce, or to stay with a company if they aren't being appreciated and recognized for their achievements. And the Recession hasn't dampened the market attractiveness of world-class talent. In fact, some of your competitors may be thinking that the current economic situation is *exactly* the right time to make a play for your best talent and clients.

What's a corporate executive to do? Is this double-edged sword a weapon or a tool? I contend that it's a strategic business tool that's called incentive and recognition programs, and they're more important to the success of your business than ever before. A wealth of different research studies has discovered a very strong correlation between the level of employee satisfaction in an organization and the level of customer satisfaction and loyalty to that organization. The data further correlates that customer satisfaction into an improvement in the financial performance of the company, translating into what many would consider a win-win-win opportunity.

Because employees are also the people who are delivering the service to your customers, investing in employee satisfaction increases the likelihood that customers will be treated as you expect, and this revelation is prompting many companies to increase their employee incentive programs to improve both employee and customer satisfaction levels. The data would certainly also suggest that cutting any of your employee recognition initiatives during these challenging times should be avoided at all costs because you run the risk of alienating both employees and customers when you need their loyalty most.

**Investing in recognition and incentives to attract and retain key customers and talent is far less expensive than the consequences of not investing in these valuable assets.** You'll spend more to correct the problem than to prevent it, and preventing an exodus of customers or employees saves you from several other expensive problems too.

Using this strategy, you'll enjoy the many benefits of an engaged workforce, while they care for your clients in a way that will engender improved customer loyalty too. It's a proven and strategic approach to a challenging situation that should serve you well – even when the economy turns around.