

## Understanding Excellence

How does a financial services company in a bleak economy perform so amazingly well that it can give back \$1.2 billion to its customers, members and associates? That's the question to ask of USAA, the insurance, banking, and investment provider serving military families. USAA's revenues leaped 36% in 2009 as the company jumped 75 spots to #132 on the Fortune 500 list.

What's the secret to USAA's surging success and demonstrated excellence? In a word: **understanding**. USAA goes to great lengths to identify with its clientele. Reps at USAA train for six months before assisting customers. During training, reps are issued actual deployment letters to help them identify with the emotions military families are wading through as they approach financial decisions. Training also includes trying on a Kevlar vest and military helmet as well as reading actual letters sent by military personnel serving abroad to their families at home.

Once customer service reps are fully trained, they take to the phone lines. Contrary to most customer service environments, reps at USAA are not evaluated on the call volume they handle. Understanding and satisfying a customer's needs take precedence over speed and efficiency.

The effort to understand customers has launched USAA to the leading edge of technological advancement. Army officers serving in far-flung areas of the world certainly don't have ATMs on every corner or local brick-and-mortar banks to service their needs. Computer access likewise may not be an option for on-the-go soldiers. Sensing their needs, USAA pioneered technology allowing its customers to check account balances via text message. USAA also developed mobile phone apps, which allow customers to make deposits simply by snapping the photo of a paper check and emailing the image to the bank.

USAA's excellence has not gone unobserved. The firm has ranked in the top two of *Bloomberg Business Week's* list of Customer Service Champs every year since the inaugural ratings were released in 2007. Its clientele notice the excellent service they receive, too. A whopping 87% of customers who have made a purchase from USAA plan to do so again, compared to the average rate of 36%.

### Questions for Application

How well do you know your customers? What steps are you taking to anticipate their needs and find solutions for them? What are some creative ways in which you could place yourself in the shoes of those you serve?