

CASE STUDY: PARKER HANNIFIN

Parker Hannifin Works with *Disney Institute* to Improve Customer Experiences

SUMMARY

With the aid of custom-designed Disney programs and presentations, international manufacturer Parker Hannifin instituted a company-wide customer experience initiative (*I am Parker*) that is producing measurable improvements in the customer experience.

CREATING PARKER ADVOCATES

Customer satisfaction results were in and Mark Kugelman, vice president of Customer Care at Parker Hannifin, a Fortune 500 company and the world's leading diversified manufacturer of motion and control technologies and systems, saw opportunities for improvement. Although the company excelled at engineering, manufacturing and selling, it was falling short in ways to thrill its customers and build brand advocates.

"We've always been known as a great company that strives for on-time delivery of quality parts," says Kugelman. "But our research was telling us that was no longer enough to stay on top in these highly competitive times. We needed to do more to create Parker advocates; to thrill, retain, and keep our customers coming back to us."

In an 'Aha! Moment' Kugelman realized that although Parker Hannifin was a business-to-business manufacturer, it was no different from a restaurant or any consumer business. "All of us deal with people," he says. "And all of us need those people—our customers—to come back again and again."

Kugelman felt the company's employees needed to realize that "they are Parker."

"Customer service is not a department," he explains. "We are all in customer service, regardless of our role. We are a great company always striving to be better."

Parker turned to *Disney Institute* after extensive research regarding best-in-class companies in customer care. "Disney was a perfect fit," he says. "All of our employees

knew who Disney was, their customers were our customers and, like us, they also have a global presence. Most of all, we knew Disney had a global reputation for creating great customer experiences. We wanted to do the same."

PULLING BACK THE CURTAIN

In cooperation with Kugelman, *Disney Institute* conducted a unique "mystery shopper" telephone inquiry, calling various Parker Hannifin divisions and posing as potential buyers. "The results were challenging," recalls Kugelman. "They confirmed we had room for improvement."

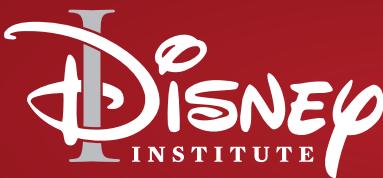
We knew Disney had a global reputation for creating great customer experiences. We wanted to do the same.

To help customize a program for Parker Hannifin, *Disney Institute*'s experienced consultants visited several of the company's divisions. "These visits, which included focus groups with Parker Hannifin employees, helped us identify the company's specific challenges," says *Disney Institute* consultant Rob Morton. "We found, for example, that there were conflicts between the manufacturing and sales divisions that were compromising customer service."

Much like Disney, Parker has a great legacy with proud employees who have been with the company for many years. Employees wanted to treat customers the way the customer wanted to be treated, Kugelman says.

"They needed a rallying point and coaching on how to get there," he says. "That's how the program '*I Engineer Success, I am Parker*' was born."

After a year of research and collaboration, about 85 Parker Hannifin stakeholders, dubbed '*I am Parker Champions*,' were carefully chosen. Their only requirement was to have



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a passion for the customer and be respected by fellow employees. The group attended four and a half days of focused *Disney Institute* programs and field experiences at the *Walt Disney World®* Resort in Lake Buena Vista, Fla. The program, which included content from all five *Disney Institute* specialty areas (service, leadership, management, brand loyalty and creativity/innovation), featured Parker Hannifin logos and pictures of Parker Hannifin employees in workbooks.

Says Kugelman, "The program was customized, or 'Parkerized' for us. It really resonated with our attendees. The Disney experts and Parker worked to put together 'Parker friendly' materials. It really worked!"

"WE'RE NOT HERE TO TELL YOU WHAT TO DO"

Morton began the presentation by telling the Parker Hannifin audience, "We're not here to tell you what to do. Rather, we want to show you what works for Disney and let you discover how that may work for you." Presentations ranged from ways to create a culture of service internally and externally to delivering customer service to hiring employees for attitude.

Site visits gave the attendees, as *Disney Institute* facilitator Dennis Frare notes, "a chance to kick the tires." For example, on a visit to the *Magic Kingdom®* Park at the *Walt Disney World®* Resort, the Champions were intrigued by the daily tip board, which provides details and news about show times, character information, and wait times for popular attractions. "It's a simple idea that Parker employees realized they could easily adapt," explains Morton. "It's a proactive way of communicating with customers."

On another visit to the *Magic Kingdom®* Park, the Champions noticed how every Disney Cast Member (Disney-speak for employee), no matter their job description, went out of their way to greet Guests. "They realized it was the little things that made a difference," says *Disney Institute* consultant Dennis Frare. "They understood customer service is not about creating the big wow; it's about doing lots of tiny things really well."

In addition to the comprehensive presentation in Orlando, *Disney Institute* advisors and Parker conducted more than 50 workshops for Parker Hannifin employees throughout

North America and Europe, as well as seminars for mid-level and senior managers. More programs are in the works and Parker recently launched 'I am Parker' across Asia, including experiences at *Hong Kong Disneyland®* Resort.

"This is an ongoing process," says Kugelman. "It's a change of culture that involves tens of thousands of people. As I have often said: This is a journey, not a sprint."

"WE'RE ON OUR WAY"

To gauge how the journey is progressing, Kugelman says he and the team are constantly surveying customers and have been very excited about the results.

"In many of the areas in which we measure the customers overall experience, scores have jumped significantly and risen from 'mediocre' to 'excellent'."

Parker Hannifin's call centers, often the first contact for customers contacting the firm, have seen a remarkable improvement in customer rating scores. "Our call center results have gone from a 47 percent excellent rating by callers to a 78 percent excellent rating by our customers," says Kugelman.

Kugelman is also excited by the way Parker Hannifin employees adopted a little of Disney 'magic.' For example, every division has changed the word 'visitor' on signs in the parking lots and badges to 'Guest.' He explains, "As Disney says, people think of Guests differently than visitors and we want our customers to feel like Guests not just visitors. After all, our customers and our employees are our most valuable assets."

Kugelman says it may be a small detail and it's only one of many that have been implemented, but it says a lot. "It confirms that we're on our way and that 'I am Parker' is becoming part of our fabric." He adds that *Disney Institute* "will continue to play a significant role in our journey."