

Firing Non-Performing Customers

Category: Planning

Owners and managers know that they should constantly keep the quality of their staff high by firing the weakest performers. It follows that they should also do the same with their customers.

The best way to do this is to create an excel spreadsheet where you list your customers and rank them in descending order based on the revenues they represent to you. Then create a second column where you rank each customer on a scale of 1 –10 based on how troublesome they are. Ideally this should be based on hard data such as service calls but if there is no such data, simply ask the people who interact with the customers the most and you may get some surprisingly direct input.

Once you have this input, create a third column start at the bottom and look at those that score over 7 on the “degree of difficulty” chart and mark them with an X. Then sort on the X column and you have an action list on which you can start to identify what action to take.