

Customer Service Management Audit: Opportunities and Challenges

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ABSTRACT

Malaysian service organizations have realized the importance of offering excellent customer service to retain customers for an extended period. To formalize the initiative, SIRIM has developed a standard, organized an assessment, and awarded organizations practicing outstanding customer service. Since 2016, many Malaysian service organizations have received awards for their excellent service. However, these organizations face various challenges in implementing the requirements and maintaining the certification. Based on our audit experience, this paper will discuss the opportunities for accreditation and the challenges faced by 50 participating organizations since 2016. The study's findings will benefit certified organizations and those interested in participating in the accreditation effort. Some suggestions are highlighted to address the organization's challenges for future consideration. The paper will also highlight contributions to the existing body of knowledge for academic purposes.

Keywords: Customer Service Excellence, Service Quality Accreditation, SIRIM Certification, Organizational Challenges, Malaysian Service Sector, Audit Insights, Accreditation Sustainability

INTRODUCTION

The Customer Service Management Audit (CSMA) is a systematic evaluation of an organization's customer service operations, policies, processes, and performance, assessing their effectiveness, efficiency, and alignment with customer expectations and business objectives (Kimani, 2020). In Malaysia, SIRIM has pioneered the establishment of a customer service management recognition scheme, which involves auditing and awarding organizations for their excellent customer service practices. This recognition scheme has been in place since 2016, following the establishment of customer service management standards. To date, numerous service organizations, including both public and private companies, have been recognized for their exemplary customer service practices.

The objectives of conducting a CSMA are to identify gaps between actual and expected service performance, uncover inefficiencies or outdated processes, enhance customer experience and satisfaction, strengthen brand reputation, and drive continuous improvement in service operations (Amerta & Madhavi, 2023). These objectives are translated into audit activities that focus on various aspects of customer service principles,

including top management commitment, service delivery, customer communication, customer data collection and analysis, customer engagement, people management, technology utilization, and process improvements.

When conducting a CSMA, the focus is on measuring how well the customer service team meets set standards, service-level agreements (SLAs), and customer satisfaction goals (Chanda, 2022). The process includes examining workflows, communication channels (e.g., phone, email, chat), response times, and resolution procedures. Some performance metrics are reviewed to assess customer service KPIs, including first response time, first contact resolution rate, customer satisfaction (CSAT), Net Promoter Score (NPS), and Customer Effort Score (CES) (Płaza & Pawlik, 2021). The organizations involved must prepare documentation that highlights their key performance indicators (KPIs), activities, and achievements from year to year.

During the CSMA, staff competency and training, including employee knowledge, communication skills, and training programs, are reviewed (McGuire et al., 2023). Additionally, technology and tools are evaluated, including CRM systems, helpdesk software, artificial intelligence (AI), and chatbots, to assess their effectiveness in supporting service delivery (Sørensen & Jensen, 2024). Moreover, organizations are evaluated in terms of their compliance and adherence to standards, including internal policies, industry best practices, and regulatory requirements (e.g., data privacy, accessibility) (Li et al., 2022). Another aspect of the audit is reviewing customer feedback analysis, which involves how organizations gather and analyze complaints, reviews, and satisfaction surveys to gain insights into customer perceptions (Kim & Lim, 2021).

The final part of the CSMA involves improvement and recommendations, providing actionable suggestions for enhancing service quality, customer loyalty, and operational efficiency (Singh et al., 2023).

Existing Research Gaps

While customer service and auditing have been studied extensively in isolation, their intersection—systematic auditing of customer service management systems—has several underexplored areas. First, there is a lack of standardized audit frameworks, especially in customer service management practices (Terziev et al., 2018). To make it worse, no universally accepted framework or methodology exists for conducting customer service audits across industries. Consequently, audits are often ad hoc or highly contextual, which limits their comparability and the ability to benchmark with other organizations. Therefore, there is a research opportunity to develop an industry-agnostic or sector-specific standardized CSMA model.

Second, the insufficient integration of technology in audit tools limits the audit process. Current audits may not fully leverage real-time data or advanced analytics for performance evaluation (Appelbaum et al., 2017). Research on how emerging technologies (such as AI, machine learning, and sentiment analysis) can enhance the audit process should be conducted. The findings can improve the audit process by providing multiple approaches to gathering evidence of the facts, various perspectives, and supporting evidence on the effectiveness of customer service practices. Furthermore, investigating AI-driven auditing tools for assessing service quality and customer sentiment can provide rich data to support customer service practices.

Third, research on the current audit process neglects the customer's voice in audit design (Hammer, 2007). Audits often focus on internal performance metrics rather than incorporating direct customer feedback or experience data. The audit process relies heavily on historical data. This might result in a disconnect between internal service performance and customer perceptions. Customer perceptions provide more accurate and timely information on the organizational practices. Therefore, research is required to explore frameworks that integrate customer journey mapping and experience metrics into audits. The audit findings become more comprehensive and beneficial for improving the organization's customer service practices.

Fourth, the current research on the audit practice is limited in terms of cross-cultural or cross-sector investigations (Yanuarisa et al., 2025). Most studies are localized or industry-specific, with little comparative research across regions or service sectors. The results may lack generalizability and miss cultural or sectoral nuances. The established frameworks are limited in their generalizations and context-specific. They cannot be applied to various sectors and cultural contexts. Therefore, research is required to conduct cross-cultural comparative studies of CSMA practices (e.g., in healthcare versus retail, or Asia versus Europe) so that a more

generic audit framework can be developed and used in various sectors and cultural contexts. Comparative analysis can be accurately made.

Next, current research on customer service audits has minimal focus on sustainability and ethical dimensions (Selvakumar, 2025). Customer service audits rarely assess ethical issues (e.g., fairness, inclusivity, sustainability). Current practices primarily focus on internal customer service, with a limited emphasis on community well-being due to cost constraints. These practices may overlook the impact of service practices on long-term trust and corporate social responsibility. Therefore, research is required to incorporate ethical audits and sustainability metrics into CSMA, enabling a more comprehensive assessment of the impact of customer service practices and broadening the scope of audits to cover both internal and external organizational customer service practices.

Currently, there is an underexplored link between CSMA and business performance (Le Anh et al., 2023). This creates limited empirical evidence linking audit outcomes to financial or operational key performance indicators (e.g., revenue, retention). For example, the increase in sales is attributed to the expansion of marketing campaigns and a price decrease. It has nothing to do with improving customer service practices. As a result, businesses may undervalue audits due to unclear return on investment (ROI). Therefore, research is necessary to investigate the relationship between audit quality and business performance metrics so that a clear link between improvement in customer service practices and business performance can be established.

Lastly, CSMA overreliance on qualitative assessments (Ezechi et al., 2025). Many customer service audits rely heavily on subjective assessments (interviews, observations). Auditors rely on feedback provided by interviewees and their observations to make a judgment. Most of the time, the auditors' view might include personal bias based on their perceptions and experiences. This results in a lack of data-driven objectivity and consistency. Therefore, research is required to develop quantitative audit tools that use metrics and algorithms for unbiased evaluation. Triangulation of qualitative and quantitative findings can enhance the conclusions of the audit process. The recommendations will be more meaningful, which can create a higher confidence level.

Therefore, the purpose of this paper is to discuss the current Customer Service Management Audit (CSMA) processes, opportunities, challenges, and future directions, so that the CSMA can be continuously improved and become a perfect tool to assess organizations' customer service practices in the future. Organizations' trust can be further developed through improvements in the CSMA. As a result, the recognition award received by certified organizations will become the esteemed award sought by most service organizations.

Factors Affecting Customer Delight, Loyalty, and Word-of-Mouth

The purpose of a customer service management audit is to enhance organizational customer service practices, ensuring that customers are delighted and continue to engage with the organization, becoming loyal to it. Customer delight goes beyond satisfaction. It is the emotional response customers feel when their expectations are not just met but exceeded. Achieving customer delight yields various organizational benefits, including strong loyalty, positive word of mouth, and a competitive edge.

Research has established factors that contribute to customer delight. The first factor is exceeding customer expectations. Organizations should go beyond what was promised or expected (e.g., faster delivery, unexpected bonuses). This creates a "wow" moment that surprises the customer. For example, when customers receive service that exceeds their prior expectations, they may feel overwhelmed by the treatment they receive, such as when a hotel staff member surprises customers by celebrating their birthday during their stay. Studies have proven that surprising customers will make them delighted, as a result, they will become loyal to the organization (Svotwa et al., 2023). Pleased customers are willing to share their positive experiences with others.

Customers are delighted when they receive excellent customer service from the customer service representative. Friendly, empathetic, and knowledgeable service representatives can provide quick responses and resolution times to customer enquiries and problems. Furthermore, customers expect personalized attention and a human touch during interactions. They expect the staff to go beyond the service script to provide outstanding services

according to their specific needs, primarily when services are categorized as professional services rather than routine mass services. Research has supported the claim that providing personalized attention to customers can make them happier and more likely to return for future dealings (Singh & Kaunert, 2024).

Personalization should be the primary objective of customer service that organizations practice. Tailoring experiences, recommendations, or communications to customer preferences or behavior will ensure customer satisfaction during service delivery. Simple practices such as using the customer's name, remembering past interactions, and offering relevant suggestions will make the customer happy. That is why referring to past interactions is essential to proceed with subsequent interactions. Studies have shown that these simple practices support the hypothesis that providing personalized services enhances customer satisfaction, making customers more loyal and willing to engage in positive word-of-mouth (Macos & Coelho, 2022).

The next factor that contributes to customer delight is the quality of the product or service. High reliability, durability, and functionality of the product or service will cause customers to form positive feelings toward the company's products or services. Delivering consistent value with minimal errors or defects also contributes to customer satisfaction. That is why fast-food restaurants often receive favorable ratings from customers over other types of restaurants, mainly due to their strict preparation processes and procedures. Studies have confirmed that the quality of products or services directly impacts customer satisfaction, which in turn increases customer loyalty and their willingness to promote the products or services to others voluntarily (Marcos & Coelho, 2022; Taufik et al., 2022).

Customers expect to enjoy a seamless user experience. For example, easy-to-navigate websites and apps, fast checkout, and clear communication will lead to customer satisfaction. Therefore, organizations must provide instinctive processes that require minimal effort from the customer. Studies have shown that easy-to-use websites and apps contribute to customer satisfaction. Additionally, clear communication, such as providing adequate instructions for customers to follow, will increase their likelihood of using the app and returning for future visits (Visser et al., 2021). On the other hand, less user-friendly apps will cause customers to turn to competitors for better services, ultimately affecting the organization's bottom line (Manko, 2022).

To delight customers in using the service, surprise elements must be incorporated during service delivery. Unexpected rewards, gifts, thank-you notes, or upgrades are examples of surprise elements that can be used for this purpose. A company that sends a handwritten thank-you card with a purchase or a surprise discount will surely surprise customers. They do not expect the company to go beyond its standard practice to do this, and this act does not require the company to spend much to win the customer's heart. This small act will have a bigger impact on the organization. Past research has shown that exceeding the standard requirement to satisfy customers benefits the company through increased customer satisfaction and loyalty (Marcos & Coelho, 2022; Singh et al., 2023).

Customers expect the service to be fast without requiring them to spend extra time unnecessarily. Therefore, organizations must engage in employee empowerment and promote transparency in their dealings with customers. Honest, clear communication about processes, pricing, and policies contributes to customer satisfaction and loyalty. Moreover, empowering customers to make informed choices or control their own service experiences will facilitate the service delivery process. The abundance of research evidence supports the claim that employee empowerment can lead to customer satisfaction when interacting with them to achieve their desired outcomes during service delivery (Arhin & Cobblah, 2024). On the other hand, a long waiting time will frustrate customers (Caruelle et al., 2023).

Another critical factor that contributes to customer delight is the effective resolution of complaints. Handling issues promptly, respectfully, and generously will transform a negative experience into a positive one and build stronger loyalty. Organizations must establish effective complaint-handling procedures, starting with the receipt of complaints. This includes acknowledging customers upon receipt of the complaint, informing them of the actions taken, the expected timeframe for resolution, the responsible parties, the resolution and compensation, and reviewing the complaint resolution processes and procedures for future improvement. Research has shown that satisfied customers with complaint resolution will become loyal (Cai & Chi, 2018).

Customers will be satisfied if they feel an emotional connection and perceive the brand's values. Organizations should promote shared values, such as sustainability, diversity, and social impact, that resonate with customers. Additionally, storytelling and branding foster trust and emotional engagement. For example, a company promotes a persona that embodies its organizational values to establish an emotional connection with customers who share similar values. Moreover, the company promotes shared values through an invented character in its books. Studies have supported the hypothesis that shared values can build emotional connection, and that emotional connection contributes to higher customer satisfaction and loyalty (Ghorbanzadeh & Rahehagh, 2020).

Organizations must ensure consistency across touchpoints. Although they are expected to create a multichannel environment for customers, customers must enjoy a unified experience across online, offline, mobile, and in-person channels. There will be no surprises or disconnects from one interaction to another. There must be a seamless transition from one channel to another. This will surely enable customers to enjoy an unforgettable service experience that will make them return. Studies have shown that customers who have a unified experience across various channels are delighted and loyal to the organization (Bilgihan et al., 2016). As a result, the organization will enjoy enhanced performance in the long run.

The factors should be investigated during the customer service audit to determine the association between these factors and customer satisfaction, loyalty, and the willingness to share their favorable experience with others (word-of-mouth promotion).

Customer Service Management Audit (CSMA) Processes

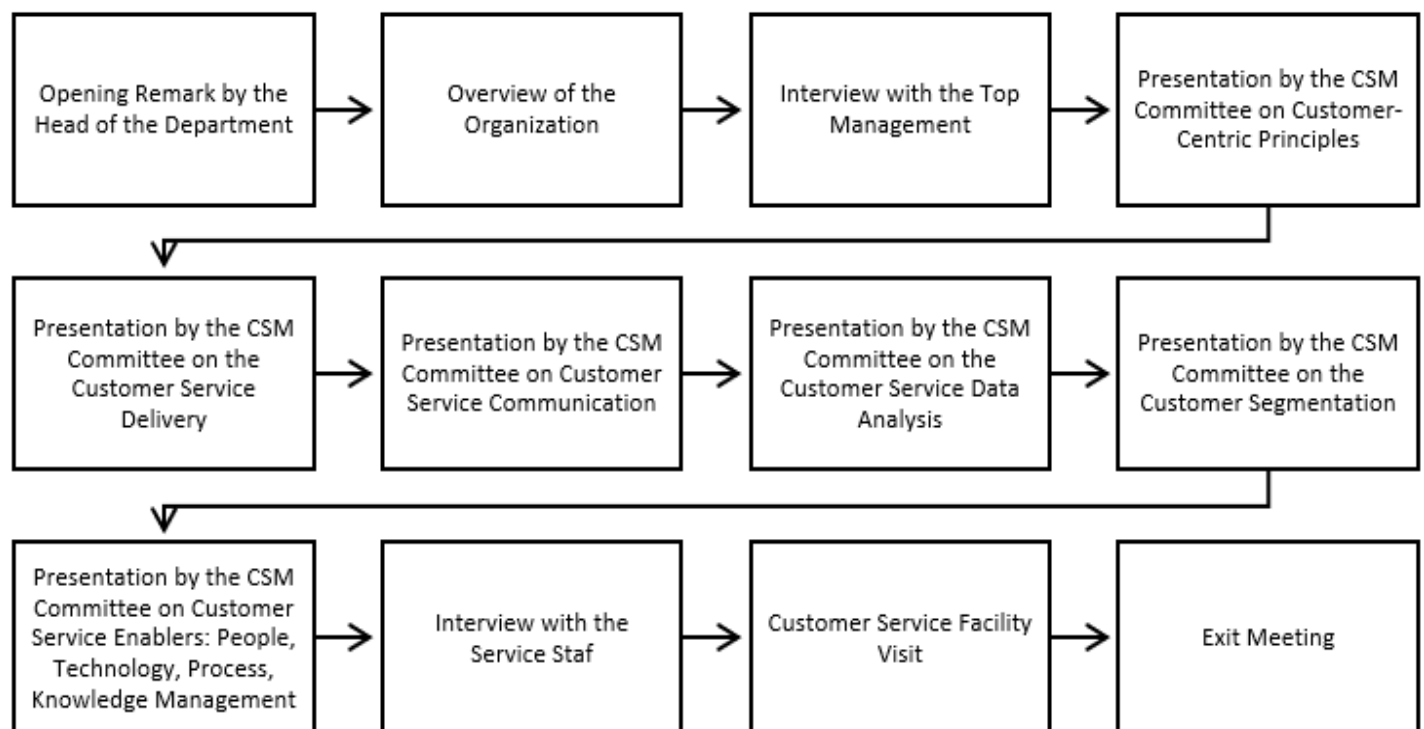


Figure 1: CSM Audit Plan

The audit processes relevant to Customer Service Management Audit (CSMA) follow a structured approach to evaluate how well customer service operations align with business goals, customer expectations, and regulatory standards. These processes are adapted from general audit methodology but tailored to the service context.

The first step of the audit process is to plan for the audit (Wang et al., 2025). It comprises defining the scope, goals, and methodology of the audit. The key activities involve defining the audit scope, which consists of determining the departments, channels, or regions to be audited. Identifying the audit goals can include evaluating response times, customer satisfaction, or compliance. The audit criteria must also be determined, which range from benchmarks, KPIs, and service standards. During the first stage, the organization must assign

an audit team and prepare the audit schedule. Then, the audit team is ready to perform the assigned task, starting with the document review.

The second step of the audit process involves reviewing documents and data (Chowdhury, 2021). The objective of this process is to understand existing customer service policies, procedures, and performance data. The key actions in this step include reviewing standard operating procedures (SOPs), training materials, and service-level agreements (SLAs); analyzing customer service metrics (CSAT, NPS, FCR, etc.); examining CRM logs, chat transcripts, and call recordings; and evaluating previous audits or complaint records. It is advisable to review the document and data before the audit day to ensure that the audit process can run smoothly as planned.

The third step of the audit process involves conducting stakeholder interviews and surveys to gather insights from employees, managers, and customers (Oladeinde et al., 2023). The key components include interviewing frontline service staff, supervisors, and quality assurance teams, conducting employee satisfaction surveys (related to service roles), and collecting customer feedback via surveys, focus groups, or feedback tools. Conducting surveys and collecting customer feedback during the audit process is seldom done due to the limited time available for these activities. To compensate for the limitation, the auditee must provide ready data regarding this aspect before the audit day.

The fourth step is process observation and testing. The aim is to observe how customer service is delivered in practice. The key behaviors involve shadowing customer service interactions (calls, chats, in-store), using mystery shopping or simulated customer inquiries, testing responsiveness and resolution processes, and checking service continuity across channels (omnichannel experience). During the audit process, the auditor must conduct facility visits, where they can observe and evaluate the way service agents perform their duties, interacting with customers, resolving customer issues, and recording all interactions for review.

The fifth step is performance assessment and benchmarking. The goal of this step is to compare current performance against standards and best practices. There are two key activities involved in this process, including evaluating key performance indicators (KPIs), such as first contact resolution (FCR), response and resolution times, customer satisfaction (CSAT), and Net Promoter Score (NPS). The second key activity is conducting benchmarking against industry standards or competitors. Most of the time, the auditee has prepared the data and analysis results for review during the audit process, including benchmarking data to facilitate the audit process.

The sixth step of the audit process involves evaluating the degree of compliance and risk assessment performed by the audited organization (Lois et al., 2021). The purpose is to assess the organization's adherence to internal policies and external regulations. The key actions include verifying compliance with data protection laws (e.g., GDPR, PDPA), reviewing accessibility standards, ethical conduct, and fair treatment policies, as well as identifying service risks (e.g., long holding times, untrained staff, data mishandling). The organization must demonstrate that it has complied with relevant policies and regulations, particularly in areas such as data protection, ethical conduct, and fair treatment.

The seventh step of the audit process relates to reporting and recommendations (Goicoechea et al., 2021). The auditors must summarize the findings and propose actionable improvements. The key deeds involve preparing a detailed audit report that includes findings, strengths and weaknesses, risk areas, and recommendations. These findings and recommendations should be presented to management along with prioritized action plans. Typically, the presentation will be conducted at two levels: with the working committee and the top management. The complete report should be submitted to the management within the agreed-upon timeframe for further actions.

The last step of the audit process is follow-up and continuous improvement (Tronto & Killingsworth, 2021). It is meant to ensure recommendations are implemented and improvements are sustained. To achieve this, specific activities must be followed, including establishing corrective actions and timelines, monitoring progress through follow-up audits or reviews, and promoting continuous improvement of service quality. The auditee must submit periodic feedback to the auditor for review and consideration. If all conditions and recommendations have been complied with, the audit can be closed. Otherwise, the process is prolonged until all corrective actions have been completed.

Opportunities in Customer Service Management Audit

Customer Service Management Audits (CSMA) present multiple opportunities for organizations, especially as customer expectations, technologies, and competitive pressures evolve. These opportunities go beyond compliance. They offer strategic advantages that can transform customer service from a cost center into a value driver. There are many opportunities in CSMA. The first opportunity is that it improves customer satisfaction and loyalty. CSMA can be used to identify pain points (limitations and weaknesses) in service delivery (Ezechi et al., 2025) and address them, resulting in improved customer experience, higher satisfaction scores, repeat business, and brand advocacy (Singh et al., 2023).

The second benefit of CSMA is that it enhances operational efficiency by uncovering inefficiencies, redundant processes, and communication breakdowns (Murdock, 2021). Since the audit process is conducted based on established standards, deviations from these standards will be identified, and corrections will be suggested. Furthermore, those involved in the audit process are experts in customer service management. Their input reflects the outstanding current practices in the field. This will result in streamlined workflows, reduced service costs, faster response and resolution times. That is why many companies are willing to invest in the audit process to reap the significant benefits it offers.

The third advantage of CSMA is that it aligns customer service with business goals, ensuring customer service practices support overall strategic objectives (e.g., customer retention, upselling) (Mar & Armaly, 2024). The first principle of customer service management is the top management's commitment to set the direction of customer service practices, which is aligned with the organization's goals. The involvement of top management ensures compatibility of customer service and organizational goals. The allocation of the budget, the establishment of key performance indicators, and the organization of programs and activities are streamlined to achieve the organizational goals. As a result, there will be greater coherence between customer service and organizational performance.

The fourth benefit of CSMA is that it facilitates data-driven decision-making (Gade, 2021). The organization can use audit findings to inform service improvement plans, budget allocation, and resource management (Bastoe, 1999). All findings from customer service data analysis, including CSAT, NPS, CES, FCR, complaint resolutions, benchmarking, mystery shoppers, and retention programs, will be presented to top management meetings for further action and consideration. Any decision made at the meeting is based on facts, which reduces the risk associated with subjective decisions based on assumptions. As a result, CSMA enables smarter investments in people, technology, and training based on performance evidence.

The fifth opportunity derived from CSMA is that it uncovers the training and development needs of the staff involved in serving customers (Emon & Chowdhury, 2023). Through CSMA, knowledge or skill gaps among frontline staff can be identified. For example, during the audit process, auditors will highlight issues based on CSAT and NPS scores or customer complaints, suggesting to management that they take action to improve the situation. A CSAT score below 85% or an NPS score below 70% indicates that customers are unhappy with the services. The increase in the number of complaints suggests that the staff is not competent in serving customers. As a result, the organization can develop more targeted and effective training programs, leading to enhanced service quality and increased employee confidence.

The sixth advantage of CSMA is that it ensures regulatory compliance and reduces risk. During the audit process, auditors will evaluate the organization's adherence to laws (e.g., data privacy, consumer rights), ethical standards, and internal policies (Netshifhefhe et al., 2024). For example, segmenting customers based on their religious beliefs may create issues of discrimination in serving them. Using customer data for promotional activities may violate customer trust. CSMA will identify these issues and recommend solutions to management to avoid legal penalties, enhance customer trust, and protect the organizational reputation. Thus, CSMA helps organizations comply with regulations and avoid risks associated with non-compliance.

The seventh benefit of CSMA is the integration of technology for better service delivery. Through the audit, the organization can identify opportunities to upgrade CRM systems, automate routine tasks, or implement AI and chatbots (Khneyzer et al., 2024). These emerging technologies can improve responsiveness, reduce manual

workload, and support scalability. Organizations can minimize human errors, offer 24/7 service without interruptions, and allocate available manpower to more significant tasks. For example, waiting time can be minimized through effective scheduling systems, and the use of paper documentation can be reduced by utilizing a cloud-based database system. All this can contribute to greater satisfaction and loyalty.

The eighth gain of CSMA is related to benchmarking and competitive advantage. The audit findings can be used to compare internal performance with the best practices of the industry or those of competitors (Le Anh et al., 2023). One of the components reviewed in the audit process is whether the company has engaged in a benchmarking exercise (either physically or virtually) with other companies in the same industry or other industries. Through this exercise, the company can learn the best practices of the most effective organizations and utilize the findings to enhance its practices. As a result, the company can gain insights into how to differentiate itself and achieve excellence in its customer service practices.

Through CSMA, the organization can instill a culture of continuous improvement within its operations (Bardoel & Sohal, 1999). It can utilize regular audits as a tool for cultivating a proactive, feedback-driven service culture. The CSMA requires the organization to collect customer feedback on a regular basis. Based on this feedback, the organization can engage in a continuous improvement program that involves all the organizational members. For example, a service company develops a system to gather customer feedback, as well as ideas from employees, which must also be submitted through the system, to improve its operations. Consequently, this encourages accountability, learning, and adaptability across the service team.

Lastly, CSMA enhances customer-centric innovation (Al-Shammari, 2023). The organization can utilize audit insights to redesign customer journeys, introduce new service features, or refine existing policies and procedures. The auditors involved in the audit process are usually experts in the customer service field. They have audited various organizations in the same or different industries. Their feedback can be refined to better suit the organization's needs. Furthermore, customer and frontline employee feedback during the audit process can support innovative ideas for service improvement. Therefore, the organization can build a more creative and responsive service organization that anticipates customer needs.

Challenges in Customer Service Management Audit

Customer Service Management Audits (CSMA) offer many benefits, but they also come with several challenges that can affect the accuracy, effectiveness, and implementation of audit findings. These challenges stem from the complex, dynamic, and people-centered nature of customer service. The first challenge is related to subjectivity and a lack of standardization. Evaluating service quality often involves subjective judgments (e.g., tone, empathy, politeness), which can lead to inconsistent audit results across different auditors or departments (Peštović et al., 2021). Auditors may have personal preferences and ideas based on their experiences, which may lead to bias. Without standardized benchmarks or audit tools, results may lack reliability and accuracy.

The second challenge is concerning data overload or inaccessibility. During the audit, excessive data (e.g., call recordings, chat logs) must be reviewed, which can lead to auditors' fatigue (Lorentzon et al., 2024). Sometimes, due to confidentiality issues, auditors are given limited access to relevant performance information, such as a list of customers, engagement programs organized by the company, and complaint resolutions, which makes it difficult to focus on meaningful insights or conduct a thorough review. Auditors cannot make accurate decisions and recommendations when they have limited access. As a result, the outcome of CSMA becomes less relevant for service improvements. Therefore, poor data management reduces audit efficiency and limits the value of audits.

The third challenge is about staff resistance to participating in the audit process. Employees may feel threatened by audits, perceiving them as fault-finding exercises, which can lead to a lack of cooperation, guarded responses, or even manipulated behavior during the audit (Parker et al., 2021). During the audit process, a significant amount of evidence is required, and this evidence often resides with employees. Frontline employees, who directly interact with customers, play a crucial role in the audit process, as they provide the necessary information that enables auditors to make informed decisions. Otherwise, if they are reluctant to provide correct information,

it will damage transparency and reduce audit effectiveness. The results may not reflect the organization's actual practice.

The fourth challenge concerns the rapidly changing expectations of customers. Customer service standards are evolving quickly due to trends, technological advancements, and increasing competition (Inavolu, 2024). CSMA rarely updates the audit criteria due to the complexity of service environments. As a result, the available audit criteria may quickly become outdated or irrelevant. Decisions and recommendations provided by the auditors may not be relevant to the current customer services. This will result in misaligned audits that fail to identify critical gaps or opportunities for innovation. For example, the use of social media marketing is widespread for creating awareness and attracting customers to make purchases, and should be included as a criterion for audit.

The fifth challenge is the complexity of omnichannel environments. Customers interact through various platforms, including phone, email, chat, social media, and more. Therefore, it is challenging to track consistency and quality across all channels (Darvidou, 2024). Audits tend to focus on evaluating a few channels, such as those preferred by newer generations, while ignoring other channels that are also relevant for communicating with customers, especially older generations. Organizations tend to use one channel to create customer awareness and another to take purchase orders from them. They offer after-sales service through various channels. As a result, a fragmented audit misses cross-channel weaknesses.

The next challenge of CSMA is limited integration with business strategy. Audits often focus on operational aspects rather than strategic alignment, resulting in missed opportunities to connect service insights with broader business goals (Brás et al., 2024). For example, a service company conducts regular audits of its customer service operations, focusing primarily on key call center efficiency metrics, such as average handling time, call abandonment rate, and adherence to scripts. While these audits help improve operational performance, they fail to assess how customer feedback from service interactions aligns with the bank's strategic goal of enhancing customer loyalty and digital adoption. As a result, service improvements may not drive a real competitive advantage.

The following challenge relates to a lack of trained auditors or internal expertise. Few organizations have dedicated, trained service auditors with the right mix of analytical and interpersonal skills (Rumasukun, 2024). This phenomenon creates the risk of poor-quality audits, misinterpretation of results, or the failure to identify critical issues. Typically, service audits are conducted by junior staff from the operations team who have not received formal training in audit methodology or customer experience analysis. While they can follow fundamental checklists, they lack the analytical skills to interpret patterns in customer complaints and the interpersonal skills to probe frontline staff for deeper insights. This leads to delayed responses from management, customer frustration, and eventually a spike in churn.

The subsequent challenge is about time and resource constraints. Auditing can be time-consuming and resource-intensive (Brás et al., 2024). Some organizations may cut corners, audit only part of the operation, or delay follow-ups. For example, a healthcare service is required to audit patient service quality across its network of clinics. Due to limited staff and budget constraints, the organization decides to audit only a handful of high-traffic locations, leaving smaller clinics unchecked for years. Additionally, the audit team skips follow-up interviews with patients and staff to save time. As a result, systemic issues such as long wait times and miscommunication about treatment plans go unnoticed in several clinics. This oversight ultimately leads to an increase in patient complaints and reputational damage.

The next challenge of CSMA is the difficulty of measuring intangible aspects of service performance. Elements such as empathy, emotional connection, and trust are difficult to quantify and measure (Hossain & Rahman, 2022; Singh et al., 2023). For example, a company conducts a CSMA program to evaluate staff performance. While the program effectively measures tangible elements such as check-in speed, room cleanliness, and service availability, it struggles to capture more nuanced aspects like whether the staff's behavior builds trust and emotional connection. A customer leaves a negative review, describing the front desk interaction as "cold and robotic," despite the staff having followed all protocols correctly. Over time, this results in declining guest satisfaction scores that the audit process fails to explain.

The last challenge is a lack of follow-through on recommendations. Audit findings may not lead to real change due to poor implementation or low executive buy-in (Hubbart, 2022). For example, a government agency conducts a comprehensive audit of its citizen service centers, identifying long wait times, unclear signage, and staff lacking training in handling sensitive inquiries. The final report provides actionable recommendations, including redesigning the queue system and launching a staff development program. However, due to budget constraints and limited executive interest, the recommendations are shelved with no clear implementation plan in place. Over time, the audit loses credibility as a tool for improvement, seen as a box-ticking exercise rather than a driver of change.

Future Directions in Customer Service Management Audit

The future directions of Customer Service Management Audit (CSMA) reflect how customer expectations, digital technologies, and strategic priorities are reshaping the way organizations evaluate and improve customer service performance. Audits are evolving from reactive, compliance-driven exercises into proactive, intelligence-led tools for creating exceptional service experiences.

Future CSMA should focus on integrating Artificial Intelligence and analytics into the audit process. The use of AI can analyze large volumes of service data (e.g., sentiment analysis, chat logs, voice analytics), enabling predictive auditing, spotting issues before they escalate, and revealing deeper service trends (Patil et al., 2025). For example, real-time alerts from AI can be triggered when customer sentiment drops below a threshold.

The second aspect of CSMA should be the focus on omnichannel experience audits. The audit process should focus on how a customer's issue is handled from web chat to follow-up email to phone call, which means reviewing the entire support process across different communication channels (Almasria, 2022). It checks whether the customer's problem was addressed consistently, efficiently, and professionally at each stage. The goal is to identify any gaps, delays, or miscommunications, ensure a smooth and seamless experience, and improve service quality across all touchpoints.

The third aspect of future CSMA concerns auditing behavioral and emotional experiences. Audits should extend beyond measuring technical performance, such as response time or issue resolution, to also assess how the customer feels during the interaction (Inavolu, 2024). This includes evaluating emotional satisfaction, trust, and empathy shown by support agents. By incorporating this human-centered dimension, audits can more effectively capture the overall customer experience and facilitate the creation of positive, memorable interactions that lead to increased customer satisfaction and loyalty.

The fourth aspect of future CSMA relates to real-time and continuous auditing. Audits should transition from being occasional checks to constant monitoring, utilizing real-time dashboards and live data, enabling businesses to identify service issues as they occur, respond promptly, and adapt more effectively (Gupta et al., 2023). Constant monitoring enhances agility, helps maintain high service quality, and prevents minor problems from escalating. A live audit scorecard can provide automatic updates based on customer feedback and service metrics, allowing for continuous improvement.

The fifth aspect of future CSMA should be a greater emphasis on digital self-service and automation. Audits should assess the effectiveness, user-friendliness, and overall satisfaction of self-service tools, such as chatbots, FAQ portals, and mobile apps, for customers (Chan & Petrikat, 2022). By focusing on these areas, audits can ensure that automation supports and improves the customer experience, rather than causing confusion or frustration. This helps make sure that self-service options truly meet customer needs and enhance overall service quality.

Future CSMA should align with ESG and ethical standards by auditing how companies treat customers fairly, protect their data, and ensure accessibility (Balboni & Francis, 2024). For example, an audit could verify whether a mobile app is accessible to visually impaired users and whether customer data collected through it is stored securely and used transparently. This approach promotes responsible service practices that respect customer rights and support broader social and environmental goals.

The future of CSMA should include the development of global standards and benchmarking, allowing international companies to measure and compare customer service performance across different countries using consistent criteria (Ezechi et al., 2025). For example, a global retail brand could utilize a unified audit framework to evaluate response times, customer satisfaction, and complaint resolution rates in both the U.S. and Asia, thereby identifying best practices and areas requiring improvement across markets.

Future CSMA should play a strategic role in driving business innovation by using audits not just for improvement, but to identify new opportunities in customer experience (Inavolu, 2024). For example, suppose an audit reveals that customers frequently struggle with the onboarding process. In that case, this insight can inspire the development of a more intuitive app interface or a personalized welcome journey. In this way, audits become a valuable tool for shaping service design, enhancing products, and strengthening customer loyalty.

Future CSMA should involve customers directly in the audit process through co-auditing or participatory methods, such as “voice of the customer” panels (Ezechi et al., 2025). For example, a company might invite customers to review support interactions and provide feedback during the audit. This approach enhances transparency, fosters trust, and ensures that the audit accurately reflects customers’ real needs and experiences, resulting in more effective and customer-focused improvements.

Future CSMA should utilize customized, industry-specific audit models tailored to sectors such as healthcare, finance, education, retail, and government (Sewpersadh, 2025). For example, an audit in healthcare might focus on patient confidentiality and empathy, while a finance audit would prioritize data security and regulatory compliance. This customization ensures audits are more relevant and practical, addressing the unique challenges and needs of each industry’s customer service environment. Hence, the future directions of CSMA is summarized as Table 1.

Table 1: Future Direction of Customer Service Management Audit

No.	Future Direction	Description	Example / Reference
1	AI & Predictive Analytics	Integrate AI and data analytics for predictive auditing and deeper service insights	Real-time alerts based on sentiment analysis (Patil et al., 2025)
2	Omnichannel Experience Audits	Audit customer service consistency across multiple communication channels	From web chat to email to phone call (Almasria, 2022)
3	Behavioral & Emotional Auditing	Assess emotional experience, empathy, and trust, not just technical performance	Include customer feelings and agent empathy (Inavolu, 2024)
4	Real-Time & Continuous Auditing	Shift from periodic checks to live, ongoing monitoring	Live dashboards and audit scorecards (Gupta et al., 2023)
5	Self-Service & Automation Assessment	Evaluate the effectiveness and usability of digital self-service tools	Assess chatbots, FAQ portals, mobile apps (Chan & Petrikat, 2022)
6	ESG & Ethical Compliance	Ensure audits cover fairness, data protection, and accessibility	Audit app accessibility & data transparency (Balboni & Francis, 2024)
7	Global Standards & Benchmarking	Develop international frameworks for cross-country service evaluation	Unified audit across U.S. and Asia (Ezechi et al., 2025)
8	Strategic Business Innovation	Use audits to identify opportunities for service innovation	Improve onboarding via insights from audits (Inavolu, 2024)
9	Customer Co-Auditing	Involve customers directly through participatory audit methods	“Voice of the customer” panels (Ezechi et al., 2025)
10	Industry-Specific Audit Models	Tailor audits to different sectors for relevance and precision	Healthcare: empathy; Finance: data security (Sewpersadh, 2025)

Lastly, expanding the future directions with actionable strategies for policy and standard refinement would significantly enhance the practical relevance of CSMA research. This includes developing standardized audit frameworks that align with regulatory requirements, ethical guidelines, and sector-specific best practices, enabling consistent implementation and evaluation across industries. Moreover, integrating CSMA outcomes with organizational Key Performance Indicators (KPIs) such as customer satisfaction, service efficiency, resolution time, and compliance rates would provide measurable insights into how audits contribute to strategic goals. By linking audit findings to performance metrics, organizations can better prioritize improvements, justify investments in service quality, and foster a culture of continuous enhancement, making the CSMA framework more impactful for both academic inquiry and real-world application. Thus, this future direction of CSMA also contributed in policy and organization KPIs as shown in Table 2.

Table 2: Future Directions of CSMA in Policy and Organizational KPIs

Area	Contribution
Policy/Standards Refinement	CSMA variants play a key role in revised IEEE standards; KPI-extraction methods guide how to codify measurable outcomes.
Organizational KPIs	Integrating performance frameworks (KAIs, Balanced Scorecard, MCS) enables mapping protocol-level data (latency, collision) to business outcomes like cost, throughput, and uptime.
Actionable Strategies	Governance and public-sector MCS research offers blueprints for embedding CSMA-driven metrics into organizational accountability systems.

CONCLUSION

In conclusion, the Customer Service Management Audit (CSMA) has emerged as a valuable tool for enhancing service excellence, organizational efficiency, and customer satisfaction. Since its adoption in Malaysia, it has provided numerous benefits, including enhanced customer loyalty, operational alignment, and improved regulatory compliance. However, challenges such as audit subjectivity, data accessibility, and limited integration with business strategy continue to hinder its full potential. To address these gaps, future audits must incorporate advanced technologies, real-time analytics, and customer-centric frameworks. Emphasis should also be placed on emotional and behavioral metrics, continuous monitoring, and industry-specific models. Engaging customers directly in the audit process and aligning audits with ESG goals will further enhance their credibility and relevance. Moreover, developing global standards and benchmarking can facilitate meaningful cross-cultural and cross-sector comparisons. Ultimately, CSMA should evolve beyond a compliance exercise into a strategic instrument that drives innovation, fosters a culture of continuous improvement, and supports long-term organizational success. By embracing these future directions, organizations can transform their customer service functions into a decisive competitive advantage in an increasingly dynamic and demanding service environment.

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