

Customer Service Training

Opportunity Report

Prepared for the Northern
Labour Market Information Clearinghouse

February 1996

Customer Service Training

Background

The report is in response to a request for information on the opportunities that may exist for the colleges, partners in the Clearinghouse project, to provide customer service training to the tourism and retail sectors. The demand for such training actually extends beyond those sectors to include anyone who deals with customers, clients or the general public on a regular basis. This can include retail sales clerks, waiters, college registrars, police officers and any other service-related occupation. According to the 1991 census, 14,050 northern Albertans worked in the retail sector, and 7,645 worked in accommodation, food and beverage service industries. A further 52,220 worked in other service industries.

Methodology

Discussions were held with several people involved in providing customer service training. As well, a survey was taken of Chambers of Commerce throughout northern Alberta, asking about their members' interest in customer service training.

Existing training

The most widespread customer service training program in Alberta is "Alberta Best", developed and administered by the Alberta Tourism Education Council (ATEC). Alberta Best was first created to serve the needs of the tourism industry but was soon expanded to suit the needs of anyone who deals with the general public. Those taking the seminars represent a wide range of organizations like retail stores, hospitals, police departments and restaurants. This program consists of a 7.5 hour seminar for staff members and a two-day seminar for managers. The staff seminars can range in price from \$70.00 to \$125.00 per person, depending on the course and the number of pupils, while management seminars cost from \$100 to \$200 per person.

ATEC licenses distributors and instructors (whom ATEC trains) of the program and supplies instructional materials. Distributors may teach the courses or they may have instructors working under their license. The instructors are trained and certified by ATEC as well. There is currently one distributor of the Alberta Best program in northern Alberta, with four instructors.

Alberta Best training can be accessed by contacting the distributor directly or through other institutions:

- Alberta Best is offered through continuing education at Fairview College.
- Martech College, a private business college in Grande Prairie, includes Alberta Best in their program.

- Alberta Best has been offered under the auspices of Further Education councils in High Prairie and elsewhere.
- The Land of the Mighty Peace Tourist Association has served as what used to be called a "Host Organization" for Alberta Best for several years.
- Lakeland College is also serving this role.

While Alberta Best dominates the field, other customer service courses are available:

- Grande Prairie Regional College offers a Customer Service course as part of their Business Development program. This six-hour seminar costs \$90.00.
- AVC Lesser Slave Lake also offers a one-day customer service course, oriented slightly toward oil & gas and forest service industries but suitable for all businesses, at a cost of \$99.00.
- Lakeland College includes customer service as one course in their new Adventure Tourism program.

Demand

In a previous Clearinghouse report, ecotourism operators recognized Alberta Best as a good program, but complained that it was too expensive to provide to part-time and/or short-term employees. Responses to a survey of Chambers of Commerce in Northern Alberta and discussions with those involved in customer service training support the observation that while the Alberta Best program is well respected, many businesses either see no need for such training or find Alberta Best to be too expensive.

Several communities reported that less than 10% of their businesses had employees with customer service training. One instructor reports teaching about ten to fifteen course per year, on average. Others may teach that many or as few as five or six per year. There are usually about 20 participants per course. Another instructor reported that, in the past year, her course participants represented some 40 or 50 companies, from north of Grande Prairie to the Northwest Territories border.

Fairview College at Peace River recently began offering the Alberta Best program on an "ad hoc" basis and has had almost no response so far. Relatively few people have signed up for the Customer Service course at Grande Prairie Regional College. AVC Lesser Slave Lake at Slave Lake had little success when they offered Alberta Best training to the general community. The two-day managers' seminars have proven particularly hard to sell.

"Too expensive" and the amount of time involved were the most frequently cited reasons for not taking customer service training. The added expense of paying employees for the time spent in training is one more reason that people would support shorter (i.e. two or three hours) courses. Flexibility is also an issue for some companies; they would prefer to take a course over two

evenings rather than one day, for example. Added to the expense of the program for many employers is the fact that workers often want to be paid for the time that they spend taking the course. As a result, some businesses would prefer a shorter, perhaps three-hour, course. Another concern is the rate of turnover in many service industries. Employers are reluctant to pay to train employees who will leave within a year taking their expertise with them.

The results of a survey conducted for Alberta Tourism, Parks and Recreation in 1992 suggest both the need for customer service training in the tourism sector, and the reason for employers' reluctance to spend money on that training. Owners and managers and staff of tourism operations were asked to rate their own businesses, other businesses in their communities, and Alberta as a whole on customer service using a 1 to 10 scale. Members of the general public used the same scale to rate customer service in their communities, in Alberta, in Canada as a whole, and in the United States. A rating of 7 to 10 was considered "Good", and 9 to 10 was "Excellent". While "Good" service seems to be widespread, "Excellent" service is relatively rare. Managers and owners and staff tend to see room for improvement among their competitors but not so much in their own businesses.

	Own Business Good	Own Community Good	Province Good	Own Business Excellent	Own Community Excellent	Province Excellent
Managers/ Owners	93%	50%	45%	26%	5%	4%
Staff ¹	92%	64%	61%	30%	7%	7%
Public ²	N/A	68%	69%	N/A	14%	11%

¹ When asked to rate their own personal performance in customer service, 97% of staff members gave themselves an "Excellent" (9 or 10) rating.

² When asked to rate Canada as a whole, 64% said that customer service was "good" and 11% rated it as "Excellent". 64% Of the people gave the United States a "Good" rating and 25% gave the U.S. an "excellent" grade.

Alberta Best instructors and others involved in community education agree that customer service training can be a hard sell. Most companies look upon training in this area as an expense, not as an investment. Many companies will not budget for training that is not legally required. Marketing is also seen to be a weak point in the Alberta Best program.

There have been some examples of success in the marketing of customer service training. Fairview College is providing Alberta Best training to their entire staff. This program is customized to the institution's particular needs. Businesses in the town of Valleyview are pushing to have at least one or two employees of each business trained by Alberta best. The course is also very popular in the High Level, Fort Vermilion area. Hundreds of volunteers for the recent

Canada Winter Games in Grande Prairie received Alberta Best training.

AVC Lesser Slave Lake has had some success with customer service training in two ways. Alberta Best has been offered to full-time students as part of other programs. This has been quite popular with the students. AVC has also offered customer service training to the local business community. The Alberta Best program was not very popular, especially the managers' seminar. More recently however, the college has had a consultant design and offer a one-day customer service seminar at the request of an oil & gas service company. The course was designed with this sector's needs in mind although it is still general in scope. With solid corporate support from the beginning, this course has been more successful than the earlier Alberta Best offering.

Those who have had staff trained in customer service have usually been pleased with the results. One major employer who spends a significant amount of money on training spoke highly of the Alberta Best course, citing its "common sense, hands-on" approach. He contrasted this with another course offered by the Federal Business Development Bank which claimed to be more sophisticated but proved to be of little value.

Training Implications

There appears to be a need and a potential market for some form of customer service training in northern Alberta. The current real market is limited however, and intensive marketing may be required in order to reach and expand it.

There are basically two choices available to colleges that wish to pursue the field of customer service training. The first is to offer the Alberta Best program either by obtaining a distributorship or by entering into an agreement with a distributor. The other is to develop and offer an alternative to the Alberta Best course. In the latter case:

- Short, two- or three-hour courses would suit many businesses, especially if offered in the evening, preferably on-site (whether or not such a short course would be effective is open for debate).
- Courses should be easily adaptable to different industries
- Cost must be kept low.

For either Alberta Best or an alternative:

- Offering the course as part of one or more pre-employment training programs would likely be popular and would give graduates one more important, marketable skill.
- Courses offered to the community should be developed in concert with at least one corporate or institutional partner, or perhaps with the backing of a local Chamber of Commerce. The cost of creating an actual market out of the potential market could be prohibitive otherwise.

Contacts

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Survey responses received from:

Beaverlodge Chamber of Commerce

Cold Lake, Grand Centre and District Chamber of Commerce

Falher Chamber of Commerce

Fort McMurray Chamber of Commerce

Slave Lake and District Chamber of Commerce

Swan Hills Chamber of Commerce