

ICMA
Leaders at the Core of Better Communities

Using 311/CRM Technology to Improve
Local Government Customer Service,
Saturday, October 16, 2010

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Topics We'll Cover Today

1. Customer service in local government
2. CRM for predictive analysis, service delivery, and measuring performance
3. Assessing potential value
4. Designing a CRM system
5. CRM for citizen engagement
6. Change management

Typical Citizen Questions/Requests

- What hours is the library open?
- Do I need a building permit to put up a shed in my backyard?
- How do I appeal my property tax assessment?
- Can I pay my parking ticket with my debit card?
- My trash didn't get picked today. Can you send someone out?
- How can I reserve the shelter at the city park?
- We've backed up storm drain in the alley. Where I report that?
- I need to get an absentee ballot. What do I need to do?

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Unit 1 – Customer Service in Local Government


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Customer Service & Local Government

Book titles from Amazon.com

- Exceptional Service, Exceptional Profits
- Be Our Guest
- The Nordstrom Way to Customer Service Excellence
- The Wonderful World of Customer Service at Disney
- Selling Luxury

Most books on customer service focus on the business world. Customer service in the public sector is significantly different than in the private sector.



What are key differences between customer service in local government and business?



- Local governments exist to serve the needs of their residents, not to make a profit.
- Local governments must consider equity in service delivery which oftentimes equates to uniformity of service.
- Local governments have a broader scope of constituents, much more so than private businesses.
- Local governments do not have much flexibility in changing levels of customer service or pricing.
- A community represents a resident's home and lifestyle, and people are very protective of and emotional about these things.
- In local government, customer service equals citizen engagement because the entire community is your "target market."
- Most residents don't have the ability to easily opt out or not patronize their local government. And a local government can't really "lose" its customers.
- All interactions that citizens have with local government employees are part of their customer service experience, not just those with your front desk/reception areas.

What does excellent customer service look like in local government?

- Product & process knowledge
- Courtesy
- Consistency
- Responsiveness
- Managing and exceeding expectations through service level agreements (SLAs)
- Qualitative and quantitative feedback from citizens is important such as use of citizen satisfaction surveys.
- Examples of local government programs:
 - Durham, NC – Customer Bill of Rights
 - Mansfield, CT – Customer Service Policy
 - Rowlett, TX - SMILE training program (Say Hello; Make Eye Contact; Identify Yourself; Listen; and Express Thanks)

Excellent customer service creates a great customer experience.

What is the best customer experience you have ever had?

- What is the customer experience your local government is trying to deliver?
- Is the desired experience clearly articulated? And are all the employees aware of it?

- Research shows at that least 50% of the customer experience is driven by emotions. In other words, how did the experience make the customer feel?
- Data and information enter the right side of the brain before proceeding to the left side of the brain which governs logic. We feel before we think.
- Strategic use of humor
- Willingness to address mistakes
- Supervisors treatment of employees flow through to their interactions with constituents
- Resolve issue on initial call
- All levels of personnel within an organization have awareness of the importance of customer service.

Where does local government customer service begin?

- Customer service starts as a cultural value of the local government organization. The type of culture any organization has comes from its leadership; leaders set the tone and give direction by their actions. Keep in mind a lot of “training” occurs subconsciously.
- One key element of leadership is having very clear values and very clear ideas of what is important. The other part is looking after your people.
- Happy people give you happy customers. Employee happiness and commitment translates into directly into the local government’s level of customer service. If people love their jobs, it shows.
- Give employees tools, not rules.
- Build processes and procedures around the needs of the customer, not the organization, whenever possible. (Federal and state mandates being notable exceptions!)
- Key elements to work on within the organization: communication, teamwork, recognition, and employee ownership.
- Make customer service part of the hiring and evaluation processes for employees.

Customer service is a journey, not a destination. The customer service experience will never be perfect, but it can be excellent.

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Unit 2 - 311: Predictive Analysis, Service Delivery, Measuring Performance


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Focusing on What Comes *After* the Phone Call

- Predictive Analysis: How can you use data to determine demand on city services?
- Service Delivery: Can you use information from 311 to improve how services are delivered to your customers?
- Performance Measurement: What role can 311 play in measuring local government performance?

Predictive Analysis

- What information do your cities, towns and counties currently use to determine demand for services?
- How do you track changes in demand in real time?
- What information do you want that you don't have today?

Using 311 to Measure Citizen Demand

- In many cases, local government does not know how many calls it receives for certain services
- 311 data allows local government to look at requests for different City services and disaggregate by geography, day, time and season
- Repeat calls also allows City to begin to identify service gaps
- What 311 measures vs. what 311 does not measure in demand for services?
- Case Study: Rat Control in Kansas City

Using 311 to Improve Service Delivery

- What are three examples of major changes in service delivery in your city, town or county over the last five years?
- What was the basis for making these changes?
- Did they succeed or fail? How do you know?
- What information would have been helpful in either deciding to proceed with these changes or assessing their success?

Using 311 to Improve Service Delivery

- Service delivery improvements based on public feedback – the importance of requests for information
- Service delivery improvements based on reallocation of resources – the importance of understanding differences based on time and geography
- Service delivery improvements based on productivity
- Service delivery improvements based on quality

Using 311 to Improve Service Delivery

- Opportunities to Improve Efficiency
 - Chicago's use of 311 and GIS to improve routing
 - Minneapolis' use of 311 to change the process for graffiti removal
- Opportunities to Improve Quality
 - Service Level Agreements
 - Follow up and feedback – Baltimore CitiStat

Using 311 to Drive Performance Measurement

- What current means does your city, town or county have to measure performance of local government?
- What do you use the performance measurement process for – management, budgeting, public reporting?
- What do you measure – inputs, outputs or outcomes?
- What role does the public have in the process?

Differences between Bureaucracy Driven and Citizen Driven Performance Measurement

- Citizen driven performance measurement tends to focus more on outcomes
- Bureaucracy driven performance measurement tends to focus more on inputs and outputs
- Difference between compliance and problem resolution

Compstat and Citistat: Citizen Driven Performance Measurement

- Compstat relied upon citizen demand as a means of measuring performance
- Less focus on arrests or response time, more focus on citizen complaints of crime
- Gradual shift from a focus on efficiency to how City government was responding to City complaints -- development of the 48 Hour Pothole Guarantee

Importance of Customer Service in Determining Overall Performance of Local Government

- FCNY focus groups on the importance of “front line” customer service to the public
- For 311 to work, citizens/residents need to view it as an effective means of access to local government

311, Baltimore and CitiStat

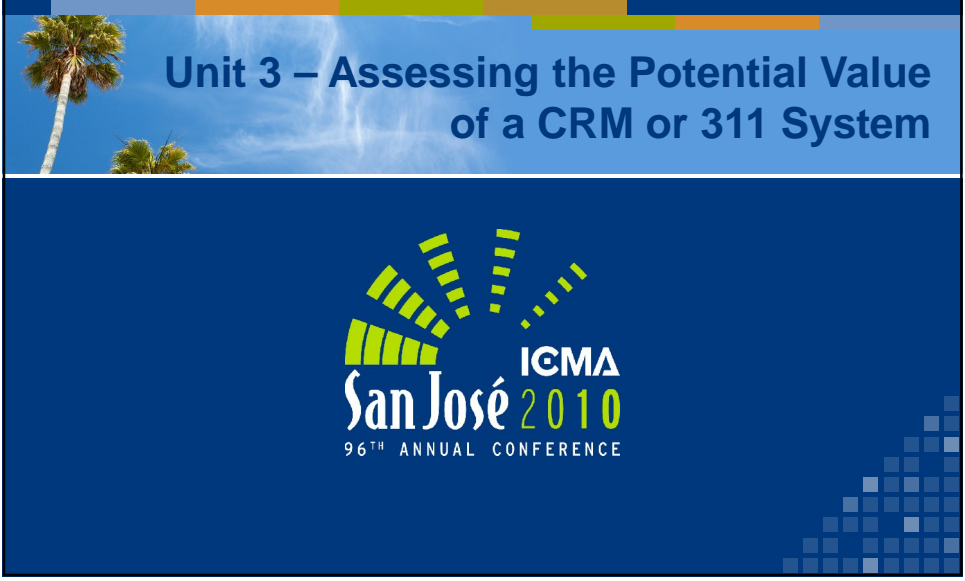
- Under then-Mayor Martin O'Malley, the City of Baltimore became the first to regularly use information collected from 311 to measure departmental performance
- 311 response times became a critical measure for CitiStat meetings
- CitiStat was also used as a means of “keeping departments honest” in responding to 311 calls

Thinking About What to Measure

- Compliance - Balanced budgets, statutes and federal and state rules and regulations
- Citizen demand – call volume to police and local government agencies
- Citizen satisfaction – setting goals based on citizen surveys and public visioning process, customer service



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A slide with a blue background. At the top left, there is a photograph of palm trees against a blue sky. The text "Unit 3 – Assessing the Potential Value of a CRM or 311 System" is centered in a white, sans-serif font. At the bottom center, there is a logo for the ICMA San José 2010 96th Annual Conference, featuring a stylized sunburst graphic in yellow and green, and the text "ICMA San José 2010 96TH ANNUAL CONFERENCE" in white and yellow. A decorative grid of small squares is in the bottom right corner.

Why Should We Focus on Results Measurement?

- Provide a unifying goal throughout the organization
- Deliver knowledge to help enhance decision-making
- Provide business case data to satisfy key public sector personnel: CFO, city/county manager, mayor/executive, etc.
- Cost justify departmental budgets
- Identify potential process-related improvements
- Utilize as a tool to promote continuous improvement

Establishing the Baseline

- Prior to implementing a CRM system, it is imperative to establish the baseline performance benchmarks that quantify the following:
 - Costs
 - Processes
 - Technology
 - Personnel
- The ROI data collection team should ensure that all key stakeholders have a clear understanding of the purpose of this data collection effort
- An internal communication plan should be developed
- Understand the current state of constituent satisfaction levels

ROI Results Measurement Process

1. Create and articulate the organization's CRM-related goals and objectives
2. Perform process mapping initiatives
3. Calculate investment projections
4. Identify baseline performance metrics
5. Perform data collection, calculations, and reporting
6. Monitor results and implement appropriate action steps

ROI Analysis – Best Practices

- The best person to measure something is the same person that can act on the results
 - Managers and employees should be accountable for measurement accuracy and results
- Separately identified work teams should only be held responsible for metrics that they effectively control
- The data collection process should be cost effective and not invasive
- ROI results measurement should be analyzed, acted on in a timely manner, and have corrective action plans established and implemented
- Continuous feedback loops should be implemented

Operational Impact

Potential Labor Cost Reductions

- Enhanced service delivery workflow driven by:
 - Eliminating duplicate service requests
 - Eliminating inaccurate point of service locations
 - Improved service provider routing
 - Improved service provider workload balancing
 - Enhanced departmental collaboration
 - Superior collaboration with external providers
 - Service Level Agreements (SLA) and a performance management program
- Reduced call taker overtime and/or number of positions due to:
 - New technology
 - Ability to handle more calls
 - Quicker resolution
 - Utilizing service request tracking number
 - Transitioning non-emergency 911 calls to 311

Potential Revenue Enhancements

- Budget tracking
 - Improved quality of departmental and financial data
 - Easier to conduct root cause analysis on budget variances
- Faster repair/replacement of revenue generating assets:
 - Parking meters
 - Water meters
- Increased citation issuance
 - Improved tracking/history of activities leading to issuance of citations
 - Easier ability to record citations
 - Tracks performance of individual enforcement officers
 - Improved tracking of eventual citation resolution

Reduced IT, Supplies, and Materials Expenses

- Reduced IT costs due to potential client/server consolidation
- Reduced real estate costs and office expenses due to consolidation of call center personnel
- Reduced telecom supplies and infrastructure costs due to call center consolidation
- Reduced paper, printer, copying, and office supplies expense due to more transactions and data being placed on-line and stored for reference purposes on the server or PC

Employee Benefits

- Improved Employee Morale
- Gain New Skill Sets
- Reduced Sick Time/Absenteeism
- Reduced 9-1-1 Calls and Associated Police Overtime



Customer Relationship Management (CRM) Return on Investment Case Studies

October 2010

Background

- This presentation was developed to summarize the performance improvement metrics achieved by public sector organizations that have deployed either a Customer Relationship Management (CRM) applications and/or established a 3-1-1 call center.
- Typically these metrics were developed by the municipalities or external firms that were engaged by the municipalities to conduct a Return on Investment (ROI) or process improvement study.

Performance Improvement Results

CRM/3-1-1 Driven Result	Municipality
<ul style="list-style-type: none"> ➤ Reduction of incoming constituent calls by nearly 50% due to deployment of web self service option. ➤ Reduction of misrouted calls by 25%. 	Los Alamos County, NM
<ul style="list-style-type: none"> ➤ Ability to handle a daily call volume increase of nearly 1,200% which occurred during a hurricane. ➤ Reduced, and capped field crew overtime pay to 2%, from 15%, based on CRM-driven reporting analytics. ➤ Reduction in solid waste department complaints by nearly 20%, driven by improved routing. ➤ Property appraisal team was able to reduce the time to complete an appraisal by 32% due to the introduction of a one-stop-shop and the field personnel securing all relevant files in advance. 	Miami-Dade County, FL
<ul style="list-style-type: none"> ➤ Re-engineered processes, improved management reporting, and implemented and adhered to service level agreements that have reduced the county's fulfillment costs by 25%. Key drivers included: rapid assignment of service requests, quicker turnaround, and improved scheduling and routing. 	Orange County, FL

Performance Improvement Results

CRM/3-1-1 Driven Result	Municipality
<ul style="list-style-type: none"> ➤ Experienced a four-fold increase in requests for bulky refuse item pickups – 47,000 requests, up from 11,000. Hull quickly realized that unless they improved management of the service, cost would spiral out of control. They used GIS integration capabilities to strategically plan pick-up routes (rather than the first-come, first-serve basis used previously). Along, with close management of per unit costs, Hull realized a 36% reduction in the per-pickup cost. 	Kingston-Upon-Hull, United Kingdom,
<ul style="list-style-type: none"> ➤ The city with a population of 145,000, receives about 700 calls per day through its CRM system. The city's surveys show that the majority of callers are "satisfied" to "extremely satisfied." 	Hampton, Virginia
<ul style="list-style-type: none"> ➤ Estimates that it is saving up to 4.5 full-time equivalent employees through self-service on its Web-based CRM. 	Las Vegas, NV

Performance Improvement Results

CRM/3-1-1 Driven Result	Municipality
The requirement for a second inspection in order to complete an interdepartmental transfer was eliminated. The city realized that, in the vast majority of cases, the Transportation Department work crews responding to the initial 311 complaint had sufficient experience to correctly identify a sewer cave-in such that a Department of Water Management repair crew could be dispatched directly without a secondary inspection. As a result, the response time for pavement cave-ins is down dramatically from 11.6 days in 2005 to 2.4 days in 2006. This is due to fewer misdirected work orders taking time and attention from the pavement cave-in work crews. In addition, the time for completing sewer cave-ins is down from 23.1 to 19.1 days even though the workload has grown for these crews. This has allowed the city to handle more services requests while keeping costs constant.	Baltimore, MD
<ul style="list-style-type: none"> >25% reduction of 911 calls (~5,000 calls per week) >50% decrease in average answer time for 911 calls >Number of abandoned 911 calls was reduced by 50% >Reduced overtime (excluding the police department) by 40%; Savings of \$6 million in fiscal year 2001, and savings of \$10 million in fiscal year 2002 were achieved >\$43 million in cost savings, cost avoidances, and revenue enhancements in its first 3 years of existence. >95% success rate in repairing potholes within 48 hours 	Baltimore, MD

Performance Improvement Results

CRM/3-1-1 Driven Result	Municipality
As a result of CRM-led process improvement efforts, the city was able to reduce the time between when a report of a pavement cave-in is first reported by a constituent to when it is repaired by the city by almost 80 percent and by almost 20 percent for sewer cave-ins.	Chicago, IL
Experienced 125,000 fewer dispatches of squad cars as a result of 311 handling non-emergency calls. The city's 311 system also is able to process 20% of the police department's case reports each year.	Chicago, IL

Performance Improvement Results

CRM/3-1-1 Driven Result	Municipality
<ul style="list-style-type: none"> ➤ Estimates that 95% of calls are answered within 30 seconds. 	New York City, NY
<p>The city strives for an 80 percent phone call pick-up rate within 30 seconds. For a 12-month period (August 2005 — July 2006), the city reports that these goals were exceeded every month with an average call pick-up rate of nearly 99 percent within 30 seconds. Additional metrics included:</p> <ul style="list-style-type: none"> ➤ 3-1-1 system fielded 100,000 calls in first 2.5 months - ~1,300/day ➤ Relieved 9-1-1 of about 17,000 calls in first 2.5 months ➤ Used for volunteer and donation information when Hurricane Katrina evacuees arrived in - ~12,000 calls over 3 days ➤ Used for Election Day polling site information - ~7,000 calls (more than any other day since opening the 3-1-1 center) 	Albuquerque, New Mexico

Performance Improvement Results

CRM/3-1-1 Driven Result	Municipality
<p>With the help of its CRM system, Chattanooga was able to hold the city's annual expenditure increases to just 1% for three successive years. During that same period, it was able to generate a surplus of \$8 million (on a \$150 million budget) without noticeable reduction in service quality, as evidenced through citizen feedback gathered by CRM. Additional metrics included:</p> <ul style="list-style-type: none"> ➤ High citizen satisfaction rates (86% rated agent as excellent or good) ➤ 74% of citizens rates the handling of their service as excellent or good ➤ 60% first call resolution 	Chattanooga, TN
<p>During first 4 months of operation:</p> <ul style="list-style-type: none"> ➤ Calls answered daily increased from 923 to 1,320 ➤ 1st call resolution increased from 60% to 69% ➤ Over 15,000 service requests have been entered in the CRM system 	Minneapolis, MN

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Unit 4 – Designing a System



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CRM Requirements

Information Requests

- Provide the ability to quickly respond to a variety of constituent inquiries using an uniform, consistent approach
- Provide access real-time, updated information

Service Requests

- Provide the ability to automatically route citizen requests and items to the appropriate provider, department or staff for prompt action: to notify the department that the request is in queue, and to allow the department to forward the request to another department, if necessary.
- Provide ability for the user to select the service request category from a drop down list

CRM Requirements

Knowledge Base

- Provide an easy to use, updated directory searchable by key words such as: name, service provided, or department
- Allow the knowledge base to be available to employees and citizens over the web or SmartPhones

Integrations

- GIS and work order management
- Provide workflow which can route transactions to the appropriate legacy system (permitting, licensing, code compliance)
- Social media integrations (SmartPhone, SeeClickFix)

CRM Requirements

Work Order Management

- Provide ability to share work orders between departments (via automated work flow)
- For each work order created, provide ability to define customer name and phone number, location, problem, time of dispatch, who the work order is assigned to, and work order number

Mobile Field Service

- Provide access to work orders for selected personnel while away from the office
- Provide ability to support multiple types of wireless devices, including but not limited to: Toughbook, iPhone, Blackberry

CRM Requirements

Reporting and Query Capability

- Provide ability to generate reports based on a set of key performance indicators as designated by the city
- Benchmark performance against established Service Level Agreements (SLA)
- Allow reports to be viewable on the screen, in hard-copy format, or available over the web

GIS

- Provide ability to use city GIS data for all geospatial applications
- Allow update of attributes data for assets, whether managed in GIS or Work Order

Decentralized Call Intake

- Departmental personnel remain in their current locations and possibly in the same departments
- Call takers could continue working on departmental projects in addition to their call taking responsibilities
- A call center is not built
- Call intake agents will be required to learn new telecom technology
- Calls will be routed to available agents based on re-trunking the city existing phone lines
- Supervision will be conducted remotely/virtually
- Very inexpensive to establish
- Rapid deployment
- 3-1-1 phone number may be deployed

Consolidated (Centralized) Call Center

- Creates sense of a dedicated team with a unique team culture
- Ease of call escalation
- **Minimizes** the number of call transfers
- More efficient load balancing of incoming calls
- Enhances support of ad-hoc of training and collaboration
- More cost-efficient in the long term
- Easier to “on-board” new agents
- More expensive initially with a longer deployment timetable
- Enhances career pathing options for personnel
- Considered a CRM best practice and has been utilized more frequently in recent public sector deployments

311 vs. 7 or 10 Digit Number

- Cost to secure 311 number
 - Start-up
 - Operational costs
- Ease of deployment
 - Compatibility with incumbent or potential future state phone system
 - Ability to integrate with existing IT infrastructure
- Does a frequently used, easy to remember 7 or 10 digit number exist or is currently deployed?
- Impact on local cell phone carriers
 - Cost per call
 - Coverage area

Regional vs. Local

- City/County
 1. Miami-Dade, FL
 2. Orange County, FL
- Multi-City
- Successful deployments of shared systems
 - 911 dispatch
 - GIS
 - Council of Governments
- Control and governance

The biggest barrier to developing regional CRM systems is political. The technology exists and has been deployed. Cross-jurisdictional collaboration is the most common inhibitor of success.

Financial Impact by Intake Channel

- According to two recent studies from IT research firms The Gartner Group and The Yankee Group, the average transaction costs per communication method range from:

Channel	Cost Per Transaction
Walk-in	\$9.00
Web Chat	\$7.00-\$7.50
Live Phone Agent	\$4.50-\$5.30
Email	\$2.50-\$3.00
Phone Self Service	\$0.45-\$1.85
Web Self-Service (on-line)	\$0.24-\$0.65

Social media and kiosk are other low cost intake channels which are so new that accurate transaction costs have not been verified. However, they would be similar to the web self service channel.

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Unit 5 – CRM for Citizen Engagement



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311: The First Step to Greater Citizen Engagement?



Philly311

- System implementation
- Closing budget deficit
- Hand-held mobile devices for field workers (neighborhood watch groups & business associations)

Savannah 311

- Voluntary curbside recycling
- Town hall meetings
- Citizen office for facilitation, mediation and engagement
- Traffic calming efforts

Access Cupertino

- Diversity (55.7 % Asian decent)
- Leadership training for block leaders for emergency preparedness

Preliminary Findings

- Customer service and citizen engagement are intertwined in the public sector realm.
- 311/CRM systems can facilitate greater citizen engagement by serving as an information source and an easy-to-use mechanism for citizen feedback.
- Diversity awareness on the part of the local government can help with engagement unique populations within the larger community.
- Greater citizen engagement requires thinking outside the box and finding new ways to reach citizens...social networking/web 2.0 applications, field workers and mobile units, and leadership training to provide a few examples.

