



Service Quality as a Strategy for Growth

How PEOs Win in 2020

Eric Gregg, CEO & Founder, ClearlyRated

About ClearlyRated



Est. 2003

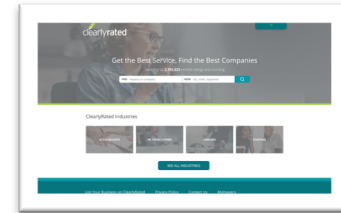
Focus on professional
service providers since
2007

We believe it's **good
business** to place client
satisfaction at the heart
of your growth strategy.



Annual award program for
client service.

Recognizes companies
that have demonstrated
exceptional service
quality based exclusively
on ratings provided by
their clients.



Launched July 2018

Online service provider
directory that translates
client satisfaction scores
into online ratings and
testimonials.

Industry Partner



Associate Member

National Association
of Professional Employer
Organizations®

—— Best of HR Services™ Presenting Sponsor ——



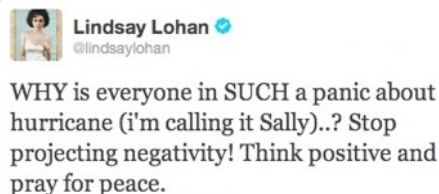
If you leave with just one idea I hope it's this

Your clients' **perception** \neq what you
believe to be true.

All sources of information are not created equally

Don't Trust...

Lindsay Lohan about the weather



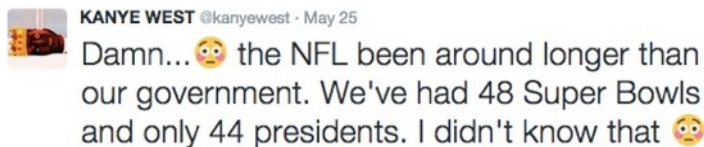
Jaden Smith about world hunger



Ron Artest about dieting



Kanye West about.....ANYTHING



Bias:

Not just a problem
for celebrities

 **Jay Branscomb** with  and 3 others

American University · 5,371 followers · July 6 at 12:31pm · Edited · 

Disgraceful photo of recreational hunter happily posing next to a Triceratops he just slaughtered. Please share so the world can name and shame this despicable man.

[Like](#) · [Comment](#) · [Share](#) ·  10.689  6.156  33.762



ClearlyRated's 2019 HR Services Industry Benchmark Study

Sample:

- 555 prospects and clients of HR service providers
- 1,118 prospects and clients of B2B service firms

Source: 2019 Industry Benchmark Study



What is 'Service Quality'?

And aren't you doing it already?

FACT: Your team works hard to provide great service.



Not the same as service quality.

Service Quality (according to the highest authority)



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The Free Encyclopedia

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Service quality

From Wikipedia, the free encyclopedia

For the telephony or computing term, see [quality of service](#).

Service quality (SQ), in its contemporary conceptualisation, is a comparison of perceived expectations (E) of a [service](#) with perceived performance (P), giving rise to the equation $SQ = P - E$.^[1] This conceptualisation of service quality has its origins in the expectancy-disconfirmation paradigm.^[2]

Perception Vs. Reality

The danger of
assumptions



Image: Eric's file of shame

3 considerations for PEOs

1

Your clients and
buyers CARE about
service quality.

You know this, your marketing team does too...



We're obsessed with delivering HR mastery

We love helping clients strengthen and streamline their businesses. Our proven approach helps you better manage costs and minimize risk. You'll get the ready-to-use HR infrastructure that your business needs to be more efficient and profitable.

To bring out the best in your people, we'll also show you how to maximize their performance and job satisfaction. That's our inspiration and purpose.

About Xenium

We believe that every business leader should have the opportunity to focus on serving their clients and growing their business, leaving the administrative duties of being an employer—including HR, payroll and benefits administration—to us.



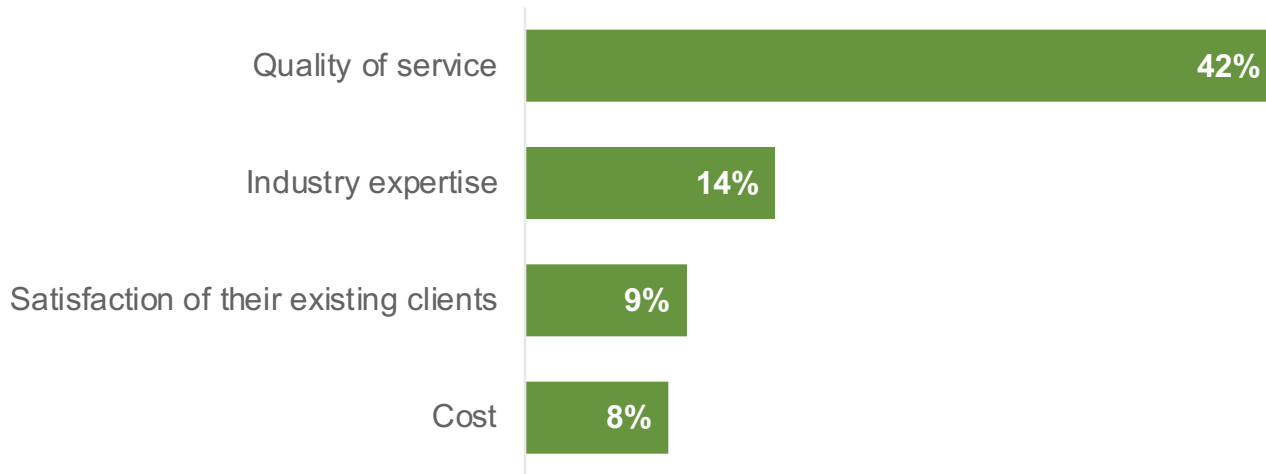
Buyer Data

- Buyers of HR Services **ranked service quality as the the most important factor** to consider when deciding to work with your company.
- The 2nd most important? Your company's **industry expertise**.

Source: 2019 Industry Benchmark Study

Rank of influence on buyer's decision

Most important factors considered when selecting an HR services firm



Source: 2019 Industry Benchmark Study

Client Data

- Of clients who have left a former HR services provider, **47% left due to service issues**.
- Of clients who were dissatisfied with the caliber of the resolution to an issue they had with their B2B provider, **54%** of them said they would not work with the company again.

Source: 2019 Industry Benchmark Study

3 considerations for PEOs

1

Your clients and buyers CARE about service quality.

2

What others say about your company is more important than anything you can say about yourself.

Buyer Data

KEY STAT

97% of B2B buyers find **user-generated content** (such as ratings, reviews, and testimonials) **more credible** than content produced by the firm they were researching.

Source: Demand Gen Report B2B Behavior Study

Buyer Data

- Referrals still reign **as the top resource for buyers of HR services** when vetting a potential company.
- When vetting your firm online, buyers rank online reviews and testimonials as the most trustworthy source of information – **not your website**.

Source: 2019 Industry Benchmark Study

3 considerations for PEOs

1

Your clients and buyers CARE about service quality.

2

What others say about your company is more important than anything you can say about yourself.

3

PEOs have an incredible opportunity to differentiate on service quality.

Supporting Data

- **68%** of HR services clients say they are “satisfied” with their current provider, but open to exploring new firms to work with.
- **91%** of clients would consider leaving their existing firm if they received a referral from their personal or professional networks.
- **Just over 2 out of 5** clients would be willing to recommend their firm to a friend or colleague.

Source: 2019 Industry Benchmark Study

Building Loyalty

Understanding What You
Are Up Against



A photograph of three professionals in a modern office setting, overlaid with a green tint. On the left, a man in a suit stands and looks towards the center. In the middle, a woman in a light blue shirt stands with her arms crossed, looking at the man. On the right, a woman in a patterned shirt sits in a chair, looking up and smiling. The background shows office desks, chairs, and large windows.

How to measure service quality



Measuring service quality = measuring client perceptions

Net Promoter® Methodology

How likely are you to recommend our firm to a friend or colleague?

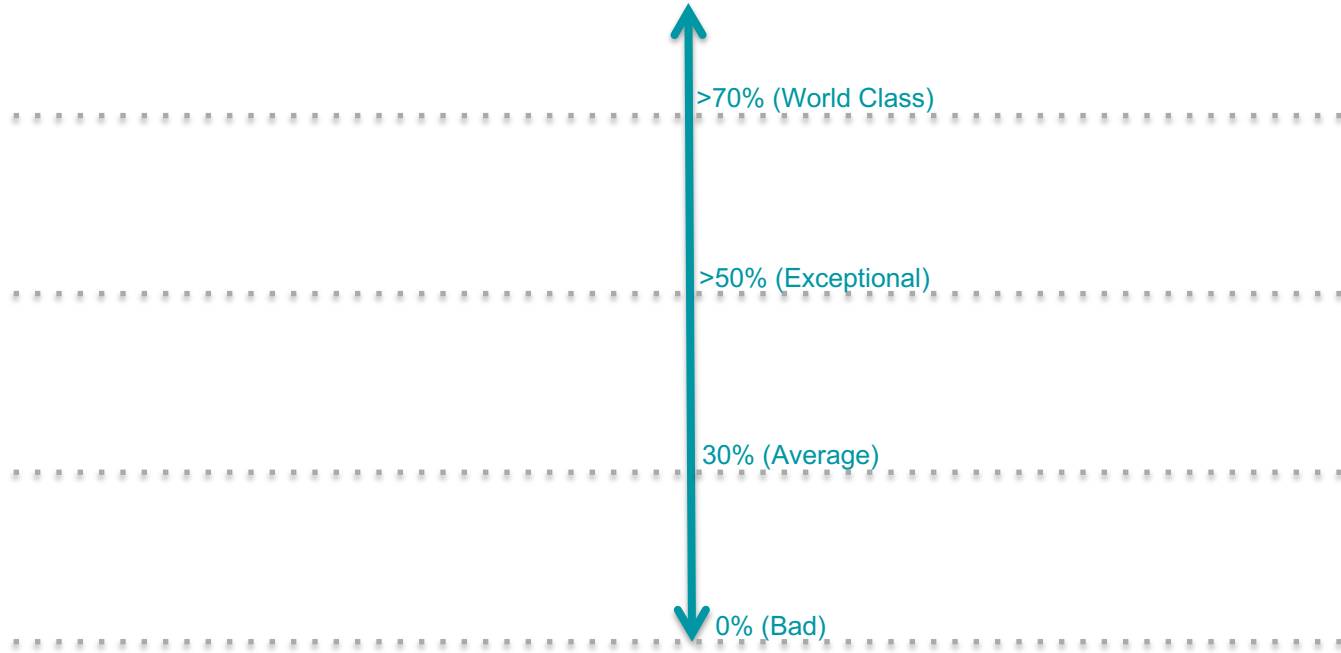


$$\text{Net Promoter® Score} = \% \text{ Promoters} - \% \text{ Detractors}$$

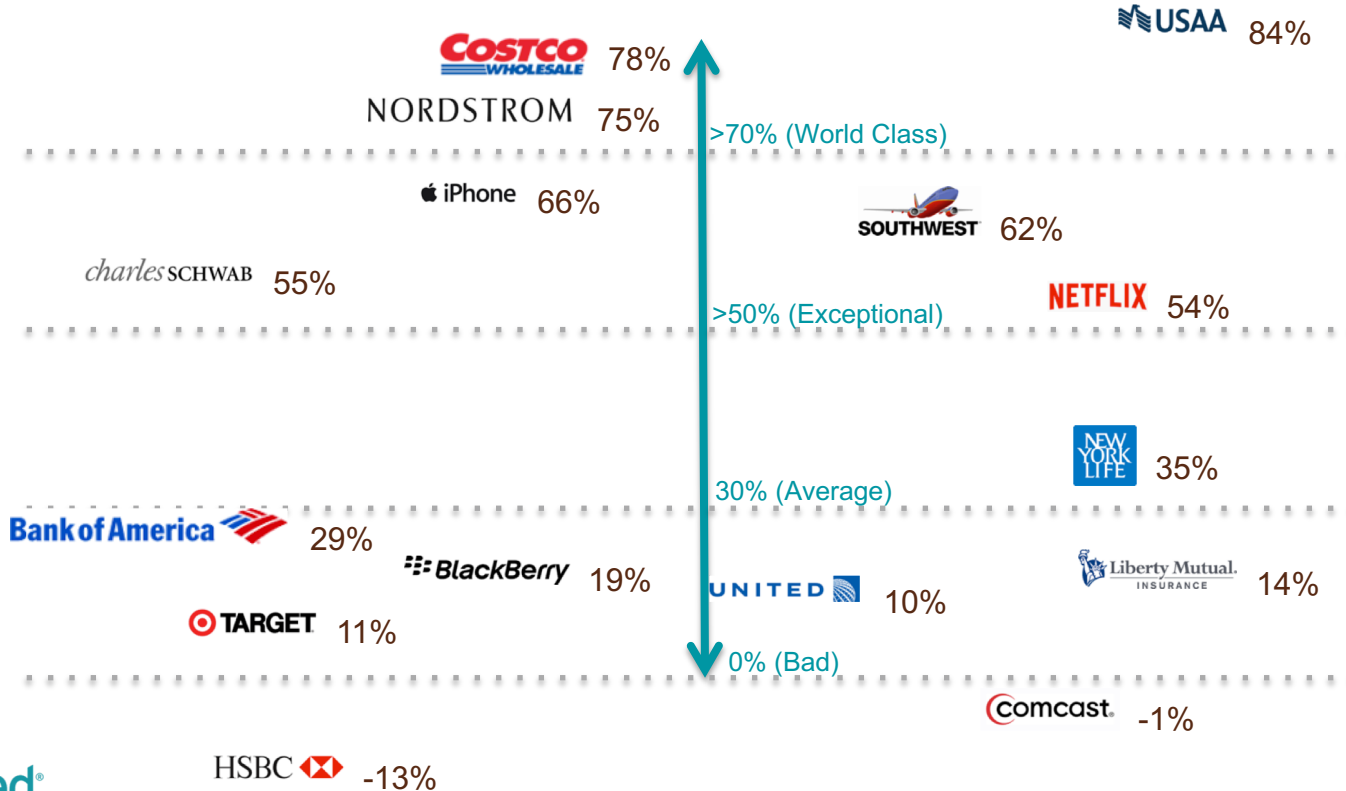
Why Net Promoter® Score?

- Directly tied to growth strategy for service firms — **referrals**.
- Single metric to **benchmark** against the industry and across other world-class service quality organizations.

Global NPS Standards



NPS Across Industries



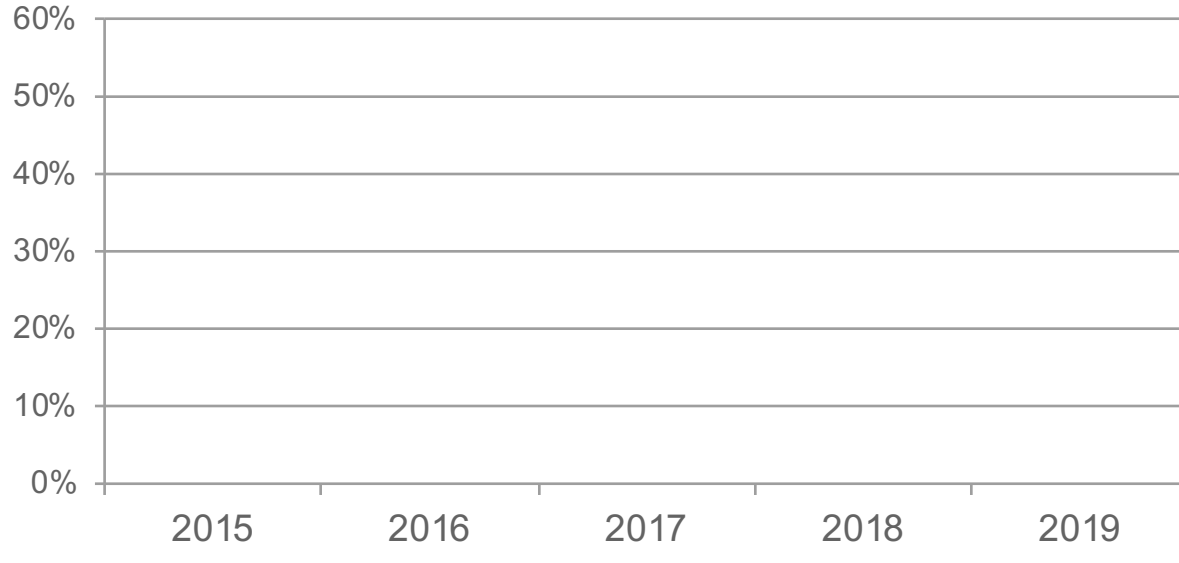
Why Net Promoter® Score?

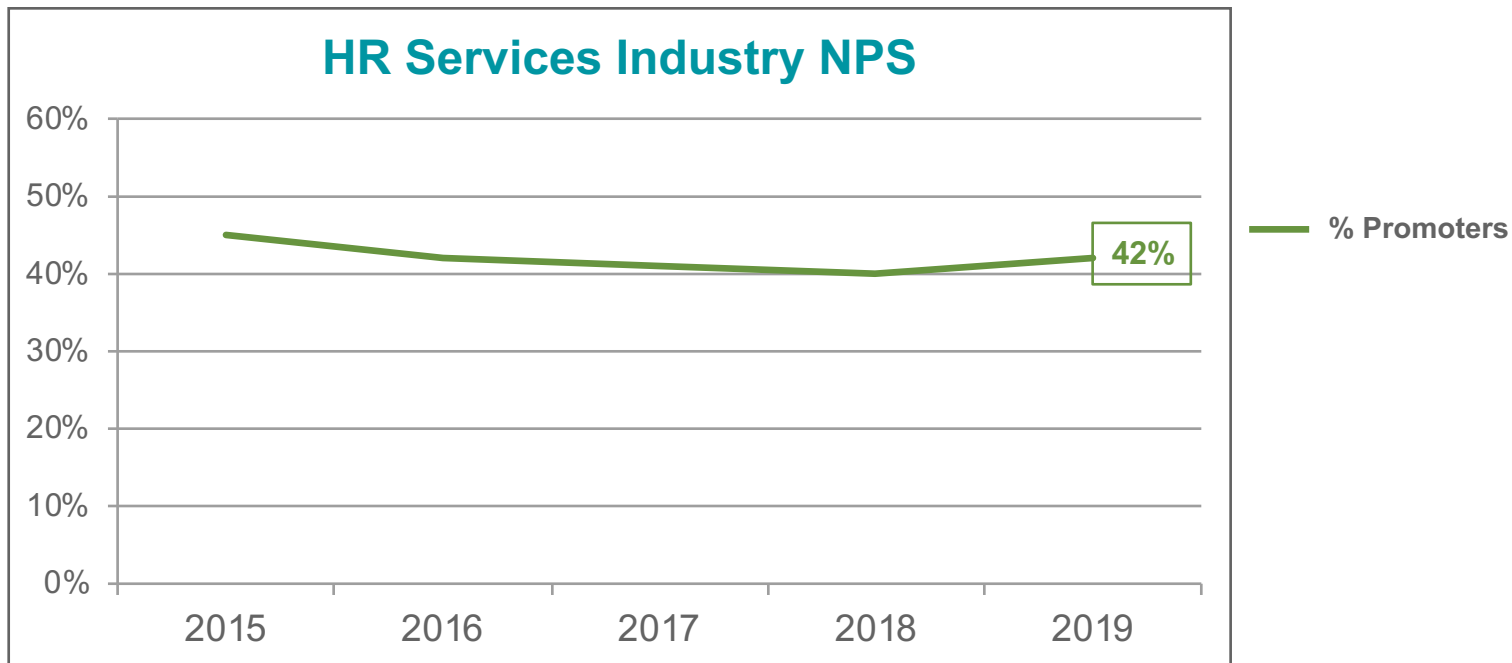
- Directly tied to growth strategy for service firms – **referrals**.
- Single metric to **benchmark** against the industry and across other world-class service quality organizations.
- Creates service **awareness** and makes service quality an **accessible** goal across the organization.
- Measures **loyalty behavior as a proxy for client perception** – helps client remove their own bias about what constitutes “good” or “great” service.



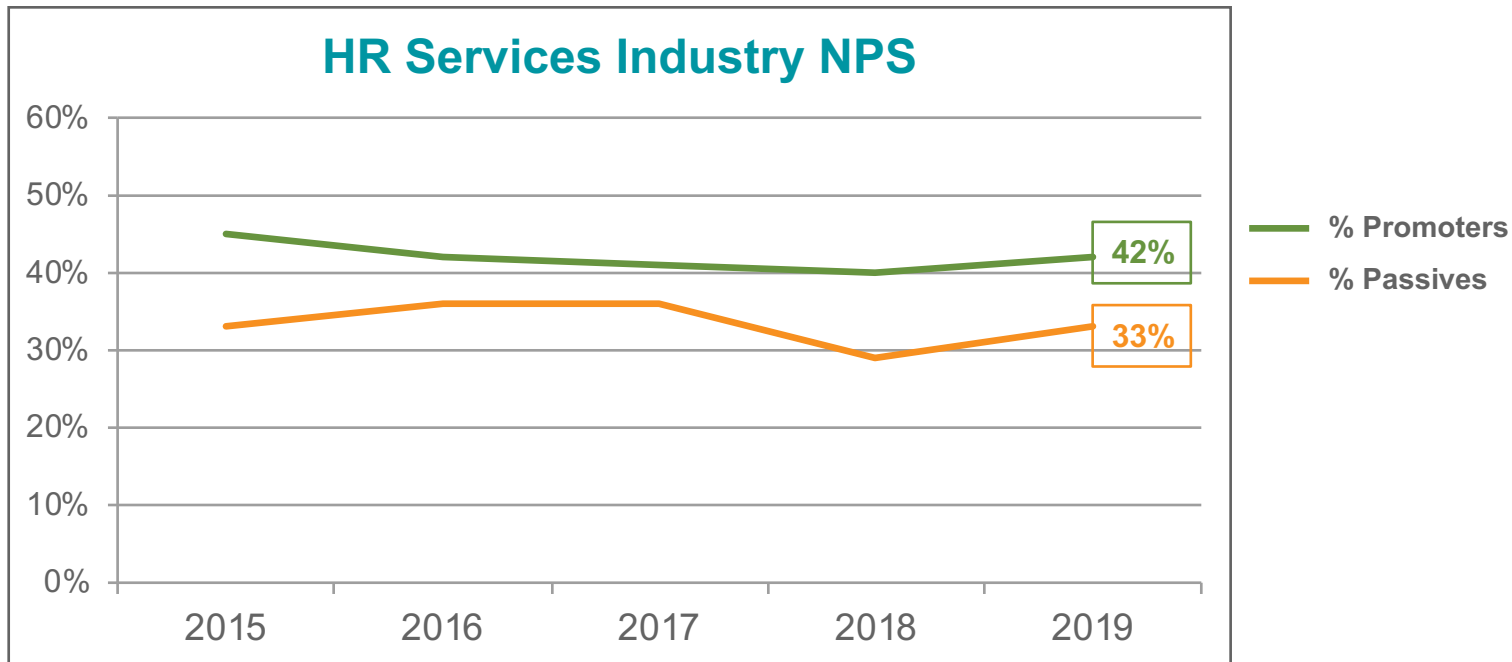
NPS in the HR Services Industry

HR Services Industry NPS

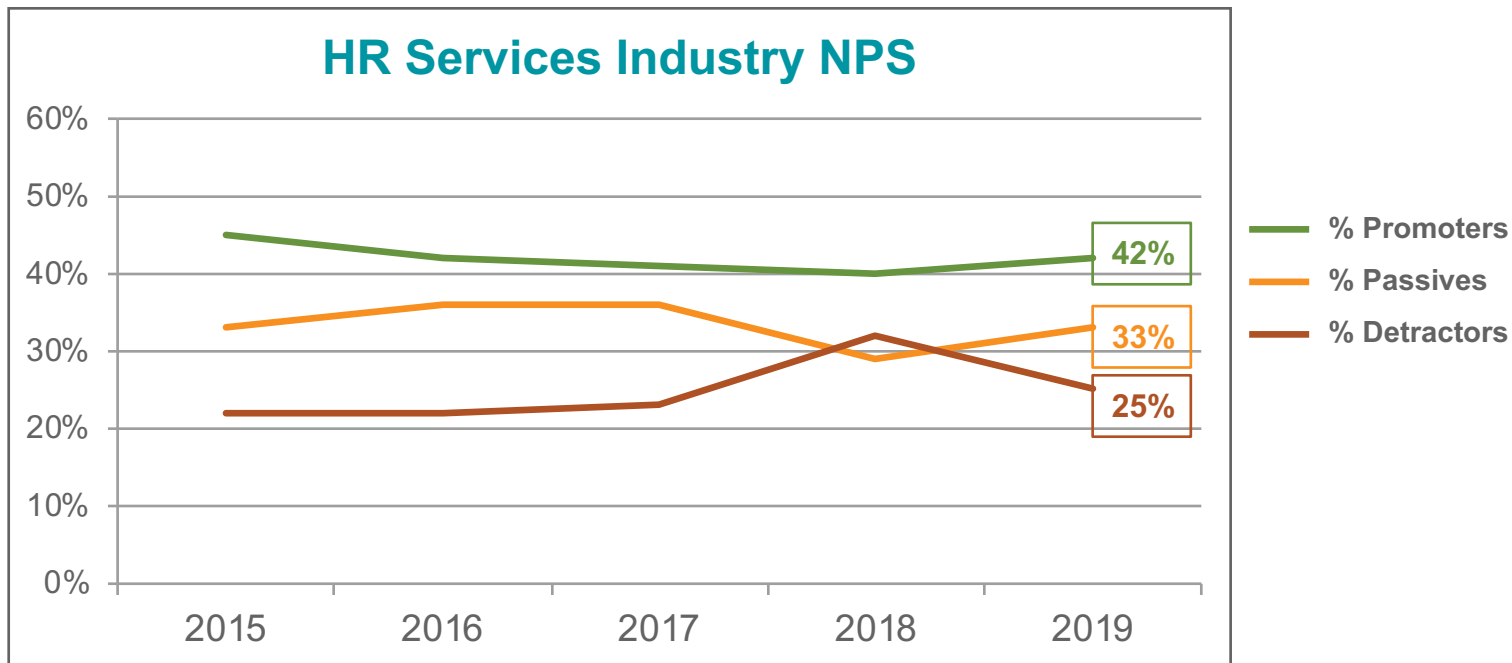




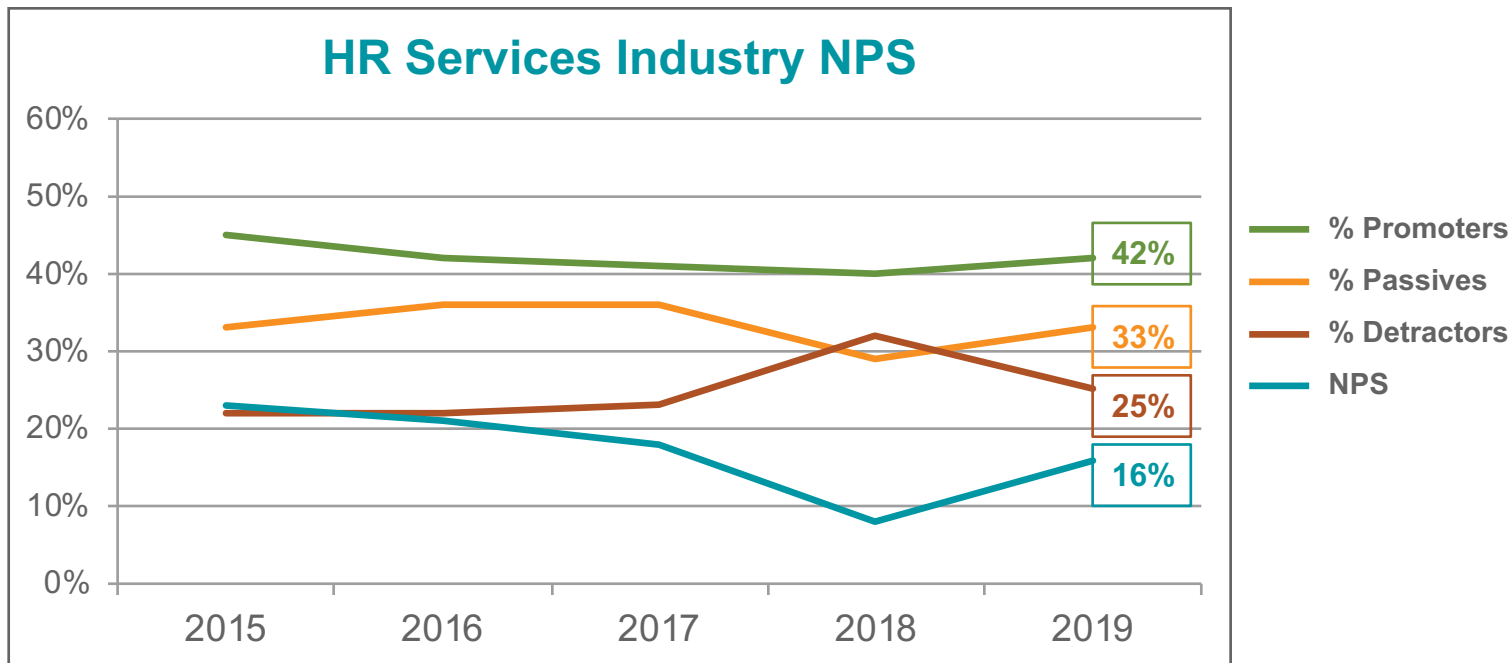
Source: ClearlyRated 2019



Source: ClearlyRated 2019



Source: ClearlyRated 2019



Source: ClearlyRated 2019



Steps your firm can take to maximize service quality for growth

Step 1: Survey your clients

Your clients are ready...

- **93%** of HR services clients say it's important to them to have an open channel of communication to provide you with feedback.
- **67%** say they are more likely to take the time to provide feedback through an online survey than in-person.
- **63%** say they are more likely be candid with their feedback in an online survey than in-person.
- **87%** say that their perception of their firm is positively impacted when they're asked for feedback.

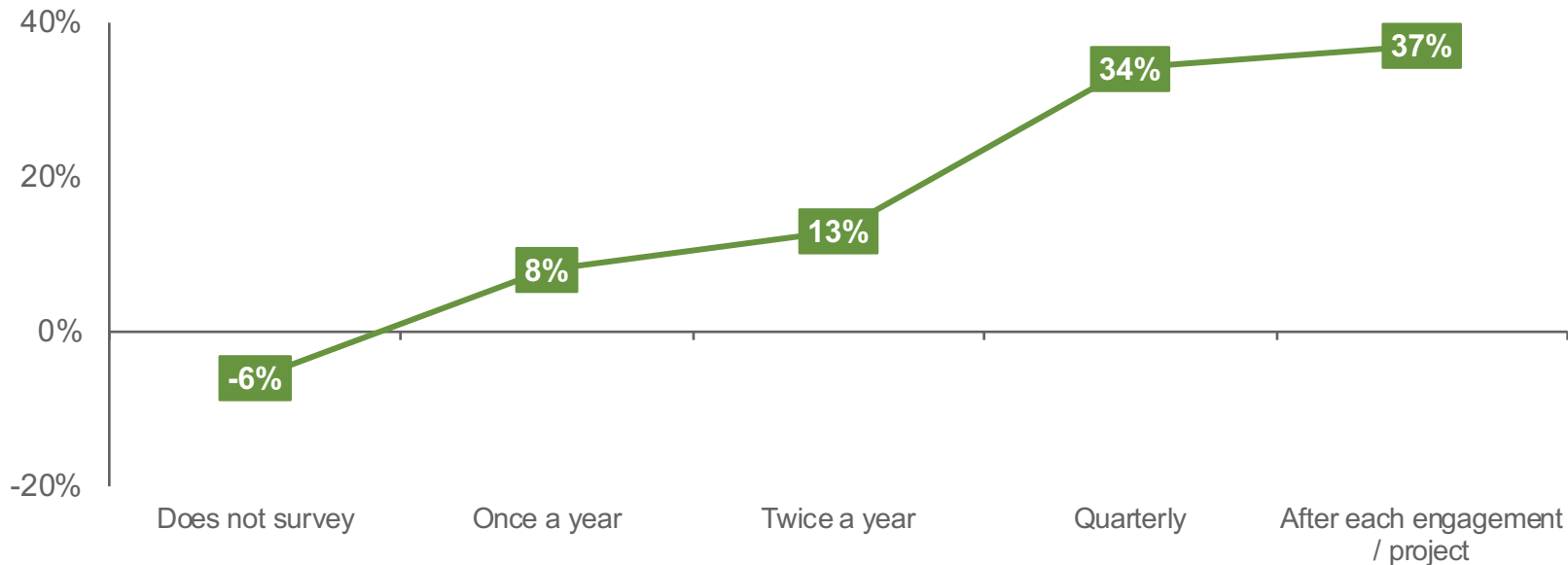
Source: 2019 Industry Benchmark Study

Set yourself up for success

- Measure a sample that reflects your entire client base. **Do not exclude clients** because you are worried they will rate you poorly!
- Keep the survey short - **no more than 10** questions.
- Survey regularly – **at least 1x per year** is best practice.

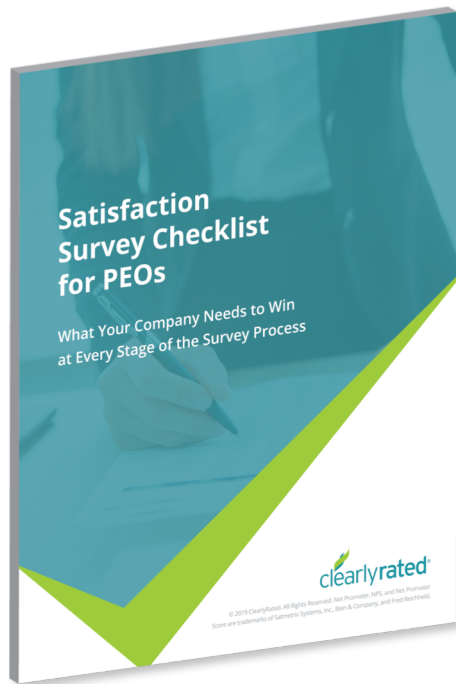
Set yourself up for success

Relationship between Survey Consistency and NPS



Source: 2019 Industry Benchmark Study

Set yourself up for success



go.clearlyrated.com/satisfaction-survey-checklist-for-peos

Step 2:

Obsess over service issues.

Triage Plan

Mistakes Will Happen.
It Is Not *If*, But *When*.

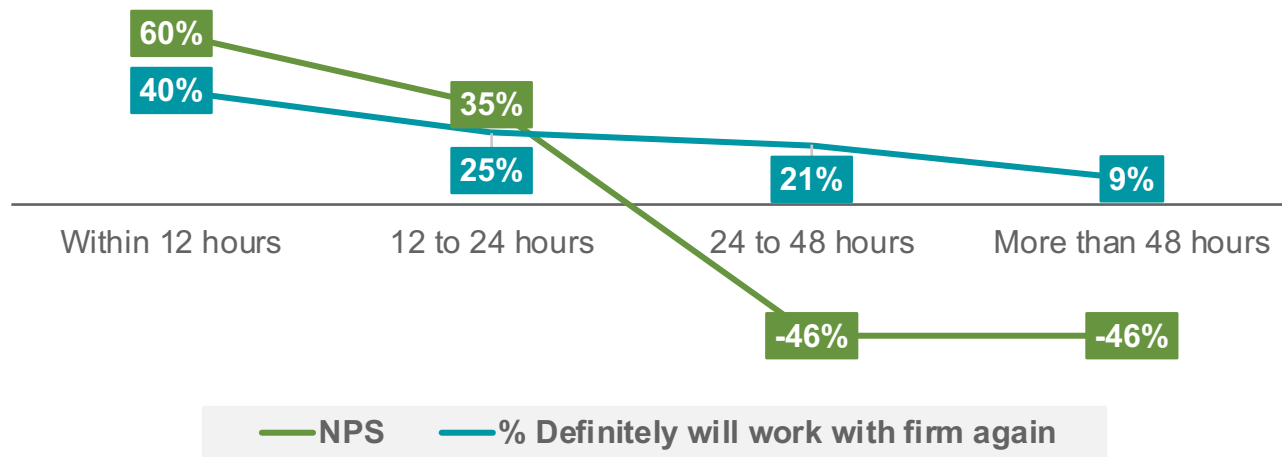


Speed matters...



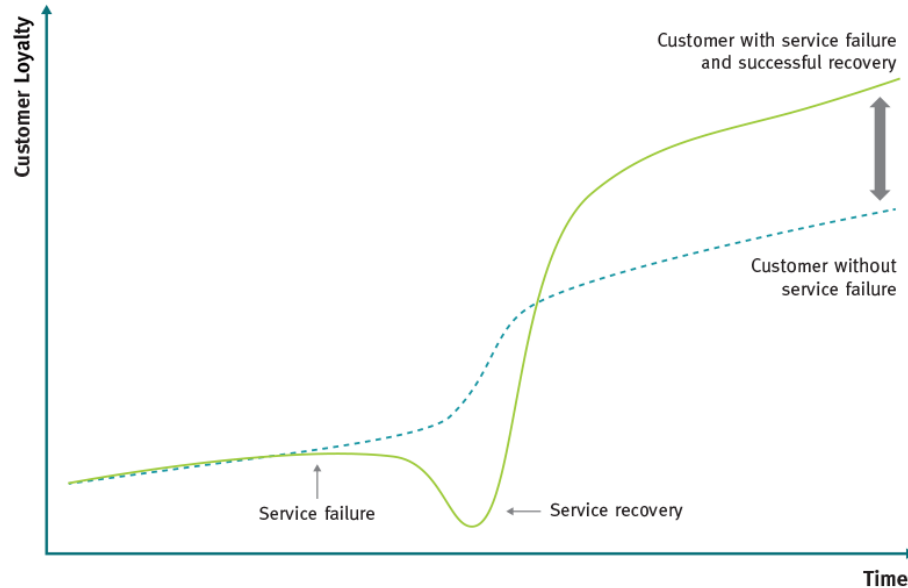
Respond to and resolve issues ASAP

Impact Issue Response Time has on Satisfaction and Retention



Source: 2019 Industry Benchmark Study

Service Recovery Paradox



<https://clearlyrated.com/solutions/what-is-the-service-recovery-paradox-an-overview-for-b2b-service-firms/>

Master the art of Service Recovery

1. It's your fault.
2. Fix it.
3. Believe the service recovery paradox.
4. Time is of the essence.
5. Show empathy.
6. Don't put them on the defensive.
7. It's your fault (still).
8. Live to fight another day.
9. Recover 2x as big as mistake.
10. Recognize the human element.



Become a service recovery ninja

<https://clearlyrated.com/solutions/what-is-the-service-recovery-paradox-an-overview-for-b2b-service-firms/>

How Not to Recover

The Story of Saks Fifth Ave

SAKS
FIFTH
AVENUE

Step 3:

Amplify success stories and the voices of your most loyal clients.

5 reason you should start your online reputation management strategy tomorrow

UNDERSTANDING ONLINE STAR RATINGS:



1. After receiving a referral for a service provider, 63% of HR services buyers will look for that provider online.
2. More than half of buyers think online ratings and reviews are a good source of information.
3. That number is significantly higher amongst Generation Y.
4. Getting positive reviews published after you have negative reviews is harder.
5. Google LOVES online reviews.

Make it easy for happy clients to praise you publicly

Capture **testimonials**, get permission to use them, incorporate them into your website, social media channels, and even your proposals.

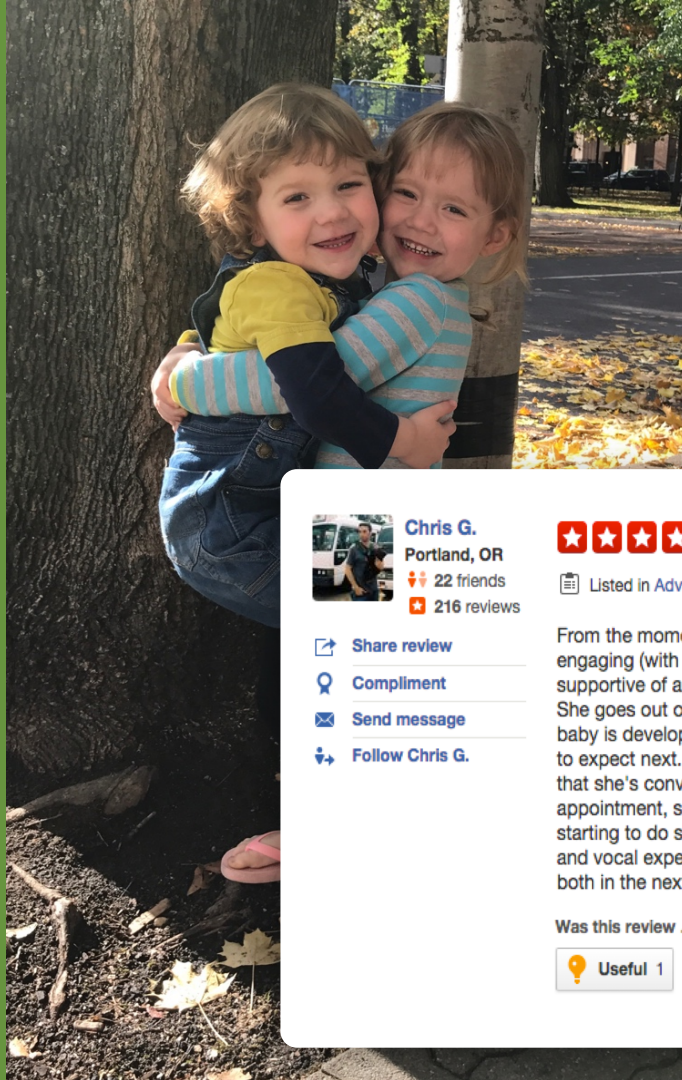
Invite these folks to **review your firm** online (Yelp, Google, Glassdoor).

Ask for referrals from clients who love you.



Social Proof

If Your Clients/Prospects
Don't Believe It, It Isn't True



Chris G.
Portland, OR

👤 22 friends

📄 216 reviews

🔗 [Share review](#)

🗣️ [Compliment](#)

✉️ [Send message](#)

➡️ [Follow Chris G.](#)



2/26/2011

📅 Listed in [Adventures in Child Rearing](#)

From the moment we met her, Dr. Pritchard, was very engaging (with parents and baby) and encouraging. She is supportive of and informative to our vaccination choices. She goes out of her way to tell us about all of the ways our baby is developing and things to look for. She tells us what to expect next. It's almost gotten to the point where I think that she's convinced him what to do next. At our 4 month appointment, she told us two specific things that he'd be starting to do soon (change in bowel movement pattern and vocal experimentation). He started doing them them both in the next 48 hours. It was crazy.

Was this review ...?



Clients want the opportunity to celebrate you

8 in 10 HR services clients are willing to share a testimonial



But only 1 in 4 have been asked to do so



Source: 2019 Industry Benchmark Study

Remember...

Your clients' **perception** \neq what you
believe to be true.

A background image of two women in a professional setting, overlaid with a green tint. The woman on the left is a Black woman with curly hair, resting her chin on her hand. The woman on the right is an Asian woman with straight hair, looking down. They appear to be in a meeting or collaborative work environment.

Parting thought:

Lasting impressions matter.

Name these stars



Shin Lim



Darci Lynne Farmer



Kseniya Simonova



Susan Boyle

I'm (still) in love with Susan Boyle

- 12th place 2019 America's Got Talent
- 2nd place 2009 Britain's Got Talent
- 100 Million+ YouTube Views in 9 days
- Highest Selling Album of 2009
- Best Opening Week Sales for a Female Debut Ever



Questions and 2020 Best of HR Services Registration Details



Eric Gregg
egregg@clearlyrated.com
linkedin.com/in/ericgregg

- The priority registration deadline for the 2020 Best of HR Services award is **October 17th**
- Survey initial send date – **December 4th**
- For more information on the Best of PEO award competition please visit:
www.clearlyrated.com/solutions/hr-services/
- Or to register for the 2020 Best of PEO award competition please visit:
www.clearlyrated.com/solutions/hr-services/best-of-hr-services-industry-award/