



UNDERSTANDING VALUE AND FAILURE DEMAND FROM OUR CUSTOMERS

A Quick Quiz to help you understand the difference between customer requests driven by Failure and those that are driven by Value!

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Introduction

This presentation is intended to help DC+ staff to understand the difference between Value Demand and Failure Demand; it also tries to explain why understanding the difference is so important.

You can use this presentation by yourself, in groups, at Team Meetings, or wherever you wish; it can also be used by other Council staff to help develop an understanding of value and failure demand.

There are a few background slides, followed by a quick 'quiz' – this isn't a test – you won't be scored and no one will shout if you get the answers wrong – it's simply meant to help you to understand!

If you have any questions or concerns, want some more help, or simply want to know more, then please let me know!

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What is Value Demand?

VALUE Demand:

‘Value’ demand is demand for a council service, created by the customer when they need something from the Council, for example:

“I’ve lost my job – can I make an application for Council Tax Benefit?”

Some ‘value’ demand is hidden in what the Council does every day. For example, people quite rightly expect the Council to empty their bin every week – they don’t have to ask for this to be done - their expectation is that it will simply happen (and there’s no reason why they shouldn’t expect that it does)

... but what if it doesn’t happen?





What is Failure Demand?

FAILURE Demand:

'Failure' demand is demand that occurs when the Council fails to do what the customer expects, or fails to do something how, or when, the customer expects it, for example:

"You've missed my bin collection."

"I asked for an application form last week, but I've not received one."

or, less obviously:

"I'm phoning as I've received a letter from you, but I don't understand it ... It's complete gobbledegook and I'm not sure what to do!"



What is Failure Demand?

So in the examples on the previous screen...

! if the Council had done what the Customer expected ~ emptied their bin

! done what it had promised ~ sent an application form

! or simply been more thoughtful ~ been more careful in the wording of the letter

...then the Customer wouldn't have had to contact the Council; the Council's action (or failure of action) created failure demand from the Customer!





Why Does Understanding the Difference Matter?

It is important to understand the difference between Value and Failure demand as:

! Failure demand is bad for customers – they have to make contact with the Council to sort it out (and can feel that they are stuck in the middle of a game of ping-pong!)

! Failure demand is bad for the Council – every time it happens then the Council spends (tax payers) money on sorting it out – money that could be better spent on delivering value services and getting it right first time!

! If the Council doesn't know failure demand is happening, or how often, then it will never do anything to change it!





Who Creates Value and Failure Demand in Services?

Most people who work for the Council will deliver value to, and create failure demand from, customers of their services. This doesn't mean that they are bad people, or that they are doing a poor job!

Failure demand normally occurs as a result of the 'system' within which they work – the 'system' is what sets the limits as to what they can do, how they can do it, when they can do it, etc (known as 'System Conditions').

They may know that something isn't working well, but don't feel able to change it and have no way of evidencing the impact of the problem.

Gathering information on value and failure demand gives the Council knowledge of its 'systems' and helps it to learn where the 'systems' may need to change (and also where they may be really working well).

So perhaps the question should be 'What creates?' rather than 'Who creates?' failure demand!





How Can I Assess Whether its Value or Failure?

As a Customer Service Advisor, you need to decide whether the request that you are currently handling was created through Value (i.e. I need...) or through Failure (i.e. you didn't...).

Think about what drove the customer to make this contact with you (it's about the cause and NOT about the outcome of the contact).

This will usually be obvious when you talk to the customer to establish need, and listen to (or read) what the customer has to say!

You need to make your value/failure assessment and record this in the correct field on the Aspire 'End Task' Screen.

*Note: The information captured is used to understand what happens in the 'system' that enables service delivery, and **not** to measure how well you, as an individual, are doing your job – that simply wouldn't make any sense!!!*





The QUIZ!

As you move from screen to screen you will be given a situation to think about – decide whether you think that the customer is making a VALUE or a FAILURE driven request and then click the mouse to reveal the answer!

Some of the questions are quite involved – remember to think about:

‘what caused the customer to contact the Council’

and

‘did the Council fail to do what the customer expected’.



Question 1:

I'm moving house soon and have some old furniture to get rid of, can the Council collect it and get rid of it for me?

Value or Failure demand? ... Click the mouse to find out!

An easy start ... its VALUE!!!





Question 2:

I've just got back from work and my garden waste bin hasn't been emptied – I left it out as I'm supposed to do!

Value or Failure demand? ... Click the mouse to find out!

This one is FAILURE demand (failure to empty the bin when expected). It could still be failure if it was the end of December and the service had stopped for the winter; it would depend upon whether the customer had been told but had 'forgotten', or they simply didn't know (failure to communicate it to them effectively!)





Question 3:

I came in to apply the other day and gave you all of the documents you asked for. You've now written to me asking for my Birth Certificate, where should I take it?

Value or Failure demand? ... Click the mouse to find out!

FAILURE again – on two counts! We should probably have known that the Birth Certificate was needed first time and could have asked for it then, plus, when we wrote to them we didn't tell them what to do with the Birth Certificate!





Question 4:

I've just moved house – it's a new house and I don't think that the bin will have been emptied before, so can you arrange for collections to start this week please?

Value or Failure demand? ... Click the mouse to find out!

VALUE (for the time being!). In the future, we will have a complete 'Life Event' process for Change of Address, which should cover such issues – it would then depend on whether the customer had already told us about the change and we had still failed to empty the bin!





Question 5:

Could you tell me when the grass opposite my house will next be cut? It's getting very long, trapping litter and attracting rats; I'm sure it should have been done by now.
(For the example assume that you know that the grass is 'council' grass.)

Value or Failure demand? ... Click the mouse to find out!

FAILURE – the customer obviously expects the grass to have been cut by now, and they are certainly implying that it needs doing. There is a vague chance that the customer is wrong (i.e. it's not due to be cut) but we may still be failing to cut it as often as is needed to stop it being a problem in the customers eyes!





Question 6:

I'd like to pay the invoice that I've received for my old fridge-freezer that you collected from me.

Value or Failure demand? ... Click the mouse to find out!

VALUE – **but** only if the customer is using a payment method that they couldn't have used to pre-pay when they ordered the service (e.g. they ordered by phone but are now paying cash). If they are paying the invoice by, for example, Credit or Debit card then they could have pre-paid for the collection when they ordered it, making this a FAILURE demand!





Question 7:

I'm not at all happy about this, but I wish to pay my Car Parking fine.

Value or Failure demand? ... Click the mouse to find out!

VALUE – although the customer isn't happy, they do need to make the payment, and have chosen the option to pay via DC+.





Question 8:

Please can you put me through to Mandy; she works in Education? It's most important that I speak to her, she left a message on my answer machine - sorry but I don't have her surname or her phone number.

Value or Failure demand? ... Click the mouse to find out!

FAILURE – had Mandy left better information, or (if she had done this) had she stressed to the customer that they needed to ring her direct on the number she left, then this would have avoided the need to contact DC+.





Question 9:

I'm calling to report a large pot hole in the road outside my house. It's been there, getting worse, for weeks and it's now dangerous!

Value or Failure demand? ... Click the mouse to find out!

FAILURE – the customer expects that the Council will spot this sort of thing and put it right as part of routine maintenance. They may also have reported it before, but it's not clear from the above.





Question 10:

I own my house, but my neighbour's is a Council house. She has had rats in her back garden and these 'Council rats' are now in my garden too. She told me that Pest Control were coming yesterday but they didn't show up. Can they come today please?

Value or Failure demand? ... Click the mouse to find out!

FAILURE – it would appear that Pest Control (or whoever the neighbour had spoken to) had failed to come when arranged (but the neighbour could have got it wrong).

(Note that 'Council rats' comes from a real customer example!)





The End!

How did you do? Did this help to develop your understanding of Value and Failure demand?

Would it help to talk it through with your colleagues, or with your Team Manager?

Do you have some better examples that can be used?

If you would like more information, please contact me!

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