The Government Summit
Thought Leadership Series

From Customer Satisfaction Measurement to Customer-Centricity
Lessons From AbuDhabi

In collaboration with

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Executive Summary

Performance of government service delivery agencies can be improved by redesigning processes and organizational models towards a customer-centric service delivery model

Service delivery is the public face of government. It is the point at which citizens have their most direct and personal contact with government and form lasting perceptions about it. Government is unlikely to earn their respect and trust if it is not seen attempting to satisfy their needs with respect and efficiency. Very often, governments do not coordinate service delivery across agencies well, but leave this task to their customers.

This lack of customer-centric perspective tends to create unnecessarily complex, slow, and expensive processes for both customers and government.

Three-step approach to move to a customer-centric service delivery model

Moving an existing service delivery system to a customer-centric approach requires three basic steps. First, develop a deep understanding of the current service delivery model, including current customer satisfaction levels and the drivers behind customer satisfaction. Performance on these drivers should be measured to identify priorities for improvement within a government entity. The relative importance of drivers will vary among different types of service and different customer segments. Second, develop a target model for customer-centric government service delivery to coordinate service delivery across agencies. Third, migrate from the current to the target model. This paper concentrates on the first two steps.

Understanding of current service delivery model

In recent research, the General Secretariat of the Executive Council (GSEC) learned that satisfaction with employees and service delivery time are the most important satisfaction drivers for transactional services. The most important component of the delivery time driver is waiting time before first contact – the time from the moment the customer enters the service location to the time he is served. These drivers would be the most important levers to use in order to improve customer satisfaction within one entity.

A customer-centric service delivery model

If a government wants to move customer satisfaction to an overall higher level, it needs to take over the task of coordinating across different entities and move from an entity-centric view towards a customer-centric service delivery model.

Enhancing “customer-centricity” means advancing from a less mature to a more mature service delivery model. The maturity level can vary among entities within one government. There are four basic levels of maturity:

- **Disconnected**: dispersed shop fronts, no single website or phone number. Customer must move between entities and repeat his story.
- **Connected**: Co-located one-stop shops, websites with links to other entities. Customer stays with one entity but must repeat story.
- **Integrated**: Integrated one-stop shops, single phone number for all services, personalized on-line portal. Single interaction point for customer. Transaction and customer data integrated between entities.
- **Networked**: Use customers’ existing service network in addition to government integrated transactions. Single interaction point.

Different governance models are suited to different service delivery models.

- Connected entities may use a model in which one entity serves as a “lead agency” to coordinate shop-fronts and other channels, while individual entities retain most of their assets.
- In the optimal customer-centric model, integrated or networked entities give up some or all of their assets and associated budgets—e.g. front and back offices, ICT infrastructure etc.—to a “central service delivery authority” which is responsible for administering service delivery policy.
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A Customer-Centric Government Service Delivery Model

The Government Summit Thought Leadership Series 03
Customer-Centricity: A Performance Improvement Opportunity for Government Services

Governments are often looking for ways to make the process of delivering services to their citizens both more economical and more effective. There are numerous technical approaches to this challenge. An important first step, however, is conceptual: reimagining the role of the citizen in the process and then adopting the citizen’s point-of-view when streamlining the process or designing other improvements to it.

When a citizen interacts with a government services agency – to obtain a license, to pay a fee, to receive a benefit etc. — he is not thinking of himself as a citizen in the broadest sense, i.e., a member of the polity with rights and responsibilities, but rather as a customer. Much as when he goes to a store, he comes to a government agency to purchase (or be given) something he desires or needs. And just as when patronizing a business, he will regard his experience with the agency as satisfactory if he is treated respectfully, professionally, and in a timely manner.

For the citizen, the appeal of government services delivered in a customer-centric way is obvious. This approach, however, also provides an opportunity for government to benefit by becoming more efficient, more effective and forming a better relationship with the citizen. Redesigning service delivery to make it customer-centric is an opportunity for government agencies to improve their performance.

Improving quality of service delivery produces several benefits for government.

First, quality service delivery is simply a big part of government’s job, an essential part of government’s value chain (See Exhibit 1).

Poor service delivery not only damages the operation of the entire cycle, it does so in the most visible way. Service delivery is the public face of government. It is the point at which citizens have their most direct and personal contact with government and form lasting perceptions about it. It is unlikely to earn their respect and trust if it is not seen attempting to satisfy their needs with respect and efficiency.
In Singapore, by contrast, where the process is organized around the customer’s perspective and not around the agencies themselves, the entire process, much of which is online, is guaranteed to be completed in a maximum of 14 days (See Exhibit 2). This places Singapore on rank 4 in OECD’s “Ease of starting a business” ranking.
Moving an existing service delivery system to a customer-centric approach requires three basic steps. First, develop a deep understanding of the current service delivery model, including current customer satisfaction levels and the drivers behind customer satisfaction. Performance on these drivers should be measured to identify priorities for improvement within one government entity. The relative importance of drivers will vary among different types of service and different customer segments. Second, develop a target model for customer-centric government service delivery to coordinate service delivery across agencies. Third, migrate from the current model to the target model.

This paper concentrates on the first two steps, offering a detailed and proven methodology for understanding the current service delivery model by analyzing customer satisfaction levels.
A Methodology for Measuring Customer Satisfaction Drivers

Beginning the process of adopting a customer-centric orientation requires research to identify the current level of customer satisfaction. There are two levels to customer satisfaction: overall satisfaction and the relative importance of different drivers of that satisfaction. Developing customer questionnaires to collect accurate data at these two levels requires an initial understanding of different types of government service, the different types of customers who use them, and the varying importance of different service drivers to those customers.

Types of Service

In general, there are three main types of services addressing different kinds of customer needs (See Exhibit 3). Each of these types of service encompasses a distinct and different customer experience. These are:

Exhibit 3

Government offer three main types of services with distinctive customer needs

<table>
<thead>
<tr>
<th>Type of service</th>
<th>Transactional</th>
<th>Life time event</th>
<th>Complex case</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dimensions</td>
<td>An exchange or transfer of goods, services, or funds completed in one interaction</td>
<td>Service provided to constituents that require personal assistance and relevant information linked with a recent or upcoming event in their life</td>
<td>Service provided to constituents that require a highly customized approach often involving multiple entities</td>
</tr>
<tr>
<td>Definition</td>
<td>One entity</td>
<td>Standard service</td>
<td>Multiple entities</td>
</tr>
<tr>
<td></td>
<td>Standard service</td>
<td>Recurring monthly/yearly</td>
<td>Highly customized per recipient</td>
</tr>
<tr>
<td></td>
<td>Service completed on the same day</td>
<td>Service completed on the same day</td>
<td>Once/never in a lifetime</td>
</tr>
<tr>
<td>Examples</td>
<td>Registrations, Claims, Update/change information, Renewals, Payments</td>
<td>Starting a business, Building a house, Birth of a child, Death in the family, Becoming an adult</td>
<td>Long-term unemployed, Multiple disadvantages, (homelessness, disability, mental illness, etc.)</td>
</tr>
</tbody>
</table>
• **Transactional**: This is a simple exchange or transfer of goods, services or funds usually completed in one highly standardized transaction with a single agency (e.g., paying a parking ticket).

• **Lifetime Event**: A service that requires personalized assistance with a recent or upcoming life event. This may involve multiple contacts with one or multiple agencies (e.g., the various licenses, approvals, and inspections involved in starting a business).

• **Complex Case**: This is a highly customized service usually involving repeated contacts over time with multiple entities (e.g., receiving long term state supplied medical treatment).

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**Basic Customer Groups**

A government serves distinct customer groups with different needs and sensitivity to different satisfaction drivers (See Exhibit 4). GSEC identified the following customer segments in Abu Dhabi:

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**Exhibit 4**

**Government offer three main types of services with distinctive customer needs**

<table>
<thead>
<tr>
<th>Passives</th>
<th>Personals</th>
<th>Competent</th>
<th>Demanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>&quot;Guide me&quot;</td>
<td>&quot;Listen to me&quot;</td>
<td>&quot;Let's get it done well&quot;</td>
<td>&quot;Let's do it better, faster&quot;</td>
</tr>
</tbody>
</table>

- **(Pre)Activity**
  - Passives: Limited /None, reactive and unlimited information
  - Personals: Varied, generally average
  - Competent: Has his / her things in order
  - Demanding: Active search for information, "better ways"

- **Sophistication**
  - Passives: Limited /None, Appreciate simplicity and hospitality
  - Personals: Varied, depends on social, culture background
  - Competent: Average expectations and demands
  - Demanding: High related to exposure to higher levels of service

- **Competence**
  - Passives: Generally low combined with lack of engagement
  - Personals: Varied, generally average / lower
  - Competent: High easily grasps information, new ways
  - Demanding: High, autonomous and experienced customers

- **Human touch**
  - Passives: Need (rather than demand) personal guidance
  - Personals: Strong need for a personal relationship
  - Competent: Average, appreciate it with no high demand
  - Demanding: Average to lower, not expected but appreciated

- **Hypothesized socio demo skew**
  - Passives: Cuts across origins, more attitude driven, slight overrepresentation of lower class, lower education
  - Personals: Cuts across origins, more attitude driven, slight overrepresentation of lower women
  - Competent: Higher education and level of professional activity, Locals and non-western expats dominant
  - Demanding: Higher education and level of professional activity, Overrepresentation of western expats

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- **Specific satisfaction drivers proprieties**
  - **Passives "Guide me"**: The most important satisfaction driver priorities for "passives" are clear simple on-site guidance and navigation, time with employees, and simple processes
  - **Personals "Listen to me"**: "Personals" respond most powerfully to staff attitude, degree of personalization, and the amount of time employees spend with them.
  - **Competent "Let's get it done well”**: “Competents” are organized and experienced customers who are concerned with the efficiency of processes, appointments, and transactions. They prefer telephone and Internet access to services where possible.
  - **Demanding "Let's do it better, faster”**: “Demandings” are well-educated, sophisticated customers, many of them Western expatriates, who want the highest possible degree of efficiency and actively seek out the most up-to-date information. They are autonomous people, often professionals, who don't expect the "personal touch" from service agencies, but appreciate it when it is offered.
Customer journey

Questionnaires should be designed not only to measure overall satisfaction, but also satisfaction at each step of the customer journey (See Exhibit 5).

Exhibit 5
Each survey designed to capture whole customer journey, including steps prior to service delivery Data analysis

<table>
<thead>
<tr>
<th>Information</th>
<th>Reaching the entity</th>
<th>Service channels</th>
<th>Service delivery time</th>
<th>Employees</th>
<th>Payments</th>
<th>Complaint management</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Accuracy of information</td>
<td>- Knowledge about getting the service</td>
<td>- Customers split per channel</td>
<td>- Waiting time before first contact with staff</td>
<td>- Competency and knowledge of employees</td>
<td>- Cost of service</td>
<td></td>
</tr>
<tr>
<td>- Complete information</td>
<td>- Number of entities to contact before getting to the service</td>
<td>- Preferred future channel for service delivery</td>
<td>- Number of people to deal with to get the service</td>
<td>- Employees</td>
<td>- Cost of express service</td>
<td></td>
</tr>
<tr>
<td>- Clarity of communication</td>
<td>- Results of first interaction</td>
<td>- Convenience of in person visits</td>
<td>- Time to receive the service</td>
<td>- Respectfulness and motivation</td>
<td>- Invoices clarity</td>
<td></td>
</tr>
<tr>
<td>- Availability of languages</td>
<td>- Efficiency over the phone</td>
<td>- Information availability on website</td>
<td>- Speed and flexibility</td>
<td>- Motivation</td>
<td>- Convenience of payment methods</td>
<td></td>
</tr>
<tr>
<td>- Means of receiving information</td>
<td></td>
<td></td>
<td></td>
<td>- Overall trust in employees</td>
<td>- Share of customers with complaints</td>
<td></td>
</tr>
</tbody>
</table>

Prior to the analysis, data should be standardized using scientifically recommended methodologies to eliminate cultural biases and differences. We recommend using sound statistical and stochastical methods to carry out the analysis. In addition to simple frequency analysis, GSEC used Partial Least Square Path Modeling, an algorithm that combines principal component analysis and regression analysis. Results should be compared using international benchmarks.
Visualizing Findings

It is useful to visualize customer satisfaction findings using “data trees” which graphically represent the relative value of key factors in customer satisfaction. Showing data in this way can help establish a base for allocating resources strategically when migrating to a more customer-centric model (See Exhibit 6).

Exhibit 6

Data trees graphically represent relative value of key factors in customer satisfaction; and help entities to focus on what matters most

Illustrative example

A driver tree graphically represents key factors driving customer satisfaction...

- Establish a base for allocating resources strategically
  - Tells government where it can focus resources so that it has the greatest impact on satisfaction

- Become more customer focused
  - Provide entities with information to become more customer-centric

- Provide managers with a better understanding of their operations
  - Understand how service works
  - Highlight possible quick wins

For example, GSEC’s recent analysis of 18,400 government services customers in Abu Dhabi, found that for transactional services, satisfaction with employees and service delivery time are the most important drivers (See Exhibit 7).
Exhibit 7

: In transactional services, satisfaction with employees and service delivery time most important drivers

Key drivers of customer satisfaction

- Satisfaction with employees drives 40.5% of overall customer satisfaction
- Service delivery time contributes 29.5%
- Payments contribute 8.8%
- Information contributes 7.8%

\[ R^2 = 75\% \]

When GSEC analyzed the individual components of the key satisfaction drivers, it became apparent that the overall most important component is waiting time before first contact – the time from the moment the customer enters the service location to the time he is served. Number of people to interact with and duration of overall service delivery are ranked 2 and 3 respectively (See Exhibit 8).

Exhibit 8

Most important component is waiting time before first contact

<table>
<thead>
<tr>
<th>Driver</th>
<th>Component</th>
<th>Importance to overall satisfaction</th>
<th>Ranking</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>Competency and knowledge</td>
<td>4.3%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Trust in employees</td>
<td>4.0%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Motivation</td>
<td>3.9%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Punctuality</td>
<td>3.9%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Fair treatment</td>
<td>3.9%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Good listening ability</td>
<td>3.8%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Admit fault in case of mistakes</td>
<td>3.6%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Flexibility</td>
<td>3.6%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Properly monitored by management</td>
<td>3.5%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Someone to talk to if there is a problem</td>
<td>3.5%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Respectfulness</td>
<td>2.7%</td>
<td>13</td>
</tr>
<tr>
<td>Service delivery time</td>
<td>Waiting time for first contact (queue)</td>
<td>8.9%</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Number of people you need to deal with</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Duration of service delivery</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service delivery  channels</td>
<td>Reception to welcome/navigate customers</td>
<td>1.9%</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Single clerk in charge of transactions</td>
<td>1.6%</td>
<td>29</td>
</tr>
<tr>
<td></td>
<td>Sufficient number of locations</td>
<td>1.5%</td>
<td>28</td>
</tr>
<tr>
<td></td>
<td>Office was conveniently-located</td>
<td>1.5%</td>
<td>27</td>
</tr>
<tr>
<td></td>
<td>Office signs easy to locate</td>
<td>1.5%</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td>Adequate parking</td>
<td>1.4%</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>Office and waiting areas were comfortable</td>
<td>1.4%</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Convenient hours of service</td>
<td>1.2%</td>
<td>23</td>
</tr>
<tr>
<td></td>
<td>Special counter for ladies/special needs</td>
<td>1.1%</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>Prayer room</td>
<td>0.2%</td>
<td>21</td>
</tr>
<tr>
<td>Payments</td>
<td>Invoice is easy to understand</td>
<td>3.5%</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Payment method is convenient</td>
<td>3.2%</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>Cost of service</td>
<td>2.2%</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Information completeness</td>
<td>2.5%</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Accurate information</td>
<td>2.2%</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Clear written and verbal language</td>
<td>1.6%</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Consistent information</td>
<td>1.5%</td>
<td>8</td>
</tr>
</tbody>
</table>

Most Important dividers for overall satisfaction

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A Customer-Centric Government Service Delivery Model

If a government wants to move customer satisfaction to an overall higher level, it needs to take over the task of coordinating across different entities – and move from an entity-centric view towards a customer-centric service delivery model.

Levels of Maturity

Enhancing customer-centricity means advancing from a less mature to a more mature service delivery model. The maturity level can vary among entities within one government. There are four basic levels of maturity, which are actually levels of connectivity and integration of processes across entities. Moving from a lower level to a higher level requires adopting an appropriate governance model and retraining employees on how to better perform within that new model.

The basic levels of maturity are illustrated in Exhibit 9:

Exhibit 9
Four basic levels of service delivery maturity exist
**Disconnected:** The agencies in this model have dispersed shop fronts, no single website or phone number. The customer must move between entities and repeat his story to multiple employees.

**Connected:** Agencies in this model have co-located one-stop shops and websites with links to other entities. The customer stays with one entity but must repeat his story.

**Integrated:** In this model, agencies have integrated one-stop shops, single phone numbers for all services, and personalized on-line portal. There is a single interaction point for the customer, and transaction and customer data are integrated between entities. The customer only needs to tell his story once.

**Networked:** Transactions with different agencies are integrated and delivered via customers’ existing service network (e.g. third party private businesses). There is a single interaction point for the customer, who tells his story only once.

**Different Governance models**

Different levels of customer-centric maturity should be matched to the appropriate governance model (See Exhibit 10).

**Exhibit 10**

**Different levels of customer-centric maturity matched with suitable governance models**

- **Lead Agency Concept** (suitable for connected entities)
  - Lead agency responsible for coordinating co-located shopfronts and other channels
  - Service delivery contracts
  - Agencies retain: Service delivery employees, front office, back office, customer facing assets, shopfronts, call centres, ICT infrastructure, associated budgets

- **Central Service Delivery Authority** (suitable for integrated or networked entities)
  - Service delivery policy
  - Transfer some or all assets from agencies relating to licensing, motor registries etc including: Service delivery employees, front office, back office, customer facing assets, shopfronts, call centres, ICT infrastructure, associated budgets
  - Retain service administration (e.g. contracts, SLAs)
  - Service delivery contracts

- Connected entities may use a model in which one entity serves as a “lead agency” to coordinate shop fronts and other channels, while individual entities retain most of their assets.

- In the optimal customer-centric model, integrated or networked entities give up some or all of their assets and associated budgets—(e.g. front and back offices, ICT infrastructure et cetera)—to a “central service delivery authority” which is responsible for administering service delivery policy.
Conclusion

In summary, customer centricity has two goals – improving customer satisfaction and improving the performance of government service agencies. Achieving these goals begins with developing a deep understanding of the customer’s current experience using a structured methodology that takes into account the different satisfaction drivers that are relevant to different types of customers.

Putting customer-centric principles into action means changing an agency’s organizational and governance model so that its operations are geared to the customer’s needs and preferences, rather than the institution’s structure. The ultimate goal of such a change is to increase efficiency and effectiveness as well as to streamline and strengthen government’s value chain.
Acknowledgments

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