

U.S. General Services Administration • Office of Citizen Services and Communications

# NEWSLETTER

*Citizen Relationship Management • Issue 14 • January 2004*

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## Using Customer Relationship Management to Serve Citizens

By Teresa Nasif, Executive Sponsor, USA Services

Customer Relationship Management, or CRM, is a well-established business strategy that helps companies improve their understanding of customers' wants and needs in order to better serve those

customers and increase sales. Citizen Relationship Management is the application of CRM to the relationship between governments and the citizens to whom they deliver services. In both versions of CRM, the customer, or citizen, is treated as an individual who has a unique set of interests and needs and the right to customized, quick, and convenient service. The primary difference between the two is that the government is in business to serve its citizens, not to maximize sales.

In its drive to become more citizen-centric, the U.S. government is adopting CRM as part of its USA Services Presidential E-Gov initiative. USA Services is the single gateway to government information and services, which are provided through multiple interconnected channels. These include a toll-free telephone call center that can be reached at 1-800-FEDINFO; the official U.S. government Web portal, FirstGov.gov; an e-mail response capability; and a publication distribution center in Pueblo, Colorado. In addition, USA Services supports a network of agency partners across the federal government by providing information and services directly to citizens on behalf of the agencies.

This newsletter describes the ways in which CRM is being employed by USA Services and other government initiatives to better serve citizens on the federal, state and local levels. The stories offered here illustrate the broad scope of CRM projects across the country and around the world. Lessons learned from implementation of CRM in different types of organizations can be instructive for governments at all levels that are seeking to improve their citizen customer service.

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### U.S. General Services Administration Office of Citizen Services and Communications Office of Intergovernmental Solutions

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**1-800-FED-INFO**

# Federal News

## Making CRM Work in Your Environment

By Casey Coleman, Deputy Associate Administrator  
GSA Office of Citizen Services and Communications

As government agencies consider adopting CRM, executives often wonder, "Where do I start and how do I make CRM work in my agency?" The USA Services experience can help government executives prepare for adopting CRM in their agencies.

USA Services is one of the Bush Administration's 24 E-Gov projects. It provides citizens convenient access to Federal information and services, and offers Federal agencies a resource to improve their responsiveness to citizens. USA Services employs a wide variety of communications channels managed by the Federal Citizen Information Center (FCIC) that make it easy for citizens to get the specific information they want using the method they prefer: via FirstGov.gov, the official U.S. government Web portal, through toll-free telephone calls to 1-800-FEDINFO, e-mails to the National Contact Center, and publications available from the Federal distribution center in Pueblo, CO.

These are the nine steps USA Services is following as it implements CRM on a government-wide basis.

### The CRM Roadmap

**Step 1:** Define a CRM vision, strategy, objectives, and high-level scope as the blueprint for adopting CRM in your organization. *For instance, the USA Services vision and objective is to present:*

*a "single face of government" for citizens to receive timely, consistent responses about government information and*

*services. USA Services will enable the federal government to become more "citizen-centric" by providing the best value and practices to federal agencies in citizen customer service contact and response. USA Services will establish a standard for citizen customer service across the federal government.*

**Step 2:** Establish the CRM program structure by selecting an executive sponsor, a decision-making framework (governance), and a program team that is representative of your organization. *GSA, the lead agency for USA Services, created an Office of Citizen Services and Communications (OCSC) to provide executive sponsorship and governance.*

**Step 3:** Begin the change-management process by developing a plan to communicate the CRM vision, strategy, objectives, and high-level scope to all employees. *In the case of USA Services, a change-management approach was put into place with the support of the Office of Management and Budget (OMB), which strongly encourages agencies to use USA Services to be responsive to citizen inquiries. USA Services also sponsors an ambassador program that engages the senior leadership of partner agencies to drive change and develop executive buy-in.*

**Step 4:** Conduct a business process and requirements analysis, starting by gathering CRM business needs and requirements from all business units. Review existing processes and identify opportunities to make them more customer-centric. *USA Services surveyed other Federal agencies to*

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*identify their requirements for comprehensive CRM support, and is using this information to build an ongoing CRM program.*

**Step 5:** Select the CRM technology platform that best meets your organization's business and process needs. Remember to take into account capabilities; time-to-deployment; and total costs of licensing, implementation, integration, and maintenance. *USA Services leveraged call-center technology and platforms already in place at the FCIC's National Contact Center. It will enhance its capabilities in the near future by selecting a CRM enabling technology that will meet the requirements identified.*

**Step 6:** Map business requirements and processes to the enabling technology. Implement in manageable phases, to minimize customization and to adapt the best practices and processes associated with the technology. *USA Services adapted proven FCIC systems to provide citizens the best service possible and is continually improving and expanding its service delivery capabilities.*

**Step 7:** Refine and finalize the change-management strategy and a training strategy to introduce new CRM processes and technology into the organization. Remember that most CRM initiatives fail as a result of lack

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of training and user adoption. *USA Services continually trains its information specialists to ensure they are kept up-to-date on changes in information, processes and procedures. Partner agencies are encouraged to help develop and administer the training, in order to ensure their constituent needs are met.*

**Step 8:** Test and deploy new CRM processes, training, and technology in phases. *USA Services has built on FCIC's time-honored telephone, print, and Internet-based programs to offer its services to the rest of the government. A successful pilot program leads the way for USA Services to expand its services to handle e-mail and telephone inquiries on a reimbursable basis for other Federal agencies.*

**Step 9:** Monitor usage and solicit feedback from end-users to make CRM processes and technology more effective and efficient. Make necessary changes to processes and technologies. *Usage at USA Services and feedback from users are closely monitored and results are routinely shared with partner agencies.*

*Shailesh Gupta, Managing Partner of CoreSphere, LLC, and an advisor to GSA's enterprise-wide CRM program, contributed to this article. The 9-step CRM roadmap is part of CoreSphere's "Getting Started with CRM" methodology. He can be reached at [sgupta@coresphere.com](mailto:sgupta@coresphere.com) or at (202) 421-8284.*

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## Building a Better Connection

*By Chery Ringel, Pension Benefit Guaranty Corporation*

### Background

The Pension Benefit Guaranty Corporation (PBGC) was established under Title IV of the Employee Retirement Income Security Act (ERISA) to protect the retirement income of individuals and their beneficiaries who are covered under certain private sector, defined benefit pension plans. PBGC protects basic pension benefits for over 35,000 private pension plans covering approximately one-third of the American workforce. In the past 30 years, PBGC has acted to protect the benefits of participants in over 3,000 pension plans. Today, PBGC is paying monthly benefits under its insurance program to 400,000 plan participants, with another 400,000 due to receive benefits when they retire in the future. Historically, PBGC has communicated with its pensioners through a variety of media, including phone, paper mail, fax, e-mail, and walk-in service. PBGC's Contact Center handles nearly half a million calls a year, 53% of which are currently resolved during the initial call. In 2003, the Contact Center achieved an impressive ACSI (American Customer Satisfaction Index) score of 77 (out of 100).

The key to PBGC's ability to improve customer satisfaction lies in process improvements for capturing and tracking customer and pension plan information. PBGC's participant customer service performance goals include achieving an 85% first call rate with an ACSI satisfaction score of 80. PBGC's challenge has been that customer information from all communication channels is managed and tracked separately, resulting in delayed responses and inconsistent customer information.

Customer Relationship Management (CRM) software enables service providers, like PBGC, to combine these disparate channels of communication into a single stream of information to better serve their customers. The PBGC CRM Program takes advantage of the benefits of CRM software to:

- Create a strong link between PBGC customers and PBGC business units through the use of technology.
- Develop effective methods of tracking and measuring customer interactions to justify continuous improvement expenditures.
- Centralize all customer, pension plan, and interaction history information to provide a 360-degree view of the customer.

In October 2002, PBGC initiated a CRM pilot program. The original pilot group consisted of approximately 140 PBGC end-users supporting two large pension plans, with approximately 120,000 plan participants. The pilot scope was limited to tracking customer interactions across telephone and e-mail contact channels. Once fully deployed, the system will support approximately 750 PBGC end-users and approximately 1,100,000 retirees.

Interim results indicate that the Customer Contact Center representatives participating in the pilot are pleased with the new system. In addition to improving overall workflow within the Contact Center, CRM has also provided improved access to customer pension plan information and customer interaction history. Pilot participants have taken an active role in working with the CRM team to identify future system enhancements.

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Results from the ACSI Survey for the CRM pilot are expected later this year.

## Lessons Learned

Based on the success of the pilot thus far, PBGC has identified five lessons learned regarding the approach taken. These include:

- **Build a Road Map.** Prior to technology selection, PBGC defined its CRM vision and developed corporate strategic goals to support the vision. High-level requirements were developed by a cross-agency team, which identified business challenges and incorporated customer feedback in its requirements analysis. Next, steps were taken to streamline the customer-facing processes. Finally, a team conducted extensive market research on CRM packages to determine which one would best meet PBGC's requirements.
- **Start with a Quick Win.** Critical to the success of PBGC's CRM Program was to start with a pilot implementation, limited in scope, to achieve a quick win. By limiting the scope to tracking telephone and e-mail interactions, PBGC was able to have the pilot go live within seven months with approximately 140 users.
- **Continuously Improve.** As the pilot progressed, users identified enhancements to the system. The CRM team evaluated each suggestion, implemented those that would require minor changes, and established an implementation strategy for future major enhancements. This not only allowed users to readily see the results of their recommendations, but also encouraged their active participation moving forward.
- **Establish Realistic Measurement Criteria.** Early in the project, the CRM team established the infrastructure

necessary to monitor PBGC end-user and customer feedback, as well as criteria to gauge the success of the effort. These criteria were established considering the pre-pilot CRM environment, the limited scope of the pilot, and the technical capabilities of pilot end-users. The result was a measurement criterion that would set realistic expectations for the pilot, along with comparisons of pre-pilot and post-pilot customer satisfaction scores.

- **Communicate, Communicate, Communicate.** You cannot communicate enough! To gain buy-in, involve users early in the process and engage in continuous communication. PBGC developed a comprehensive communications plan and embarked on a massive campaign. Communication activities included a CRM intranet site, open house, brown bag lunches, newsletters, e-mail communications, and a logo and motto contest. These activities were found to be very effective at gaining user buy-in and encouraging active participation.

## Next Steps

With completion of the pilot evaluation by December 31, 2003, full rollout is anticipated by May 2004. Plans for expanding features and functionality will follow. PBGC will use the ACSI Survey results to assess user and customer feedback; based on those results, future enhancements will be evaluated. With this aggressive schedule, PBGC is well on its way to achieving its vision of a consolidated and robust CRM system.

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## Implementing CRM at NOAA's National Weather Service

*By Linda Weaver  
Project Manager  
National Weather Service, National Oceanic and Atmospheric Administration (NOAA)*

Customer Relationship Management (CRM) is "managing the customer life-cycle," whatever it may be for a particular organization. For NOAA's National Weather Service (NWS), this means handling a vast array of weather-related inquiries from the American public and our partners, providing consistent and timely responses, and ensuring a high quality experience.

Lacking an agency-wide approach and formal tools for serving customer, the NWS acknowledged CRM as a clear solution to facilitate our mission. Yet, CRM systems are traditionally costly to implement and a significant number of CRM projects fail due to lack of adequate analysis, planning, and preparation. To mitigate these risks, the NWS adopted a structured, methodical, and evolutionary strategy to include:

- Identifying candidate business processes,
- Utilizing a rapid prototype to evaluate the CRM concept,
- Employing a pilot process as proof-of-concept,
- Repeating the pilot process to evaluate and integrate all unique business processes, and
- Building on success with incremental implementation.

The business process must drive CRM implementations. To align its CRM tool closely with the business

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process, the NWS selected a web-based customized Commercial-off-the-shelf (COTS) solution from Professional Services Corporation of Herndon, Virginia, to meet our functional objectives to:

- Capture and track requests,
- Manage associated tasks and workflow,
- Provide timely FAQ and email responses,
- Assess customer satisfaction, and
- Report performance.

At a quick glance, implementing the system may seem easy. NWS employees have been responding to customer inquiries all along within their personal email systems. They will simply be using another method, right?

Wrong! Software is only 10% of a CRM solution. Critical success factors extend far beyond the technical tool and a host of challenges await any CRM project. The pilot process, a microcosm of full implementation, has helped NWS confront these challenges and quickly recognize a number of key issues to master when implementing a CRM system:

## **Senior Advocacy and Sponsorship**

– It's not enough just to have it. It must be prominent and observable by those involved in and impacted by a CRM project. This is particularly important for managing cultural change.

## **Cultural Change Management**

– The opportunity to identify and re-engineer functionally fragmented processes may require a radical rethink of the way we've always

done business in the past. Change brings resistance. How the resistance manifests itself must be fully understood, anticipated, planned for, and appropriately addressed.

## **Cross-Functional Team Management**

– CRM projects include business elements in addition to technology elements. Thinking of CRM solely as an IT project is a critical mistake. Representatives from both areas (business process owners and technologist) must be fully involved in the decision-making process from the beginning.

## **Matrix Team Management and Learning Curve**

– Not all project team members are assigned to the project full-time. For some, it may be the first experience working on a major project. Building a solid team foundation requires providing the necessary information and training to help team members tackle the tasks at hand and ensure all are on the same page. Roles and expectations must be clearly defined.

## **Operational Preparedness and Guidance**

– A comprehensive implementation package including a training plan and curriculum materials, clearly defined global and local operational procedures and guidelines, performance measures, outreach program materials, and complete system documentation should be a natural by-product of the piloting process.

## **Training and Outreach Program**

– A strong, well-designed training and outreach program will help achieve buy-in in a big way!

Identify the benefits of the system, the elements that will generate enthusiasm, and exploit them well before deploying the system to the desktop. Create reusable artifacts that can be used by all members of the project team such as presentations and scripts, self-running kiosk demonstrations, brochures, system overviews, and anything else that will get the message out in a positive and consistent fashion. Cut no corners on this one!

**Listen to the Customer** – Be customer-centric. Deploying a CRM system without considering input from your customer is a fatal flaw. Include them in the pilot process. The system is designed to serve them so be sure to find out what they think is important and give them an opportunity to evaluate it sooner than later.

**Take the pain early!** With 60-90% of CRM projects failing, it's well worth the effort to invest significant time up front in the planning, analysis, and preparation stages. Having already achieved success with two initial pilot groups at NWS Headquarters with unique business processes, preparations are underway to further expand the project. Maintaining a positive attitude, NOAA's National Weather Service expects to remain on the 10-40% success side of the CRM project curve - coining our effort "Project Ten-Forty".

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## Citizen Relationship Management

### *Getting Started with Citizen Relationship Management (CRM)*

By Casey Coleman, Deputy Associate Administrator  
GSA Office of Citizen Services and Communications

### **Introduction to Citizen Relationship Management**

Citizen Relationship Management is derived from the commercial concept commonly referred to as Customer Relationship Management, or CRM. CRM can be best described as a business culture and philosophy to gain insight about customers, understand their needs, and proactively meet them while building a stronger relationship with the customer.

Over the last few years this concept has been adapted by government agencies to better serve citizens, and hence the growth in the concept now commonly referred to as Citizen Relationship Management. Simply stated, Citizen Relationship Management's goal is to provide citizens the highest quality service at the lowest cost to taxpayers by focusing the government's resources on citizens that need them the most.

CRM is not about getting more information out of citizens, it is about providing timely, consistent and responsive access to government information and services by whatever channel citizens prefer. It is a shift in culture for public authorities to re-orient their service operations around citizens rather than around stovepiped administrative and bureaucratic processes.

### **Evolution of CRM**

Before the advent of CRM technology (prior to the mid-1990s), businesses managed customer relationships in a low-tech, usually high-touch manner. Even though customers found this kind of "personalized" relationship generally satisfying, it was not efficient and it could not be scaled as businesses grew.

Initially, businesses added technology to automate their customer interactions without regard to the quality of that interaction for the customer. Early-stage CRM products, such as Computer Telephony Integration (CTI) and Interactive Voice Response (IVR), saved money, but the quality of service declined as it became more automated but less personal.

More recent developments have improved the situation.

Solutions such as Web-based self-service, voice recognition, and multi-channel integration, along with the traditional CTI and IVR systems, have succeeded in lowering costs while enriching the customer experience. Customers have more convenience and more control, and correspondingly are more satisfied.

The introduction of Web-based self-service technologies has enabled customers to have their needs met at their convenience. A few illustrations are: online banking, online stock trading, electronic account statements, account management, service modification, self-help through FAQs and Web content, and submitting trouble tickets and complaints online.

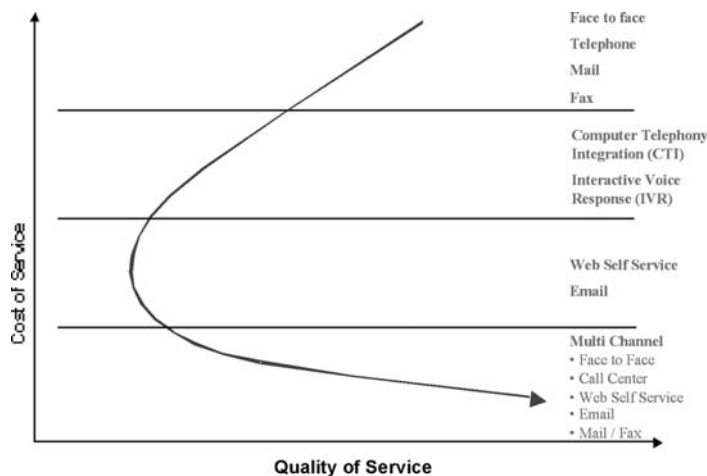
Web-based self-service has transformed the way businesses interact with their customers and has allowed businesses to grow much more rapidly than they could have using traditional channels. One such success story is XM Satellite Radio, Inc. Headquartered in Washington, DC, XM is one of two FCC licensees to deliver satellite radio programming. XM realized very early on that the ability to activate service quickly and conveniently would be critical to customer satisfaction, and thus, to the company's success. To deliver this convenience, XM introduced the ability for customers to self-activate the service over the Web within weeks of launching its service. Using this Web self-serve application, XM customers are able to activate their satellite radio service at their convenience 24 x 7, and they have a call center to fall back on if they need additional assistance. The convenience and quality of service has allowed XM to reach the 929,000-subscriber<sup>1</sup> mark in less than 2 years of operations for its innovative new product. XM inaugurated its coast-to-coast, digital-quality service with 101 channels of music, news, talk, sports, comedy and children's programming on November 12, 2001, and was named the "2001 Invention of the Year" by *Time* magazine. The XM Satellite Radio service is targeted to the nation's 200 million-plus automobile and truck drivers as well as home radio users.

The quality of service continues to improve as businesses employ new capabilities such as Web chat, smart answer, e-mail response, and sales assistants. Furthermore, by leveraging common technology platforms and using enterprise application integration tools, the customer

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sales and service delivery process is becoming seamless. As an example, a customer could go online to research a mobile phone, sign up for service, use Web chat to get additional information on calling plans, and call a live agent over the phone to complete the order if a problem is encountered. This has been made possible by a concept referred to as a multi-channel contact center. Multi-channel contact centers allow businesses to deliver seamless service to customers over a variety of channels such as face-to-face, mail, fax, e-mail, and the Web.

Figure 1 shows the CRM evolution and the relationship between Cost of Service and Quality of Service.



**Figure 1** – The evolution of CRM in delivering the highest quality service at the lowest price

## CRM Trends

By 2001, customer relationship management tools were used more by commercial enterprises than by government agencies. However, recent research, such as Accenture's *CRM in Government: Bridging the Gaps*, and *The E-Government Survey* sponsored by the Pew Internet and American Life Project, has shown that agencies are beginning to embrace the citizen relationship philosophy and to adapt these commercial practices to meet their needs. Citizens are also demanding customer service from government equivalent to what they expect from commercial enterprises.

While businesses and government face similar pressure to deliver high-quality service, the driving forces are different for each. The following chart displays some of the key differences:

Commercial Drivers	Government Drivers
Increase top line by increasing revenue and sales	Meet performance and service goals at the lowest cost to tax payers
Increase bottom line by reducing the cost of sales and service	Budgetary pressures –improve quality of service within a shrinking budget
Improve customer satisfaction to increase customer retention	Improve citizen satisfaction at the lowest cost
Increase customer insight to maximize revenue potential from top customers	Improve operating efficiency by focusing the governments resources on the citizens that need the services the most

Even though the drivers for commercial and government enterprises are somewhat different, they all focus on the customer. The customer's demand for better service, and the government's need to provide this in a cost-effective manner are leading to a slow but gradual adoption of CRM processes and technology.

Accenture's interviews with more than 140 government executives in 15 countries in North America, Europe and Asia revealed that 92% of them consider it either "important" or "very important" to deliver "superior" service, but 90% say their agencies are not yet delivering that superior service.

Steve Rohleder, global chief of Accenture's government practice, says some of the major trends in government CRM include increasing the number of services offered online and improving the metrics to gauge CRM efforts. "In the past few years there was a huge push just to get information out there, and the only metrics were based on volume," he says. "Now, understanding how to improve effectiveness and efficiency is taking precedence."

Canada has topped Accenture's list of best government online CRM efforts for three consecutive years. "Canada is number one because they understand the basic concepts of CRM," Rohleder says. "They are constantly trying to increase their view of their citizens, have a relentless drive to increase service, and have strong leadership that can make change happen." (The United States ranked third in e-government maturity after Singapore.)

## CRM in Action – USA Services

The state of the industry for businesses has become fairly mature, but government is still in the early stages of adoption. There are several examples of innovative programs, however. One of them is USA Services, a government-wide customer service electronic government

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(E-Gov) initiative led by the General Services Administration (GSA).

## What is USA Services?

The Bush Administration, recognizing that technology has the power to transform delivery of information and services to citizens, has made E-Gov one of its key management priorities. USA Services is one of the administration's 24 E-Gov projects. It provides citizens with a one-stop point of contact for obtaining information from and about federal agencies. It also provides federal agencies with a resource to assist them in responding to their own particular citizen inquiries.

USA Services is multi-channel in nature. It interacts with agencies and citizens using a wide variety of communications media, including fax, e-mail, telephone, and postal mail. It is being built on the foundation of three successful information providers, each of which has been providing comprehensive access to federal information and services within its particular medium: FirstGov.gov (for Web services); the National Contact Center at 1-800-FED-INFO (for telephone and e-mail services); and the Federal Citizen Information Center in Pueblo, CO (for publications).

Fourteen U.S. agencies, including the Department of the Interior (DOI), the Department of State and the Department of Labor, have signed up with USA Services to have questions answered through the new program. The program currently responds to an average of 7,000 calls a month just for the Department of the Interior's Fish and Wildlife Service (FWS). This call volume is expected to increase dramatically as the program is expanded to include other partner agencies.

## Department of the Interior Pilot

Beginning July 1, 2003, Interior partnered with GSA to pilot the USA Services concept. Two DOI bureaus, the Fish and Wildlife Service (FWS) and the Office of Surface Mining (OSM), divert telephone and e-mail inquiries to USA Services to respond on their behalf. USA Services information specialists answer these phone calls and e-mails as if they were FWS or OSM employees, making the effort transparent to citizens. FWS and OSM worked closely with USA Services to ensure that citizen inquiries were addressed accurately, courteously, and in a timely manner.

## Results

In July 2003, USA Services handled more than 9,200 telephone inquiries on behalf of the Fish and Wildlife Service. About 58% of these were addressed using IVR. About 3,600 were "live assistance" calls, meaning that agents spoke to customers personally. Only 362 of these inquiries were forwarded to FWS for handling by subject matter experts.

There has also been an across-the-board improvement in the level of service at FWS, with 90% of the calls being answered within 20 seconds and call abandonment rates falling to less than 1%.

Between July 15 and August 1, USA Services handled 104 telephone inquiries on behalf of the Office of Surface Mining. Sixty-four calls were addressed using IVR; 40 were handled as "live assistance" calls. Of these, 15 calls were forwarded to OSM employees for handling.

The average handling time for both bureaus was about 3 minutes per call.

By the end of September, over 25,000 calls and 1,000 e-mails were answered on behalf of the Fish and Wildlife Service. As a result of this successful pilot, USA Services was asked to answer FWS telephone inquiries on an ongoing basis.

The CRM philosophy being adopted by USA Services has enabled DOI to address citizen inquiries more quickly and accurately than ever before. Furthermore the large number of calls being resolved at first contact is resulting in higher service quality at a lower total cost. USA Services plans to expand the offering to additional agencies and channels over time by continuing to broaden the CRM capabilities being piloted.

<sup>1</sup> Number of subscribers reported by XM Satellite Radio as of September 30, 2003.

<sup>2</sup> Rohleder is quoted by Lisa Picarille in *destinationCRM*, "Vertical Focus: Government", August 27, 2003.

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# State and Local News

## The City of Tucson's Constituent Relationship Management (CRM) Project

*"Slow and steady wins the race!"*

By Colleen Rosen,  
CRM Project Manager,  
Department of Information Technology,  
City of Tucson

Yes, this is a new take on the old "Hare and Tortoise" story, where the tortoise successfully wins the race by taking slow and steady steps until he reaches the finish line. Knowing that CRM is a risky business in which 80% of all projects fail, the City of Tucson decided to proceed slowly and cautiously. We were aware that one can't just impose a "CRM system" on top of poor processes or undetermined policy. We also knew that our chances for success would be greater if we ate this elephant one bite at a time – in three distinct courses. Much of the effort in a CRM project pertains to dealing with organizational cultural change to ensure a proper environment for CRM to grow and thrive.

The City of Tucson knew it was faced with the need for a Constituent Relationship Management system when a study revealed that constituents were not always receiving responses to their inquiries, responses were not always timely, and sometimes constituents received multiple and conflicting responses from the City. While we felt we were doing a good job at providing basic services to the community, our process for handling and documenting individual constituent requests or inquiries clearly needed improvement.

Fortunately, we were able to obtain top executive buy-in and leadership for our CRM project with a directive from the City Manager, sponsorship and true involvement by the CIO, and CRM project management by the Deputy Director of Information Technology.

In addition, the project was guided by a CRM Strategy Team comprised of major department directors, ensuring that the project had a horizontal cross-agency vision.

The City took an unusual – or somewhat tortoise-like – approach to CRM. The three phases of our long-term project are: (1) Entering constituent requests into shared, web-based pilot software and assigning them to departments, (2) Using the system for direct service to constituents in conjunction with self-service, and (3) Utilizing the value of accumulated constituent information in the system by proactively reaching out to the community to inform, educate, partner, etc. Rather than attempting to develop an exhaustive list of requirements and charge full-speed ahead into a comprehensive CRM program, we instead used a customized version of Siebel software as a starting point for a pilot program. Before rolling out the software, a working group was formed to interface with the main user at the time (the City Manager's Office) and the Strategy Team. Through these meetings, the City was able to discuss procedural and policy issues to arrive at new ways of doing business, with the ultimate goal of better serving the constituent.

Our CRM software, which we named "STAR" (Shared Tracking Assignment and Review) has the advantage of being able to be modified in-house by IT staff, keeping costs low. Customizations to the software that resulted in Version 2 were the result of user feedback and working group

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observations. Even though we have barely begun the pilot program, one STAR statistic alone shows us that we have achieved an early success: 95% of all constituent calls resulting in assignments to departments are completed in under five days. Constituent contacts are being handled more quickly and consistently. The pilot program is simply a method for documenting constituent contacts and ensuring timely responses. This successful pilot justifies our "tortoise" approach in regard to CRM ... implementing one aspect of CRM across the citywide organization without investing millions of dollars.

So, how do we ensure that the same answers and the same level of service are provided? Let's look at a typical scenario. A constituent will contact the City, either by phone, letter, email, fax, or in person. The City's policy is that the contact is entered into the STAR system at the point of contact. This policy helps the City work toward its ultimate goal of "no wrong door" whenever a community member contacts the City. The inquiry is entered into the system and associated with a particular inquiry category, which is in turn associated with a department assignment. Each

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week, the City Manager's Office reviews all open assignments to monitor activity, check for consistency in responses, ensure that responses are in agreement with City policy, and follow up on any that are taking too long.

The STAR pilot software has a good base of functionality. However, we still consider it a "pilot" that will help us as a City develop and fine-tune our true requirements. Only when users are allowed to really use a system are they able to articulate what does and does not work for them. In training, users are told to always search the database for a constituent to determine if he/she already exists in the system. This ensures that all constituent contacts are being applied to the correct constituent and keeps the database clean. Users have the ability to query

the system for a wealth of information and nearly every field is searchable. Searching for a particular constituent will immediately yield a history of that constituent's calls (contacts) to the city and the departmental responses. Attachments such as the constituent's initial letter of inquiry and the response letter sent to the constituent can be viewed. Users are also informed that any information contained in the system can be subject to a public records request. If a constituent requests that his/her name and address remain confidential, only the details regarding the request are entered into the system and the inquiry is assigned to a department. If a constituent calls on the 24-hour phone recording, the message informs them that they are making a public record that could be provided to the press or anyone else requesting it.

The City of Tucson realizes that we have a long way to go to achieve true constituent relationship management. However, we are pleased at the initial success of our pilot program. We look forward to developing requirements for the future that will eventually result in CRM system service delivery and acquisition of the phone system, infrastructure and resources that will support a 311 concept. Eventually, we plan to use our CRM system to be proactive and reach out to the community, instead of just being reactive. This tortoise has the finish line in sight and is slowing plodding toward winning the race!

*For more information, contact Colleen Rosen, Contracts and Building Management Officer, Department of Information Technology, City of Tucson, at [crosen1@ci.tucson.az.us](mailto:crosen1@ci.tucson.az.us).*

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## Knowledge Management & Service Channel Consolidation Initiative

*By John Eagle,  
Director of Information Technology and  
Elizabeth A. Nisley,  
Call Center Director  
Hampton, Virginia*

**T**he City of Hampton deployed Virginia's first 311 call center in 1999. Since that time, Hampton has learned that the call center and the city's Web site complement one another in an extraordinary way.

Call center call takers (also known as "advocates") use the city's Web site to act as a proxy on the behalf of citizens who do not have access to the Web or who would rather conduct business via telephone. This capability makes possible a business model that has surprising implications. The technical model supporting the call center challenges the way the enterprise is organized and presents opportunities for efficiencies and improved service. It calls for consolidating the systems supporting various service channels (i.e., the counter, the telephone, the Web and kiosks) around a single database layer, and

installing knowledge management, workflow and work order processing components.

Hampton has developed the first publicly enabled local government knowledge management system at <http://311.Hampton.gov>. This site and its underlying database represent the "intellectual capital" of the City of Hampton workforce. Over 3000 frequently asked questions (FAQs) and answers reside in the database. The "Top FAQs" are the questions most frequently asked in telephone calls to 311.

The application itself is not technically sophisticated; the city partnered with a local vendor to write the application for less than \$20,000. However, by creating an online application, the city is expanding its information base by linking to city schools, state offices, animal control, utilities, federal agencies and non-profit organizations.

Hampton's 311 call center offers much more than improved customer service and extended hours of operation. The central database provides a source of information for regional call centers, counters, kiosks and IVR systems, while blurring the boundaries between the various governmental units.

When trash isn't picked up on time, citizens don't care which government or which department is responsible—they simply want to have their trash picked up. They are often frustrated by bureaucracy; trying to find the

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right person, being transferred repeatedly, getting stuck in “voice-mail hell” are all symptoms of large complicated organizations struggling to meet customer needs. The 311 call center fixes all that, but promises even greater potential.

## Using the Internet as Leverage

The FAQ database was initially available only to a call center call taker, who had the collective knowledge of the organization at his or her fingertips. Now that the FAQs are posted on the city’s Web site, this information is now available to all city employees and citizens at large.

However, it doesn’t end there. State agencies, the schools and even federal agencies can participate in the knowledge management system, contributing information that is easily searchable and accessible to the citizen. Sometimes the information can take the form of a simple link; sometimes it may be a contact telephone number. But whatever the method, the citizen is not required to know in advance what government agency—or what level of government—to contact.

Imagine, for example, that you have just moved to Hampton. You know you need to do several things in order to set up residence. One of those things is to register to vote. You pick up your phone and dial 311 (or go to the [311.Hampton.gov](http://311.Hampton.gov) Web site) and ask about voter information. The call-taker (or online system) can provide you with information about where to register, what the process is, what documentation you need, where your voting precinct is located, and other relevant information.

Or, say you’re concerned about anthrax. Go to <http://311.Hampton.gov>. Type “anthrax” in the search field, and then click the search button. You will see three frequently asked questions in relation to this keyword. Click on the second FAQ, and it will expand to include the answer. Click on the “more” link and a new browser window will open with a link to the Centers for Disease Control.

The Internet is a key enabler in this model. By making the information available at a single source from diverse governmental entities, government begins to look seamless. Government is transformed when back-end systems need not have their own, unique, front office. Technology enables a single virtual service counter for every government service.

## More Than a Portal

At first glance, this model may appear to be a simple portal, where various Web sites are referenced in a searchable database in order to provide the functionality discussed. However, that is not the case; the knowledge

management system does not require the participating governmental entity to have a Web site. Furthermore, the system will eventually provide an online transaction capability without existing online capabilities in the destination (processing) agency. Participating government organizations will be able to use the system to process transactions, whether via the Web or other service channel (kiosk, 311, etc.). The system combines knowledge management and workflow technology to enable online transactions for practically any back-end system. Furthermore, portals do not focus on customer-centric processing but merely point users to other Web sites, where further drill-down and searching is required in order to perform transactions. By contrast, Hampton’s system is specifically centered on services.

## The Virtual Service Counter – a True Transformation

The Web and the 311 call center complement one another. The call center provides a backstop against issues of the digital divide. Its staff also manages the knowledge management system and monitors the transaction and workflow components of the system, ensuring the accuracy of the data as well as the proper functioning of the Web-enabled pieces. Furthermore, because call takers can fill out online forms for callers who don’t have access to the Web, it is possible to accept transactions by phone.

This builds transformational momentum and forces governmental entities to reconsider their own service counters. If you can do it via the Web, you can do it via the call center. If you can do it via the call center, then why do you need a separate office for each government agency? Why not a single counter, with multiple tellers, capable of renewing your license, registering you to vote, registering your property, issuing a yard sale permit, recording your marriage license, and more? This is transformational government.

## Prototype Courtesy of UVA

In 2002, Hampton partnered with the Virginia Electronic Commerce Technology Center of Christopher Newport University and the University of Virginia to develop a prototype application that includes knowledge management, workflow and work order management components. With help from a grant from the Virginia Center for Innovative Technology, Hampton and UVA developed several building blocks that, while not yet ready for prime time, demonstrate the feasibility and proposed functionality of the system. This system can be viewed at <http://iis.cs.virginia.edu/WebWeavers/ogon.asp>, using the user ID “Guest” and password “Guest”.

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## Improvements in Service

Currently, with only the knowledge management system in place, citizen service is improved in several ways:

- Citizens can get access to government information via the Web interface, telephone or other service channel.
- All employees have access to the collective knowledge of every other city employee enhancing and improving their ability to provide service and information to citizens.
- Citizens experience quicker response times based on the ability of the system to help streamline business processes.
- Additional information can be accessed through links to other locations where more in-depth information, online services or transactional hooks are available.

## Efficiency of Operations

The city's operations have become more efficient, making it easier for citizens to find—and for civil servants to deliver—government information and services. Other operations that have been improved include:

Holistic approach to providing services that may overlap and involve several departments or agencies with a single citizen complaint or issue.

Departments and agencies are required to list their FAQs and answers and supply metrics for issues (such as the

average time for completion of requests), which improves accountability.

The wide availability of the system across the Web allows departments to become better coordinated, providing cross checks and verification of information, facts and services.

## Conclusion

As the call center, Web site and other service channels grow, there will be many new challenges. The long-range plan includes expanding to include more outside agencies that interface with city customers. Some examples include utilities, schools and other state agencies. Several state agencies and non-profit organizations are already participating.

In conclusion, our electronic service approach is an ongoing and ambitious reengineering project. The City of Hampton asked for citizen input during the strategic planning process and made a commitment to make it happen. At a time when local government is encountering declining revenues and increasing citizen dissatisfaction, Hampton is looking at a new way of doing business with its customers and transforming the way governments organize to provide service to citizens.

*For more information, contact John Eagle, Director of Information Technology, City of Hampton, at [jeagle@hampton.gov](mailto:jeagle@hampton.gov)*

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## Fairfax County Government Customer Relationship Management: Staff Productivity and Efficiencies/Customer Responsiveness

*By Alexis Prince,  
Department of Information Technology  
Fairfax County Government, Fairfax, Virginia*

**T**here has been a paradigm shift over the last decade in the way the Fairfax County Government conducts business. The number of web based transactions, phone calls, e-mails and faxes to the County increased while the number of walk-ins decreased as resident and business expectations for convenient

customer service and accurate information continued to grow. In response to these changes, Fairfax County has successfully entered into the world of customer relationship management technology (CRM), resulting in better customer responsiveness and improved internal efficiencies.

Fairfax County utilizes the Web enabled system 'Intranet Quorum' (IQ), which replaced several obsolete custom applications. This Web-enabled solution provides a robust consistent foundation for managing customer relationships. A comprehensive and flexible workflow capability provides the tools needed to deliver strong citizen service and improved business processes. This platform has become the County's standard for tracking contacts and resolutions and allows multiple agencies to use the system under an enterprise approach. IQ provides data consolidation, integrated management of correspondence, proactive messaging to constituents, case management, constituent research and access of historical and current data, on-line problem

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reporting via the web, downloading of data from externally related systems directly into IQ, imaging, workflow and other time saving functions.

County employees have experienced significant improvement in productivity and efficiency by conducting business proactively and collating the results of interactions and services. This allows staff the opportunity to be more involved in the mission and goals of their agencies and to better respond to constituent needs. Opportunities for staff to participate in telecommuting and flextime work hours have dramatically increased.

Users of CRM include the Fairfax County Board of Supervisors and the Office of County Executive, who use the tool to record, route, and manage interactions with constituents and organizations — including integrated management of correspondence, visits, meetings, tracking letters and scanned documents linked to the constituent's correspondence history, and the ability to target common interests and issues for analysis and recommendations. Staff efficiencies include a reduction in the amount of time spent researching the status of constituent contacts and efficient tracking and reporting on cases geographically throughout the county. Staff productivity increases have also occurred with improved service delivery to constituents due to proactive notifications concerning local matters of interest and system integration with other technologies such as imaging that improves the staff's ability to find and retrieve documents quickly and easily.

The Office of the County Executive also uses the Legislative Tracking Monitor application in 30 County agencies to immediately monitor, review, respond and track state legislation while the Virginia General Assembly is in session. Staff efficiencies include links to legislative

bill information on the Virginia State Web site as well as the automated download of bill information from the Commonwealth's Legislative Information System into the County's CRM system, eliminating the need for a legislative aid to manually perform the data entry task. This further enables the County staff to search quickly and accurately for current status of bills and comments while spending more time analyzing the data.

The Clerk to the Board of Supervisors also uses the Boards and Commissions module to maintain a complete correspondence history of contacts, and track nominations and appointments to boards, authorities and committees. Staff efficiencies include consolidated management of essential information as well as the ability to scan and attach relevant documents.

The Consumer Protection Division uses CRM for Complaint Tracking, License Administration and Taxicab Inspections. The system enables staff to rapidly open and begin investigating cases. By expediting the administrative components of case investigations the initial response time has been reduced resulting in earlier detection of consumer protection violations. The historical research required to discern if businesses are repeat offenders and, if so, how past cases were resolved is now expedited. The ability to cross-reference cases between investigators allows staff to share online information pertaining to the same or similar consumer protection violations and facilitates collaboration between investigators on complaints and resolution techniques. The system also allows citizens to access complaint histories of businesses online in order to research and better determine the pros and cons of doing business with those merchants.

The Office of Public Affairs has achieved efficiencies by replacing selected manual business processes, including tracking requests for interviews, publications and media documents, elimination of the cumbersome process of manually tracking constituent requests and a more efficient means of routing and tracking mandated Freedom of Information Act (FOIA) requests.

The Human Rights Commission uses the system to create, track and report on case workflows allowing the investigators to meet multiple requirements quickly. Efficiencies include streamlining complex discrimination processes and addressing privacy concerns for investigators and conciliators.

The Fairfax County Government continues to assess business processes to maximize the opportunities for increased use of CRM. Future enhancements include adding workflow routing functionality based on subject matter across County agencies. The individual workflows will be integrated by the automatic importing of electronic messages or other communications and routed to appropriate staff members. Live help using a Web interface, such as instant messaging, will give users another method for receiving real-time support, and will incorporate multi-media and other forms of digital and wireless communications to improve the user experience. Other modules planned include an Internet Mail Agent to manage and filter electronic mail, and a centralized repository of data to allow call taker analysts to have the most complete information about customer issues.

The ultimate goal with CRM is to provide the County with an enterprise-wide full function distributed Constituent Contact Center solution that offers citizens virtual one-stop customer service

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within the County by organizing the tracking and monitoring of communications, cases, contacts, events and complaints. Over time, Enterprise CRM technology and the Constituent Contact Center will

enhance citizens' confidence in County government by ensuring access to the widest range of information and building a comprehensive knowledge base for call taker analysts to assist citizens.

*For more information, contact Alexis Prince, Department of Information Technology, Fairfax County Government at [alexis.prince@fairfaxcounty.gov](mailto:alexis.prince@fairfaxcounty.gov).*

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## A Cross-Department Process Improvement

*By Michael Armstrong  
Chief Information Officer, City of Des Moines, IA*

**T**he City of Des Moines did not set out to “do CRM.” A cross-departmental process improvement team identified a number of problems in how the City responded to requests from citizens for services or information:

- Inconsistent response to citizen requests
- No established response levels
- No consistent tracking mechanisms
- No consistent reporting mechanisms
- Cross-departmental “disappearance”
- No way to recognize multiple reports
- Anticipated staff turnover.

The recommendations of the team, endorsed by the City Manager and department heads were:

- Develop a single system to be used by all departments to manage, track and improve our response to citizens.
- Develop a consistent response to customer requests, regardless of the point of entry into the system or the communications channel selected by the citizen.
- Develop a single system for measuring and reporting performance in delivering citizen-requested services.
- Develop methods for capturing the tacit and explicit knowledge held by employees.

There are substantial differences between CRM, or customer relationship management, in the private and public sectors. The private side wants to retain or acquire customers and increase the contacts between the firm and its customers; government has a captive customer base and the hallmark of excellent service is a reduction in the number of contacts. However, in both sectors, CRM, if done well, will improve the quality of service afforded to customers and citizens.

### Strategies

The City developed several strategies designed to improve the opportunities for success of the system:

- Develop a single system which would meet the needs of the enterprise, but which could also be customized to meet the individual requirements of the City's 15 business units.
- Secure the strong support of the organization's management team by requiring the unanimous consent of department heads and the enthusiastic support of the City's elected and appointed officials before beginning development. Make that support explicit and public.
- Design the system in collaboration with those employees directly involved in interaction with citizens, either through personal contact or the delivery of specific services.
- Develop a distributed system that does not require centralization of citizen contact and which is transparent to the citizen's interaction with the City, thus removing the implicit threat of job elimination.

These strategies allowed us to implement a system that affects the core business processes of the City with little opposition, and with the growing support of employees who use the system every day.

### Des Moines CRM Processes

One of the goals of the City's Citizen Response System (CRS) is to transfer control for interaction with the City to the citizen. During system design, it was determined that the citizen should control the communication channel and the point of entry to our system, and that our response should be the same regardless of the choices made by the citizen.

By distributing the knowledge required to fulfill information and service requests throughout the City government, and by making similar functionality available

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on the Web, citizens can now complete most of their transactions with a single contact. Telephone transfers have been minimized and time constraints have been eased through implementation of our Web-based Des Moines self-service module.

The City is very focused on location-based information. It is as important for the City to know where something happened as it is to know who made the contact.

## **Degree of Organizational Collaboration**

Development of the Citizen Response System was by far the most collaborative development and implementation undertaken by the City to date. Personnel from each of the 15 operating departments and from all levels of the organization were involved. The strong commitment of the City Manager and department heads was essential, but it was the strong and continuing involvement of staff and line personnel in developing the system that led to its success.

Small groups of personnel from each department were tasked with identifying every type of call or request the City receives from its citizens. These groups included those who had direct contact with citizens as well as those individuals who actually provide City services. In an iterative process, they developed "detail screens" that provided the information required to respond with information or services to each of the 1280 call types identified. These groups also helped develop a taxonomy and classification system that led to a navigable system, and departmental teams worked directly with design staff to ensure that the appropriate customization was done to meet departmental requirements.

## **Deployment of CRM Technology**

The City elected to implement the middle layer of what are essentially three layers of CRM in the public sector: call taking/call centers, contact and response management, and work order generation and management.

A survey of available off-the-shelf products revealed one that could easily be modified to meet the requirements of the Citizen Response System, would operate on the City's standard database (SQL Server), would operate well on the City's fiber network, and would be amenable to Web-based operation. The resulting system is essentially a citizen's help desk.

Des Moines' technology environment is highly standardized, with a centrally controlled network, and limited user choice in desktop hardware and software. This standardization greatly simplified system implementation.

The most complex part of the system implementation was

integration with a number of enterprise-level external systems.

## **Transformation of Data to Applied Insight**

The Citizen Response System provides, for the first time, a comprehensive set of data about the operation of the City's service delivery system.

Standardizing the method by which data from customer contacts is reported across the entire enterprise makes the allocation of resources more efficient. Response to systemic community concerns is more rapid and effective.

Data from the CRS has compelled some departments to make substantial changes to their business processes, including changing hours of operation, reallocating staff functions, or even developing departmental call centers.

Perhaps the most valuable feature of consolidated data collection has been the impetus to ask "why." If a particular call type is consistently at a high level, serious investigation into the nature and causes of the problem is now possible.

## **Enhanced customer experience**

The contact experience for Des Moines citizens has improved dramatically since the system was implemented. Transfers of calls have been reduced substantially since anyone who takes a call has access to the same information. Citizens are provided with consistent answers from the entire organization, reducing their frustration level and demonstrating respect for their time. Call data has helped drive the development of the City's Web presence by identifying those areas of greatest and most consistent concern.

The term CRM is really not a good one for government. Most citizens do not want a "relationship" with the government. They want their question answered or their problem resolved, and then to be left alone.

## **Customer-centric metrics**

The City currently reports basic call-volume statistics, organized by request type. Part of the ongoing process development is the establishment of rational service levels for each service that the City provides. This effort will allow the City to manage expectations on the part of citizens, and will provide internal benchmarks for measuring the effectiveness of service delivery.

The system has alerting capability that will notify appropriate personnel or automatically escalate problems when times expected for work completion exceed

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established levels. While this function is currently used internally, the City is in the process of developing service-level standards that can be communicated to the public.

The integration of CRS data with the City's Geographic Information System provides valuable location-based data that is being used to measure effectiveness of service delivery.

## Implementation Timing and current status

The CRS system was activated in June 2001. With more than 450 users among the City's 2000 employees, it now handles more than 14,000 calls per month. This number is increasing as more departments begin beneficial use of the system, and as business processes change to accommodate system requirements.

Development work continues, with much effort focused on refinement of the location model and integration with external systems.

The City is evaluating the benefit of moving to a centralized call center. This is an economic consideration, and must be balanced against the loss of effective knowledge accumulation and dispersion provided by the distributed model now in place. The City is moving to a standard work order system, and integration with that system is underway.

## Most Significant Technical Implementation Challenges

The requirement to customize parts of the system to meet very specific needs of business units providing a wide range of services, from solid waste collection to the investigation of human rights complaints, made system design and development more complex than anticipated.

Weaknesses in the City's GIS, particularly related to the accuracy of address-based information, have limited some of the potential of the system. An associated project to improve GIS accuracy will provide substantial benefits for the CRS system.

The City maintains a standardized and effective IT environment. The purely "IT" challenges that were encountered were minimal.

## Most Significant Organizational Implementation Challenges

The most significant organizational challenge was, of course, to convince those employees with tacit knowledge of processes related to service delivery to make that knowledge explicit and share it across the organization. A number of techniques, including logic, persuasion, and

executive direction, made this effort successful. This is the single greatest area of challenge for other public sector agencies contemplating similar systems.

The unstated fear of job loss was greatly diminished by purposely designing a distributed system. No immediate change to basic job functions was experienced by system users.

Some employees had some difficulty in grasping the importance and utility of the system as it applied to their specific job duties. This problem was especially apparent during the design stage. As we began training system users, more employees began to understand the benefits to them and their customers that would result from system use.

## Most Significant Accomplishments to Date

By far the most significant accomplishment is the development of the system itself. The exercise of identifying 1280 call types and consolidating the information needed to respond to each of those types is a challenge that will be very difficult for many public sector agencies to meet successfully. Cultural barriers will be substantial in many governments, and a true focus on citizens as customers will be difficult to achieve.

Other significant accomplishments include the development of a truly enterprise-wide view of the City's service delivery system and accurate and consistent data that help describe the operation of that system. The ability to use GIS to provide location context to much of that data has already proven useful.

## Return on Investment (ROI) and Other Performance Impact Metrics

ROI calculations are difficult (at best) in the public sector. The primary driver is not profit, but citizen satisfaction and confidence. The private sector implements CRM, and aims at customer satisfaction to increase profitability. In the public sector, customer satisfaction is an end in itself.

While the value of increased service quality and customer satisfaction is difficult to quantify, some useful metrics have emerged from Des Moines' Citizen Response System. For example, the City has discovered that approximately 80% of the calls it receives are for static information. This has led to a strong emphasis on moving more customer interactions to the City's Web site, where information can be provided much more inexpensively. Other metrics have led to process change at the departmental level, with varying levels of efficiency improvements resulting from those changes.



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## Most Valuable Lessons Learned

1. Do not make a CRM implementation the first major change initiative for the organization. CRM affects the core business processes of the entire organization, and requires a high degree of organizational competence and trust to succeed.
2. Some employees will not willingly participate despite great efforts to secure their cooperation through informal means. Don't be afraid to use the hammer when necessary.
3. Departments often must be taught that the system can help improve their operations.
4. Solid executive support and strong project management are imperatives.

## Expected Next Steps

System development will continue with the additional development of a location model, continued integration

with external data systems, and a tighter integration between the phone and Web channels used by the system. It is likely, but not certain, that Des Moines will move to a central call center with single-number branding, but probably will not implement 311 technology for the foreseeable future. Integration with the City's emerging work order system will be a high priority.

While existing call volume metrics are useful, and are reported to the public on the Web, more emphasis will be placed on the development of service-level standards, and more useful analysis will be available once those standards have been set.

*For more information, contact Michael Armstrong, Chief Information Officer, City of Des Moines, Iowa at: [MRArmstrong@dmgov.org](mailto:MRArmstrong@dmgov.org).*

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## CRM Begins to Pay Off

*By Thomas Davies  
Senior Vice President, Current Analysis*

**A**fter many false starts, CRM in state and local government is finally beginning to gain real traction and deliver tangible results. Most would say it's about time.

The groundwork for CRM in the public sector was laid with the government reinvention initiatives that first began in state and local government over ten years ago. At its core, reinvention centered around treating citizens as customers and becoming more responsive to individual citizen needs. Government was mirroring popular management trends in the commercial market that called for mass customization and one-to-one marketing.

In their re-invention efforts many top officials in state and local governments focused initially on changing the

culture of government. A new lexicon was introduced, referring to citizens as customers; government regulations were rewritten to become customer focused; widespread training was conducted to instill new attitudes in management and front line workers; and best practices were widely transferred across the country.

As time went on, it became clear that reinvention was falling short of its goal. What was missing was the capability to empower front line workers. They did not have the tools necessary to operationalize the lofty ideals underlying reinvention.

Most importantly frontline workers didn't have timely access to a holistic view of citizens and their dealings with government. Each interaction with a citizen was a one-time event; they had

no ability to link interactions across time, programs and agencies. The left-hand simply didn't know what the right-hand was doing.

A unified, integrated view of all interactions between citizens and their government—via phone calls, e-mails, letters, requests—is the critical linchpin of reinvention. It is unrealistic to expect citizens to be treated as customers if those responsible for delivering services do not have the tools and information at their fingertips that allow them to do their jobs.

This is where reinvention broke down. In the absence of such capabilities, government workers could not walk the talk of treating citizens as customers. Tremendously appealing concepts such as "one stop shopping" and "customer friendly service" could not be achieved without significant investments in customer relationship management (CRM) skills, solutions and competencies.

For many, the deployment of CRM solutions is a turning point in their ongoing journey to rebuild citizen faith in government. One need look no

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further than 311 citizen contact centers to see the potential of CRM to make a contribution to improving the delivery of government services.

Local governments across the United States have been implementing such contact centers since 1977, when the Federal Communications Commission approved the use of the number 3-1-1 for non-emergency government services. Today, you can find 311 contact centers in cities as diverse as Baltimore, MD; New York, NY; Los Angeles, CA; Hampton, VA; and Dallas, TX. The lessons learned from their experiences with CRM and 311 services are applicable to many other equally promising technologies now on the horizon.

Take the case of Houston, TX, the fourth largest city in the United States. Like most other large U.S. cities, Houston was faced with providing enhanced citizen services through a highly fragmented delivery system. Multiple city departments were responsible for citizen services. Not only did each have its own technologies and business practices for responding to citizen calls but many also had their own phone numbers. As a result citizens were often left feeling frustrated and confused. Adding to the city's woes were the duplicative administrative costs it was incurring as it struggled to support multiple departmental citizen contact centers.

Houston made a commitment to provide citizens with access to multiple city services, 7x24x365, through a single citywide 311 center. The first step to

doing so was to consolidate the contact centers into a single location. All agency call center employees were then re-deployed to the new location. The city also adopted a single standard CRM solution.

The Houston experience is instructive about what it takes to reap the benefits of CRM technologies in government.

- CRM technologies are best used in conjunction with other technologies such as computer telephony integration, knowledge databases, interactive voice response (IVR) and other advanced technologies.
- CRM needs to be tightly integrated with legacy systems such as workflow management and correspondence tracking systems.
- CRM needs to be accompanied by changes in organization structure, workflow processes and policies that set new standards for performance and accountability.
- CRM results in a skills gap that needs to be addressed through targeted and sustained training.
- CRM needs to accommodate the many diverse points of citizen contact including voice, fax, e-mail and the web.
- CRM needs to be deployed as part of a well-designed integrated delivery system.

CRM in state and local government is just in its infancy. It takes time to change government business processes, information management policies, and workflow practices. In

programs such as social services and job placement, areas of high CRM potential, this will require a tremendous amount of federal, state and local collaboration.

Nor will there be a one-size-fits-all solution to the CRM needs of government. The largest governments are likely to design and implement customized enterprise-wide CRM solutions. Even with commercial-off-the-shelf-technologies these will be complex, and costly, undertakings. Others will take advantage of the emerging application service provider (ASP) model, which will allow governments to avoid costly up-front investments in technology. This approach will become especially attractive to the small-to-medium-size governments.

Regardless of which approach a government adopts, or which CRM technology it implements, government will find it increasingly difficult to remember what it was like before these new technologies and citizen-centric delivery systems were put in place. And so will its citizens.

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# Industry News

## Citizen-Centric E-Government: From Theory to Reality

By Ben Patch, Siebel Systems

President Bush's Management Agenda (PMA) consists of five key components, one of which is "Expanding Electronic Government" (E-Government). It is focused primarily on eliminating billions of dollars of wasteful federal spending, reducing government's paperwork burden on citizens and businesses, and improving government response time to citizens. As with the other components of the PMA, the E-Government initiative adheres to the following key principles:

- **Results-oriented** – solutions must produce measurable, quantifiable results for both citizens and agencies
- **Citizen-centric** – solutions should be focused on improving ease of use and service for citizens, not on what is easiest for agencies to deliver
- **Market-based** – whenever possible best practices and solutions developed for and in use by the private sector should be utilized; government should not be "reinventing the wheel" in situations where proven, cost-effective solutions already exist.

The federal government is simultaneously approaching this issue on two different fronts. The first approach is to produce measurable results at the agency level by leveraging relevant principles and best practices currently in use in the private sector. The second approach is to focus on integrating IT investments and systems across agencies. Due to the fact that the private sector is currently struggling with the latter approach and because there are many legislative barriers to information sharing across agencies, this

discussion will focus on the former approach.

### State of the Industry

In the past decade, we have seen a consistent and marked shift in the way government agencies think about their operations. They have become much more likely to think about citizens and businesses as "customers" and to promote citizen-centric government services. While reducing costs, increasing employee efficiency and achieving a tangible return on investment are critically important (especially given current budget constraints), many agencies are prioritizing quality of service delivery as being equal to or more important than these other requirements when selecting an E-Government solution.

A recent Accenture study on customer relationship management (CRM) in government found that, while agencies have visions for the service models they would like to adopt, they may not have the expertise or experience to do so without third party assistance. Less than half of the agency officials surveyed said they were efficient in resolving service requests (40%), call routing and assignment (33%) and tracking requests (26%). Only 22% said they follow-up to ensure that customers are satisfied with the levels of service received.

While there has been a distinct realization of the importance of improving customer service and satisfaction, federal agencies as a whole have a significant amount of work ahead of them if they are to achieve the PMA's vision of providing consolidated, multi-channel customer service. This is an area where

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agencies can achieve significant results by effectively leveraging commercially proven solutions.

### Leveraging Commercial Solutions: Case Management

One consistent theme we've heard in talking to Federal, State and local officials is the need for an "electronic case management system." Common requirements for such a system are that it would give agencies the ability to eliminate paper-based processes through electronic creation and routing of cases and relevant documentation to all personnel necessary to work and resolve the case. Some features are crucial, such as:

- embedded eligibility engines
- automatic routing and workflow
- assignment based on workloads or skill sets
- the ability to easily integrate to document management or "back office" systems of record.

These are all capabilities that leading commercially available, off the shelf

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(COTS) CRM packages offer as core components. Yet many agencies continue to attempt to either: (a) develop these applications internally, or (b) purchase solutions from niche vendors who provide a custom "toolkit" solution requiring inordinate amounts of time and effort to develop custom code and to maintain going forward. Both of these alternatives are sub-optimal; there are solutions on the market that leverage both a proven architecture and lessons-learned from thousands of private sector deployments, allowing agencies to spend less time implementing and maintaining the solution and more time focusing on higher-impact activities.

If we examine the example of a state unemployment agency in the Midwest, the benefits of taking this approach can easily be seen. Due to the state of the economy, the agency faced a dramatic increase in unemployment claims, which it was going to have to handle with a 5% smaller staff. The agency was overloaded with incoming calls and physical paperwork. There were no set processes for case management, workflow, or activity tracking. Claims agents were not able

to access customer data in a timely manner, as paperwork was often stored elsewhere or difficult to find and the agency faced a resulting morale issue and high levels of employee churn.

Utilizing COTS case management software and experienced systems integration resources, the agency was able to roll out the solution in a short time. Once up and running, the case management system's benefits were readily apparent. Over the life of the project, the combination of a keystone case management software solution and effective change management within the agency yielded a 90% increase in the number of cases agents were able to handle as well as a 20% decrease in the cost of processing a case. The agency was able to get an effective case management solution in place quickly while dramatically improving the effectiveness, efficiency and morale of agency employees.

## Making E-Government a Reality

Achieving the vision of E-Government laid out by the PMA is by no means an easy task. The good news, however, is that many of the issues faced by

government agencies have been solved in the commercial sector and can be leveraged in the public sector. Some government agencies acting as early adopters have made excellent progress on this front and others can learn from their experiences. In order to adhere to the key principles of the PMA, while increasing their chance for success, agencies should aim to accomplish, at minimum, the following three objectives: (1) development of an integrated CRM strategy, (2) thorough investigation of existing COTS solutions prior to deciding to pursue a custom built or highly-customized "toolkit" solution, (3) tracking of key agency and customer-related performance metrics both before and after the solution has been implemented. While these strategies will not guarantee the success of a given E-Government initiative, adopting them will improve the odds.

<sup>1</sup> Accenture, "The Government Executive Series; CRM in Government: Bridging the Gaps", June 2003, p.5, 8.

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## Citizen Relationship Management (ZRM) – The Challenge and the Promise.

*By Dr. Ramon C. Barquin, Barquin International*

Chairing a recent seminar on e-Government at The Brookings Institution, I asked the participants to raise their hands if they had been on a government website for any reason within the last 30 days. I was surprised to see over 90% of the class raise their hands. In discussing what they were doing, the diversity of responses was telling. The activities ranged from simple queries (i.e., weather, telephone numbers) to more complex searches (i.e., directions on completing tax returns, availability of books in a local library,) to the actual transacting of real business (i.e., filing tax returns, downloading of application forms, paying

traffic tickets). The Internet changes everything, it has been said, and this includes the ability of government to serve its citizens. This is the principal driving force for electronic government. However, e-gov needs to be paired with Citizen Relationship Management (ZRM) to be truly of service to the governed.

Often when discussing the origins of Citizen Relationship Management I like to point to Abraham Lincoln's contribution in speaking of government "of the people, by the people, and for the people." This concept is at the root of ZRM, and has been incorporated into President Bush's Management Agenda and e-gov programs. Citizen Relationship Management holds out the promise of a much more effective, efficient and simple government at the service of its citizens. Yet, there is a lot we need to know and do before we get there.

ZRM borrows heavily from Customer Relationship Management (CRM). The latter has been defined as "customer-centric business strategies that optimize the long-term value of selected customers." Citizen Relationship

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Management focuses on “serving” rather than “selling,” but both ZRM and CRM are premised on the fact that in order to obtain best results from the relationship, there has to be identification, differentiation, interaction and personalization. It is the latter point – personalization – that ultimately accounts for the breakthrough, whether for Amazon.com, Wal-Mart, the FAA or the Virginia Department of Transportation.

In ZRM, as in CRM, the key is to build a 360° view of the government’s “customers” – its citizens — by capturing interactions across all the channels or touch points. This will provide government with the necessary information to be able to better serve its citizens through a number of benefits or byproducts. For example:

1. Data can be captured once but reused often.
2. Citizen preferences can be identified through analysis of past interactions.
3. Services can be personalized based on geography, life stage, or specific eligibility requirements.
4. Applications, filings, payments, or other interactions can be simplified by enabling them on-line.
5. Automatic notification can be made of license expirations, renewal due dates or other time-sensitive interactions and where possible they may be transacted on-line.
6. Data can be shared across government agencies and levels (i.e. Federal, state, local) in order to facilitate dealings with the citizen.
7. Quick detection and prevention of identity theft and other fraud attempts can be enabled.
8. There will be potential benefits for the government as well. These will take the form of achieving economies of both scope and scale, and allow for the facilitation and simplification of processes.

It is through electronic case management that true ZRM is accomplished. Think of how government might address its interactions with citizens who are applying for a passport, a patent or a driver’s license. In every one of these situations there is a process characterized by workflow covering a number of steps and involving one or more transactions with the same individual. This constitutes a case and its status in the process and work queues should be tracked in the same way that FedEx tracks a shipment. Whenever possible it should be done openly, providing the applicant free and friendly access to the case file in order to engage the individual in facilitating his or her own situation.

Furthermore, by capturing the history of cases – transactions – within a specific agency and across agencies and levels of governments, the process of better serving that specific citizen can be substantially enhanced. What if the

government official working on a transaction were to have ample awareness of that citizen’s preferences, prior transactions, and other interactions with sister agencies? What if all the needed authentication and eligibility verification could be done automatically, through the case management system connected to other agencies and levels of government? Backlogs and cycle times could be substantially reduced and the government could do its job much more effectively.

A number of issues need to be addressed as we move to ZRM within the Federal government. First, in order to share information across agencies and bureaus, we need to be able to reach beyond screens and into databases. That entails the use of a tool like the eXtended Markup Language or XML. However, it is not yet true that XML is the universal standard web language. There are many flavors to XML, and much work has to be done before broad data sharing through XML is enabled.

Secondly, ZRM requires more than just accessing databases across government organizations. For true ZRM implementation, you need to capture and integrate historical data and analyze it in order to effectively handle cases and manage campaigns. This has to be done through personalization and the only way to personalize services to the citizen is to develop fast access data marts with contours for each individual that can be improved over time with each new interaction. This will enable a public library, the State Department or the EEOC to personalize and respond quickly to someone interested in borrowing a book, applying for a passport or filing an equal opportunity complaint. These government agencies should be able to respond as quickly, and in as personal a mode, as Amazon.com does now for its current customers.

The last point is the issue of privacy. At the root of ZRM is the ability to personalize, which entails having substantial information about the citizen. Insofar as this is solely and exclusively for the benefit of the individual citizen, there is little argument about the value of the approach. However, we are well aware of the significant debate over government use of confidential information, and the need to protect our civil liberties. Safeguards must be established and a balance must be sought that protects our rights while we streamline, personalize and improve citizen service.

Citizen Relationship Management holds substantial promise for improving the way the government serves the governed. Today’s technology can make it substantially simpler to interact with the government, by driving e-government in parallel with a push toward ZRM.

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## Delivering Results: What Generic Market Research Can't Tell You

By Pearson Government Solutions

**Y**ou've been chartered with delivering new contact center services. Your constituency is elderly, and you're convinced they'll reject the new interactive voice response unit (IVRU), not to mention the new Web service proposed by a consultant. You don't invest much in either, and you staff up instead because you believe the callers will immediately opt out of self-service. You're ready to go, right?

For another program targeting a younger audience, the same consultant says that the new Web chat service you want to roll out won't be used. He cites data from the marketplace showing flat to negative growth in this channel. And he tells you, it will cost 2 to 3 times more to provide the service. You train a handful of customer service representatives (CSRs), write a press release announcing the service, and hope your consultant is right. Right?

Wrong! Citizen service expectations are evolving across all demographics. Trying to outguess what citizens of all ages, socio-economic strata, and locations want is a dangerous strategy. In this article, we address five major drivers for delivering on customer expectations in today's environment, as well as two case studies. Both case studies show that multi-channel delivery can be a cost-effective solution for meeting the increasingly high standards citizens have for service from their government.

### Five Drivers to Ensure Success

#### 1. **Really know your audience.**

Though a given program may be targeted for one segment, the actual base may extend well beyond that demographic to include friends, family members, associations, legal entities, and other interested third parties. Allow careful analysis and segmentation to help drive your approach.

#### 2. **Know your stakeholders.**

Identify the often competing values of each stakeholder group for your program upfront. Agencies may place a premium on cost and meeting a stringent budget allocation; end users may value speed, accuracy, and channel selection; CSRs may value professional growth opportunities.

**3. Involve your stakeholders.** There is a direct correlation between the depth to which you understand and involve key stakeholders and your ability to meet and exceed their expectations. Stakeholders must be part of each phase of the planning life cycle.

- **Requirements analysis** - Ensure your end users know what service options are available to them and how they balance personalization vs. privacy. Use focus groups and surveys to prevent high visibility mis-steps downstream. Understand barriers to participation for new channels.
- **Concept of operations design** - Cookie-cutter approaches can be a recipe for dissatisfaction with end users or CSR's. Center the design effort on the stakeholders; their involvement fosters ownership and satisfaction.

- **Transition planning** - Careful planning is key to ensure seamless transition. Compressed timelines place a greater emphasis on risk management and continuity planning.
  - **Testing** - Engage stakeholders in acceptance testing. Use pilots and focus groups to fine tune your new offering – how to scale it, reduce costs and improve acceptance rates.
  - **Positioning** - How you communicate the new service determines how well it will be received. Look for opportunities to leverage industry partners and other agencies in joint marketing efforts. Be sure that stakeholders understand when, where, and how any change will affect them.
  - **Feedback** - Focus groups, service observation, and IVR, Web and outbound surveys provide opportunities to retool and reinforce. Collect satisfaction data in a way appropriate to each channel to gain support, ownership, and future vested interest.
- 4. Juggle conflicting demands of increasing citizen expectations and cost control.** Creative, collaborative cost control strategies can help you do more with less. Leverage seasonal workers and remove single channel, stove-piped staffing models. Review "tier 0" or pure self-service options with stakeholders to enhance adoption. For outsourced contact centers, consider transitioning to a performance-based or share-in-savings business model to remove risk, self-fund technology innovation, and use your industry partner's inherent profit motive to *your* advantage.
- 5. Measure, measure, measure.** The old adage that you can't manage what you can't measure rings true, especially when implementing new

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service channels. Establish baselines with objective performance measures. Incorporate feedback and allow measurements to drive behavior and change. Test new ideas within the context of return on investment, using your performance data to help build your business case.

The following represent two examples where government agencies have applied the above methodology to achieve striking results for their stakeholders.

## **Office of Personnel Management (OPM) Open Season Annuitant Express and Open Season Online**

When OPM wanted to take its paper-based enrollment program to a new level, they focused on ways to achieve better, faster, more accurate service for their annuitant base.

Natural concerns surfaced with discussion of a new IVR option: high program visibility on Capitol Hill; vendor access to sensitive information; and perceived resistance to new technology. Focus group partners from OPM, the National Association of Retired Employees (NARFE), annuitants and Pearson were consulted for concept development and testing and proposed a pilot for toll-free IVR for enrollment changes only.

Annuitants were surveyed after one year. The IVR service received a 95 percent approval rating, with 84 percent requesting additional IVR transaction options. As a result, services expanded and usage increased dramatically.

Yearly post-project reviews later indicated a desire to implement Web service. Interest went beyond the annuitant population to include a more youthful demographic of friends and family. The same technology concern perceptions were disproved by annuitant- provided feedback via Web comments: 90% indicated the site was “easy to navigate” and 91% indicated it was “easy to understand.”

OPM Federal Employees Annuitant Open Season is no longer a manual process. Annuitants now handle three quarters of their transitions through automated means. The bottom line: better service, lower costs.

## **Department of Education Public Inquiry Contract (PIC)**

As with OPM, services provided under PIC have expanded through stakeholder involvement and earned trust. Through a combination of feedback mechanisms, the agency identified three key needs:

- Combining two separate 800 numbers into one for ease of use
- Introducing or enhancing new delivery channels: e-mail and Web chat
- Lowering costs and improving operational efficiencies

Combining the two 800 numbers had the net effect of serving the other two goals. The successful 800 number integration and underlying infrastructure reduced referrals, allowed for staff cross-training, and enabled the more efficient use of facilities. This saved the government

millions of dollars each fiscal year while increasing service levels and multi-channel capacity. Highlights include adding:

- IVR self-service to enable 1.7 million self-service contacts annually
- Email handling enhancement and cross-training of staff to accommodate a 54% growth in demand
- A Web chat infrastructure to reduce total program cost and handle 49% annual growth
- Bilingual services for CSR-assisted, IVR, email, and Web chat interactions
- Answers to frequently asked questions on the Web and the IVRU for low cost “tier 0” options

The program has seen parallel increases in customer satisfaction ratings and CSR satisfaction.

**In the end**, your audience may surprise you. Don't try to outguess your audience – ask and involve them. New citizen expectations lead to new cost challenges. Creative operational and business models can reduce costs in ways that stovepiped staffing and labor hour costing approaches can never do.

*For more information about Pearson Government Solutions, visit <http://www.pearsongov.com/>.*

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## Recommendations for a Comprehensive Case Management Solution

By Oracle Corporation

### OVERVIEW

Government and commercial organizations that process “cases” collect a tremendous amount of information over a case’s lifespan—all of which should be organized and made accessible. A case is defined as all of the information about people, processes, resources, business rules, tasks, analysis, details and evidence that have to be captured and managed.

Case management is a collaborative and structured process to address an issue that cannot be resolved immediately by using an existing knowledge base of information. The resolution process may include conducting research, performing investigative queries, documenting case facts and reviewing case outcomes.

A comprehensive case management solution starts with a Web-based application that manages all of these elements and also provides an open environment so most third-party software, such as biometrics, geo-spatial or other specialized technology, can be integrated into a complete and extensible case management system. A robust solution also lets organizations automatically create tasks based on business rules; assign tasks; maintain a single source of truth for each case; log and timestamp all updates; manage attachments including documents, images, audio files, html files, and more; set up notifications and alerts for events; and create comprehensive integrated reports.

### Case-Centric Focus

An integrated case-centric solution captures specific details such as name, address, phone, case number, location, and other essential data only once. Thus, customers, agents and managers, regardless of location, can access the data from any part of the system. When a document or other correspondence is generated, the data fields are inserted into the document, assuring that information is always up to date.

### Portal Based Access to Case Information

Typically a web portal lets agents access all their case

information and perform diverse activities such as capturing and querying case details, conducting interviews, comparing images, and searching, as well as reporting and analysis. Agents get extensive knowledge about the case and all interactions with the case across the entire organization. And users can customize their home page with specific capabilities, alerts and notifications, and reports and charts of important case metrics.

### Robust Data Model

A case management solution should include a data model that captures information about all individuals and agencies in a case, as well as relationships between those entities—all in the same database instance. Even the most complex relationships should be tracked, maintained, and analyzed to discover trends or new relationships between individuals or organizations, as well as provide a history of relationships with creation and expiration dates.

The data model should also expand to include additional data fields and types, without the need for costly and time-consuming programming. The application can provide a point and click window to create new fields, re-label existing fields, or move the screen location of the fields so that the data is meaningful and accessible to the customer or agents.

### Automated Business Process Flows

A case management solution should enable system administrators to use specific business rules to control the access and flow of information among customers, agents, management and organizations, from the time the inquiry or case is opened to the time it is assigned to a field agent. Headquarters staff can receive alerts when a field office takes action, without having to follow up. Notifications and alerts can be based on action performed in the system, status changes, or data thresholds, or they can be generated manually by an agent or other end-user. They can also be deployed via e-mail to the casework queue, a pager, cell phone, or other mobile device.

Workflows can be graphically configured to include particular business rules without requiring custom programming. Additional tasks can be built into the system to streamline or create consistency among tasks and events.

### Integrated Reporting and Analysis

A case management solution should include easy-to-use, comprehensive, Web-based reporting, ranging from online queries to standard reports; from ad-hoc queries to senior-level business intelligence (real-time and historical). Information on investigation workload, status, and trends,



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is accessed through a pre-built, configurable, or customizable portal.

## Built-in Document Management

The case management system should serve as the central repository for all content and related metadata, including productivity files (documents, spreadsheets, presentations), html files, multimedia (images, audio, video), e-mail, and XML documents. It should include key document management capabilities such as attaching, viewing and tracking. Access is controlled by the user's security profile. In addition, advanced search functionality adds significant intelligence to an investigation by allowing agents to find cases related to any file. The system should be able to search all case data, including character-based data as well as the supplemental data and evidence attached to the case.

## Case History and Audit Trails

Every case history should be tracked at a significant level of detail – including every individual who provides any type of information. Every case should have an interaction history and audit trail, indicating which individuals have added or changed information and when. The interaction history feeds a “knowledge base,” which is a repository of information that can be used by customers and/or other agents to leverage the experience of other agents and the

outcomes of other cases. In addition, this information can be used for reporting purposes.

A case management solution's accounting and auditing features should be as granular and flexible as possible to ensure that the appropriate information is recorded, as dictated by the application or system security policy. This helps ensure that the size of audit trails remains manageable and the important records easily accessible. The system should also permit accounting and auditing plans to be enabled quickly to implement crisis plans.

## Multiple, Integrated Points of Entry (Channels)

The case management solution should be able to handle multiple integrated channels of communications, which may include the Internet, phone, e-mail, mail or face-to-face. This lets customers and case workers communicate through their channel of choice, integrating information from these channels to ensure accurate and timely information. For example, if a customer enters information at the Web site and then immediately calls the Call Center, the same information must be accessible to the agent on the telephone.

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## Outsourcing: Keys to Success

By ICT Group/CACI

**W**hen you make the decision to outsource your contact center you can be assured you are not alone. Outsourcing initiatives within the contact center industry have been growing in size and significance for quite some time now.

The purpose of this article is to help you optimize your outsourced contact center relationships.

We will define outsourcing “Keys to Success,” steps you can take to identify what you can expect from outsourcing, help you find the partner who can meet or exceed those expectations, and ensure the

relationship is productive and efficient.

### Key To Success: Understand What You Want from Outsourcing

When an agency decides to consider outsourcing, the following criteria come to mind as the most important drivers in making that choice:

- Focus on core business
- Improve service level
- Reduce cost
- Reduce capital cost

- Migrate to new technology
- Gain process knowledge.

Among the most compelling reasons to outsource are: cost reduction, improved customer service, and access to leading edge technology.

### Goal: Cost Reduction

Knowing the specific costs associated with your internal contact center solution will offer a basis for comparison with the outsource provider's cost structure.

In many organizations the cost of in-house operations may never have been calculated. It includes, at a minimum, wages, benefits, rent or rent equivalent, telecom charges, other utilities, furniture, equipment, technology, IT resources, as well as other overhead or allocated costs.

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## Goal: Improved Customer Service

Outsource service providers have the ability to leverage highly skilled and well-trained resources. As an example, offering 24x7 multi-lingual customer support may not be a viable option for internal company operations. Utilizing pools of customer service agents in an environment with thousands of agents available provides the flexibility for firms not only to improve but to significantly enhance service.

## Goal: Leading Edge Technology

Technology at an outsourcing firm is amortized over thousands of workstations at dozens of contact centers. Qualified outsourcing providers utilize best-in-class technology in a cost-efficient manner, allowing them to offer advanced contact center applications and tools to their clients within a competitive pricing strategy.

A state-of-the-art contact center provider will typically offer a fully integrated technology solution using the latest versions of the most appropriate applications. Organizations should expect outsourcing firms to offer top-tier technology for contact management, e-mail management and processing, call routing, Web integration, relational database and interactive voice response (IVR).

## Key To Success: Make Your RFP Clear, Comprehensive and Well-Defined

A successful transition to outsourcing starts with the basics. As you evaluate outsource providers, knowing the following information will help you create a well-developed solution:

- How many contacts does your

agency receive?

- What level of service do you want?
- What channels do you offer to customers (telephone, e-mail, chat) and do you anticipate new channels in the future?
- What hours of coverage do you want to offer?
- Do you need to offer multi-lingual services?
- Are there any skills, licenses, or certifications needed to provide support?

Establish the minimum criteria you expect from an outsource service provider:

- Certification (e.g. ISO 9002)
- Ability to scale up and down
- Training expertise
- Contact/Customer Management technology and tools•
- Redundancy and disaster recovery
- Management expertise
- Financial stability.

## Key To Success: Understand Your Outsourcer's Hiring and Training Process

The customers that utilize your contact center deserve and expect to be serviced in a friendly, efficient manner. Accordingly, customer service representatives' skill sets and the training they receive can make a big difference in their ability to satisfy your customers.

Ask potential providers if you will be able to participate in the recruiting, hiring and training process for your team. Be wary of any vendor that does not have a welcome mat out for client participation.

The best outsourcing companies "recruit quality" and have programs

designed to retain quality as well. They will work with you to establish a job profile, work background and technology expertise necessary to serve your customers.

Recruiters will staff to that profile, drawing from both in-house personnel and outside resources. Regular training to upgrade skills should be mandatory, and customer service representatives should have well-defined opportunities for professional development and advancement.

## Key To Success: Contracts Should Offer Mutual Benefits

Work with providers to find the solution that meets your service goals and objectives. The contract should reflect service requirements and measurements that are well defined and meet your agency standards. Terms should clearly state how success or failure are measured, rewarded or penalized. The service level agreements should also clearly state how and over what time period the service delivery will be measured.

## Key to Success: View the Relationship as a Partnership

Successfully outsourcing your customer contacts requires a relationship that is mutually supportive.

The provider will offer expertise and best practices in customer service, technology and cost management. Your organization brings subject matter expertise, agency culture and experience.

The two together form a relationship that will lead to a successful venture. As a client, you must invest the time and resources into helping your vendor understand the nuances of your organization and act as a mentor to create an effective bridge between the two organizations.

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You should expect the service providers to offer proactive solutions based on their experience. Providers have typically experienced the same issues with multiple clients and industries. Expect them to recognize the need to address problems before they happen.

The outsource partner should be able to continually meet the following criteria:

- Ongoing quantitative demonstration of the value of the relationship
- Continual improvements as they learn your agency
- Ongoing, proactive alignment with your stated objectives
- Continuous refinement of roles, responsibilities, and performance measures.

## Conclusion

Identifying the right outsource service provider requires time, due diligence and clearly established and communicated goals and objectives. A successful relationship will be one that lowers your costs, increases your service levels and improves satisfaction among your constituency—a “win-win” for you and your most valuable contacts, your customers!

*CACI provides IT and network solutions for today's new era of defense, intelligence and e-government. CACI works in partnership with the ICT Group, Inc, a commercial best practice call center organization serving Fortune 500 companies in the pharmaceutical, financial, and telecommunications industries. For more information, contact npeters@caci.com.*

## Giving the People (and Businesses) What They Want

*By Craig B. Cornelius, Accenture*

For years, businesses have turned to customer relationship management (CRM) as a sustainable driver of competitive differentiation and improved customer interactions. It should come as no surprise that the appeal of CRM has recently attracted the attention of the largest service provider in the world—government.

The guiding principle behind many of today's most successful CRM initiatives involves reorganizing services around customer needs or “intentions,” rather than the organizational structure of government. Many agencies within local, state and federal governments have applied this approach to their E-Government initiatives when it comes to citizen portals and Web sites, making it much easier for constituents to find and access government services. Once agencies commit to creating Web experiences from the perspectives of their citizens, they quickly recognize the value of implementing additional constituent-friendly features—such as “low-touch” interactions, timelier response and personalized service—which not only further enhance constituent satisfaction, but also reduce costs over the long run.

Many government agencies now apply citizen-centric approaches to their E-Government initiatives. Few have had as dramatic an impact or as profound an effect on the way citizens access information as the U.S. Internal Revenue Service (IRS), which applied an intentions-based approach in completely redesigning its Web site, [www.irs.gov](http://www.irs.gov).

The new IRS site asks taxpayers to identify themselves by category—as individuals, businesses or tax professionals—and then immediately directs them to a “landing” page that specifically addresses their tax information requirements. At the time of the site's re-launch, Gregory Carson, former director of Electronic Tax Administration Modernization, said:

*“The development of an intuitive, intentions-based design will make it considerably easier for taxpayers and tax preparers to obtain the information and documents they need to file tax returns. We expect this approach to be a real time-saver for taxpayers and preparers.”*

Mr. Carson was right. Since the re-launch, the IRS Web site has received nearly 7 billion hits. The re-engineered site, now the primary information source for 120 million taxpayers and tax professionals, provides an improved and reliable online environment that removes an overwhelming amount of telephone traffic from the IRS phone systems—which not only points to better and faster taxpayer service, but also significantly reduces the IRS's operating costs.

## Achieving Full-Service Customer Service

While the new IRS Web site is certainly impressive in its ability to drive more meaningful online interactions, some forward-thinking agencies are recognizing the opportunity to do even more. Specifically, the opportunity lies in integrating a customer-centric online

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environment with other intentions-based channels of interaction—namely, the telephone.

Citizens generally choose to interact with their government via the telephone, especially at the state and local level. Some people simply prefer the more personalized contact associated with a telephone call to a local field office. Many others, however, do not have Internet access. Left with no alternative, these constituents pick up the phone. Given this, a customer-centric Web site is, at best, half of a solution. To provide the highest quality service, consistently, to all their constituents, governments need to develop an integrated view of its citizens and coordinate an intentions-based approach to CRM that links multiple channels.

The Florida Department of Business and Professional Regulation (DBPR) help, instituted just such a comprehensive, integrated, “one-stop” approach to better meet the needs of the state’s professional community. The DBPR, which licenses and regulates more than one million Florida businesses and professionals and ensures quality service for 15 million citizens and tens of millions of tourists each year, had an ambitious goal: replace the department’s confusing maze of rules and forms with a streamlined operation that relies heavily on innovative information technology, including CRM systems.

To that end, DBPR launched a massive effort to reengineer itself in two critical areas—business processes and information technology capabilities. First, the agency pinpointed redundancies and irrelevant activities, ultimately reducing the number of agency-wide processes to just nine. On the technology front, the department created a single licensing and permitting system, which consolidates more than 30 customer

centers to handle all 200 of the agency’s licenses and various permits. The agency also integrated new CRM and customer self-service software, and then linked these applications to the department’s call center operations. The result is the country’s first totally integrated, “one-stop” licensing and permitting transactional solution.

Launched in September 2001 and rolled out in phases to various groups of professionals, the licensing system presents users with several options for interacting with the agency: over the phone with a live call-center representative; over the phone with the call-center system using a combination of Interactive Voice Response (IVR) technology and the telephone keypad; or via a secure Web portal. Using any one of these methods, professionals and businesses can access forms and documents, renew licenses, apply for new licenses and receive information on relevant industry rules and regulations.

In addition, the integration of the CRM solution with the licensing system enables call center representatives to provide better service by understanding everything about a particular caller and his or her dealings with the agency. Further, by consolidating contact centers and encouraging people to use self-service channels, the department has significantly reduced the high volume of “low-complexity” inquiries that historically plagued the state’s local field offices. This, in turn, allows department personnel to be more efficient and to focus on their core business functions, which promises to reduce Florida’s costs.

DBPR first unveiled its integrated licensing and permitting system for real estate and pari-mutuel wagering professionals. Last year, the call center received nearly 1.5 million calls, and the Web portal received

more than 2 million visitors. Nearly 30 percent of all license renewals are now made through the Web site and/or automated phone system. And the answer rate in the call center is higher than 90 percent, compared with 66 percent prior to the introduction of the new CRM technology and processes.

As in many other large cities the people in New York City who need services the most are often those who are least likely to have Internet access. The City government is another government entity that has recognized that it cannot ignore the power of the telephone in its efforts to improve resident services. In fact, the City has focused its intentions-based CRM effort on improving service delivery through this all-important channel.

One of Mayor Bloomberg’s priorities has been to establish systems and processes by which residents could easily interact with city agencies to receive information, file complaints or resolve issues. As a cornerstone of this effort, the city has implemented a centralized, all-purpose call center. Accessible through the simple-to-remember “3-1-1” phone number, the system consolidates more than 40 different help lines and 50 city agencies and provides a single “front door” through which callers can easily find the information or resources they need, any time of the day or night, in 170 languages.

The integrated system eliminates the need for residents to scan more than 14 phone book pages to find a specific City agency. It provides callers with more personalized service, faster problem resolution and easier access to knowledgeable help. Since the program went live, the system has received more than 3 million calls, averaging 20,000 per 24-hour period. The City anticipates that the system will ultimately handle as many as 10 million calls each year, making it one

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of the largest and most sophisticated citizen service systems in the world.

In addition, with access to integrated information from millions of callers, the City is better able to manage its finite resources and apply performance metrics to measure the timeliness of its response to specific citizen concerns. According to Gino Menchini, the City's Chief Information Officer of New York City, "We now have access to new data that enables us to make better management decisions and allocate our resources more efficiently, which translates into cost savings to the City."

While the city continues to improve

its new 3-1-1 call center, it is also enhancing the City's Web site—[www.nyc.gov](http://www.nyc.gov)—to provide parallel self-service capabilities that will be integrated with the 3-1-1 Citizen Service Center. At that time, New York City will have a comprehensive service capability that brings the true vision of intentions-based CRM to life.

## **The future of CRM in government**

As these examples illustrate, it's clear that government can dramatically improve its relationship with citizens and businesses and potentially reduce costs over the long

run if it adopts some of the CRM principles that are helping so many private sector companies more effectively serve their customers. Number one among these principles is the belief that governments should rethink their operations and establish integrated systems and processes that give the people what they want and need, when and how they want and need it.

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## The Customer Relationship Management (CRM) Audit

By Gene Brown, Ph.D  
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**W**e generally describe audits as reviews in one place in time. However, the CRM Audit is designed not only to assess current standing; it also provides a strategic plan for enhancing customer relationship management (CRM) activities for the future, both short-term and long-term. In turn, we enhance CRM activities, with an eye to increasing customer equity, overall profitability and return on investment.

The CRM audit process consists of four distinct phases:

- Review of Data and Data Management
- Review of Analytics and Modeling
- Program Development
- Success Measurement.

We need to assess the past, current and future situation for each phase. In short, we want to answer these questions during the audit.

- Are data and data management in place to succeed?
- Are analytical and modeling practices in place to succeed?
- What programs have worked in the past?
- What programs have failed?
- How has success been measured in the past?
- What have been the measurable objectives?

Overall, the CRM Audit represents a comprehensive gap analysis. What is the gap between what we have now and what we need going forward to increase customer lifetime value and customer equity (the total lifetime value of all our customers' business)?

### Phase 1 - Review Data and Data Management

Phase 1 of the audit is to understand the role that data should play in our CRM programs. We need to answer the following questions:

- What are the current customer touch points?
- What data do we have to reflect these touch points?
- How complete and accurate are these data and data sources?

- How have data been used in the past to enhance CRM efforts?
- How is CRM planned for the future?
- Are the data sources integrated?
- Who will need access to the data?
- What is needed to join all the sources into a comprehensive, integrated database?
- What decisions will be made with this database?
- Do we have transactional **and** attitudinal data?

### Phase 2 - Review Analytics and Modeling

Phase 2 of the audit determines past, current and planned data analytics and modeling, to include traditional data mining. During this phase we answer the following questions:

- What analytics and modeling have been accomplished?
- Are data available to provide comprehensive analysis?
- Do we really understand what influences or causes trial and repeat buying?
- Can we explain the success or failure of acquisition, retention and add-on selling?
- Can we adequately profile the various customer segments?
- Can we adequately predict what marketing efforts will increase customer lifetime value and customer equity? Do we know why, and how, one effort works better than another?

### Phase 3 - Program Review

- What marketing programs failed in the past?
- What marketing programs succeeded in the past?
- What kinds of experimentation have been conducted?

### In Phase 4 - Success Measurement

- What success measures have been used in the past?
- What are some key measures that should be

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implemented? (e.g., customer lifetime value, share of wallet, attitudes toward communication, etc.)

This is an interactive process; we can simultaneously assess some attributes and assess others iteratively.

## Methodology

Strategic gap analysis will identify the gaps between what we have and what we need and help determine what action steps are needed going forward. Several methodological approaches are used in this analysis:

- In-depth interviews of key internal players
- Focus group interviews with customers
- Surveys of customers (and prospects)
- Review of historical data

- Review of data management
- Review of data sources
- Review of metrics
- Analytics and modeling.

## Outcome

After comparing the past and the current situation, the auditor will deliver a detailed report that identifies gaps that need to be filled and a strategic plan for filling those gaps. In addition, a written pilot program is provided for moving forward.

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## Citizen Relationship Management: An Australian Perspective

By Sheila Ross  
Chief Customer Officer  
Centrelink  
Australia

This article is adapted from 'Customer Experience Management: Serving the Citizen Better in Centrelink', a paper published in the Canberra Bulletin of Public Administration No.106, February 2003.

### Background

Centrelink is the Australian Government's service delivery agency. It delivers 140 products and services on behalf of 25 client agencies.

From a customer service perspective, Centrelink has about 6.5 million customers and pays more than 9 million entitlements each year. With about 27,000 staff, Centrelink has more than 1000 service delivery points across Australia.

In business terms, Centrelink ranks in the top one hundred Australian companies. Its recurrent budget is about \$2 billion and it distributes over \$55 billion in social security payments. Around 12 million electronic customer transactions are made on an average day.

### Customers at the Center of our Business

Since it was established in September 1997, Centrelink has made excellent progress in becoming an organization that can benchmark itself proudly against others, either in or outside the public sector.

But we are not about to rest on our laurels. Our vision for the next few years is just as exciting and challenging as the road we've already traveled. For our customers, who

represent a significant proportion of the broader Australian citizenry, that vision is based on a strong belief that the best outcomes for consumers of government services are achieved when we understand and are able to respond to individual customer needs, expectations and preferences.

### Extending and Sharpening the Focus on Customers

As a service delivery agency we know that our customers' expectations of us will be shaped in large part by the experiences they have when doing business with others. We will be judged against standards that citizens apply generally when they think about the ease with which they can access services, the service delivery choices on offer, and the way they are treated. As other businesses move to greater personalization to differentiate their services from competitors, our customers will increasingly measure our performance on the basis of our ability to design and deliver services that respond to their needs, expectations and preferences.

We have been exploring how we can use the principles underpinning Customer Relationship Management (CRM) to improve our service offerings to customers. Of course, we recognize that (unlike those who have trodden the CRM path before us - in the main, those offering products and

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services in the private sector) there are some fundamental differences in our business objectives. Unlike CRM in the private sector - where profitability is the key goal and the identification of 'high value' customers allows service offerings to be targeted where they will achieve the greatest return, public services are delivered in an environment where policy outcomes (such as the level of economic or social participation) are central to all our efforts; we can't choose which customers we serve; and we can't forget that we operate within a financial framework that doesn't offer the option of increasing servicing choices in anticipation of increasing sales.

Being in the business of delivering Government services we are mindful that the service component of our business has the potential to impact the extent to which policy outcomes are achieved. If we can isolate what it is about the way we deliver services that impacts on our customers' behavior - for example, the extent to which they feel compelled to notify us of changed circumstances, or the willingness with which they respond to participation requirements - we can make their experiences more suited to supporting the achievement of policy outcomes.



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Of course, we want to avoid the possibility that the citizen will see our interest in their personal expectations and preferences in terms of 'big brother'. It has to be clear that we are interested in this information only insofar as it helps us make the citizen's experience with us more suited to their needs and more supportive of achieving an outcome that improves their opportunities and life circumstances.

In other words, we are trying to respond to a number of imperatives - making the service **experience** one that supports the achievement of policy outcomes, makes our customers feel better about interacting with us, and recognizes the diversity of our customer base by offering choices in the way people access us. For this reason, we have decided to focus on Customer *Experience* Management rather than Customer *Relationship* Management.

## Providing a Quality Customer Experience

Centrelink has a number of initiatives underway that allow it to respond in increasingly sophisticated ways to the needs, expectations and preferences of its customers. Some of these initiatives are outlined below. The foundation principle in all this work is that it should be based on a sound understanding of the people we serve.

We have gathered a wealth of intelligence about how our customers perceive our current servicing arrangements and what they would like us to do differently in future. For example, a significant proportion of our customers are telling us that, if they were able to access technology such as the Internet in the privacy of their homes, they see this as an appropriate form of future servicing. Our customers also differentiate between the types of services they see as being appropriate for different channels.

We believe the insights we have developed, as well as the work we will continue to do to broaden and refine our understanding and to involve our customers in the design of our service offerings, position us well to increase the quality of the service experience for our customers - while ensuring that we use the resources available to us responsibly to achieve better outcomes in terms of the Government programs we deliver.

## Service Response Framework

Centrelink can't use market mechanisms to move customers from more expensive channels to less expensive ones. We have to ensure that we engage on the right channel according to the level of customer need. For those with high need, we have to be able to engage in more intensive ways, which will probably be based on face-to-face interaction. But for others, the level of engagement will be minimal. We also know that individuals will choose to use more than one channel in their dealings with us, and our challenge is to ensure a seamless experience in these circumstances, as well as an experience that is intuitively easy to use and effective in resolving their issues quickly and accurately.

Our work on developing a Service Response Framework aims to assist organizational decision-making on new servicing priorities by developing a set of customer-based principles that recognizes the diversity of our population base, the range of products and services we deliver, and the need for cost-effectiveness in our delivery approach.

## Automated Service Offerings

Centrelink's customers are already able to access a range of self-service options through either the Internet or telephone. Customers who are eligible to use these services can, for example, notify Centrelink of their

employment income, access information about their own payments by date, benefit and amount, or find out about their reporting schedule or balances in incentive credit schemes. Take-up rates and other feedback about these services are providing valuable information about future possibilities for self-servicing.

## Customer Account

We are building a system capability called the Customer Account that will pull together in a more user-friendly way the information held on Centrelink's Customer Mainframe. This application, which is already being used in our service delivery network, will eventually be made available to customers. The Customer Online Account will initially enable customers to view their personal information; in the longer term it will allow them, where appropriate, to update and manage this information. We believe this is an important step in creating a sense of openness about our collection and use of personal information.

## Community Connect

We have been working with Community Service Providers (CSPs) to develop stronger relationships and agree upon ways of working together that will support better servicing of our mutual customers. The Community Connect Program is focused on sharing information resources across the human services sector and developing more streamlined, customer-focused processes. Several of Centrelink's current online applications (such as our Service Finder, Rate Estimator and E-Reference guide) are now being shared with a number of CSPs and, with customer consent, we are making online referrals. In the longer term, we intend to make Community Connect online resources available to our customers.

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## Multi-Purpose Contact

The Multi-Purpose Contact (MPC) approach has been introduced as a means of ensuring that we collect information once only and make use of it for multiple purposes. The MPC application, which draws on the substantial amount of personal information held in Centrelink's customer mainframe, is used to make every customer contact an opportunity to address current and upcoming business, thereby averting additional contact. It also identifies where there might be an impact on related (including partner) entitlements. In this way, we make better use of our customers' time and reduce the need for unnecessary letters. Importantly too, we have the opportunity to minimize the possibility of unsatisfactory consequences for our customers (such as the likelihood of payment suspension or overpayment for failure to comply with obligations).

## IT Refresh

The IT Refresh Program is a critical component of the broad range of activities underway in Centrelink to deliver a vision of customer servicing that responds to customer needs, expectations and preferences, and does so in a way that moves us closer to the ideal of a whole-of-government approach to delivering integrated services. IT Refresh will allow Centrelink to develop further both its existing core IT systems and the enabling technology to extend options for the ways customers deal with Government.

## Conclusion

Centrelink's priorities for the coming years stem from a strong commitment to 'putting the customer at the center of our business' in a number of ways — we want to respond appropriately to them as users/consumers of services by delivering service offerings that are more tailored to individual needs, expectations and preferences; we want to recognize

their priorities as taxpayers through the use of the most cost efficient modes of and processes for delivery; and we want to support the building of stronger communities by achieving desired social outcomes through service experiences that are better designed to support our customers' needs.

Our focus on Customer Experience Management looks to harness what Centrelink customers know about the possibilities for improved service. As we become better at understanding their needs, expectations and preferences, we believe we can develop service offers that are better matched to individual circumstances and make better use of resources by allowing them to be directed where they are needed most, in areas where intensive and personalized intervention is required for a positive outcome.

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## Customer Relationship Management – Singapore's Approach

*By Foo Yeen Loo & Leonard Cheong  
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**A** Government is probably the biggest service provider within the country it serves and residents are captive recipients of whatever services it offers, no matter how good or how bad. In Singapore, it is our commitment to place customers at the center of our focus. The core of Customer Relationship Management (CRM) is the government's vision and priority to reach out, service, delight and retain customers.

The Singapore e-Government Action Plan II', which was launched in July 2003, highlighted "Delighting Customers" as one of its key outcomes. Superior service delivery is a

key strategic imperative. The foundation has been laid through the first Action Plan, which has already led to the delivery of most feasible e-services.

In the quest to provide more customer-centric services to its citizens, future developments will result in more integrated e-services, which will reduce the number of interactions between customers and different government agencies. Integration requires a change in mindset as most agencies are set in their ways and dictate the rules of the interactions. They define how long it will take to process the application, what information is required and what supporting documents are needed. The next agency may ask for the exact same thing. Agencies therefore need to make things as convenient as possible to the customer, rather than make things easy for themselves. There are tremendous opportunities to present more services from a consolidated web front and shield internal organizational boundaries from the customers, as defined in the "Many Agencies, One Government" vision.

By July 2004, setting up a business will be a breeze with a one-stop shop that meets all licensing needs.

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A businessman will be able to check the licenses needed, apply and pay for them online. The average processing time will be reduced significantly through rules review and more importantly, the collaborative efforts among different licensing agencies.

The basic one-site-fits-all website can be brought to a higher plane through personalized services. Personalization is customizing interactions based on the customer's explicit preferences and selections. Service delivery will be a unique experience for each individual. CRM can be used to present a citizen with relevant e-services at the right time. For instance, library services could capture a reader's preferences for the purpose of enriching their service offerings to that individual.

The My.eCitizen<sup>2</sup> pilot phase, launched in 2002, is an opt-in service. It gives citizens pre-defined choices of e-services organized by five segmented profiles - student, homemaker, working adult, business person or senior citizen. Citizens can also subscribe to a variety alert services, ranging from library book reminders to approaching due dates for road tax renewals. These alerts can either be sent to an e-mail account or a mobile phone. To uniquely identify an individual, login using SingPass<sup>3</sup> is required and this enables participating agencies to determine if there are outstanding transactions that need the customers' attention.

My.eCitizen requires minimal customers' information for the delivery of services of their choice. In the next phase, customers will have more flexibility to pick, choose and replace services over time. This obviates the need for detailed analysis to understand customer behavior patterns and predict their future needs.

Today's populace is better educated and more sophisticated; thus expectations for the provision of better government information and e-services are higher. The annual e-Government Customer Perception Survey conducted in June 2003 showed a favourable response to government services. Four in five of the 75% of respondents who transacted electronically with the government at least once expressed satisfaction with the quality of service. It is important that the government continue to improve its service provisions by providing more integrated e-services, improving the eCitizen portal and further personalizing offerings. In the process of enhancing our services, customers' insights and views will continue to be sought and requirements validated regularly, to ensure that the relationship with the customers continues to be maintained at an optimal level.

<sup>1</sup> e-Government Action Plan II (2003 – 2006). Available Online: [www.egov.gov.sg](http://www.egov.gov.sg)

<sup>2</sup> My.eCitizen is personalization offering of the eCitizen portal, [www.ecitizen.gov.sg](http://www.ecitizen.gov.sg)

<sup>3</sup> SingPass is the defacto ID and password that can be used to gain access to different government e-services requiring single factor authentication. Available online: [www.ecitizen.gov.sg](http://www.ecitizen.gov.sg)

*The IDA is a dynamic organization with an integrated perspective to developing, promoting and regulating info-communications in Singapore. In the fast-changing and converging spheres of telecommunications, information and media technologies, IDA will be the catalyst for change and growth in Singapore's evolution into a vibrant global info-communications technology center. For more information about IDA visit IDA website is at [www.ida.gov.sg](http://www.ida.gov.sg). For more information, contact Leonard Cheong via e-mail at [Leonard\\_Cheong@IDA.gov.sg](mailto:Leonard_Cheong@IDA.gov.sg) or via phone at +65 6211-0888.*

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## Relationship Management for Multi-Channel Service Delivery

*By the Public Access Programs Branch  
Communication Canada*

The importance of relationship management in the public sector is nothing new. In November 2001, Accenture released a report entitled Customer Relationship Management – A Blueprint for Government. The report notes that governments are the largest service providers in the world and that good

relationship management in the public sector helps streamline services, improve inter-agency information sharing and provide self-service options to the public.<sup>1</sup>

The importance of relationship management has not been lost on the Government of Canada. While

recognizing the importance of CRM tools in helping organizations maintain key relationships, the Government of Canada also acknowledges that these CRM tools are only one part of the puzzle. CRM is also a mindset that leads to a set of values and principles that govern service delivery. In order to effectively implement a CRM-driven model of service delivery, organizations must understand the needs and benefits of such a model. At the same time, organizations must also understand how they want to relate to and serve their audience.

CRM's focus in the private sector has been on the customer; consequently, many public sector organizations view

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citizens as their customers. There can be no doubt that the citizen is a fundamental part of any successful government CRM model. Indeed, CRM principles are leading governments around the world to orient their service offerings around public needs instead of bureaucracy.

Communication Canada, a government organization mandated to improve communications between the Government of Canada and citizens, has embraced this approach. One of its services – the Canada Site – reflects this commitment. The Canada Site ([www.canada.gc.ca](http://www.canada.gc.ca)) is the Government of Canada's primary Internet access point to up-to-date information on Government of Canada programs and services. The site also provides general information on Canada, its history, geography, culture and governmental structure. The Canada Site is a recognized leader in on-line service provision because of its organization. Rather than presenting information according to government structure, the site is organized around citizens. Users can find information through one of the three main entry points: Canadians, Non-Canadians and Canadian Business. They can also find information by subject or audience, through an A-to-Z index or with the help of a search engine.

Frequent consultation with users through on-line surveys and focus testing helps ensure that the Canada Site continues to meet the public's needs. Users are also encouraged to send their comments to the site through e-mail addresses and forms specifically established for that purpose. A toll-free support line answers questions about the site, helps users find the information they need and provides an additional avenue for user feedback. This direct communication enables the Canada Site to quickly address concerns about issues such as font size as well as get feedback on how various parts of the

site, such as the search engine, are functioning.

1 800 O-Canada (1-800-622-6232) is another example of how the government responds to citizen needs. Through this national toll-free number, the public has access to a wide range of information about Government of Canada programs and services. Bilingual information officers – using an extensive database – answer questions, take orders for publications, and direct callers to specific departmental service experts. Citizens do not have to know which government organization offers a particular program or service; information officers are there to help the public find what they need.

In order to effectively deliver these and other services that respond to citizen needs, it is important to adopt a whole-of-government approach. The Government of Canada has identified key stakeholders, whose role it is to set priorities for service delivery, provide strategic thinking, ensure awareness of government programs and support government strategies and initiatives. This kind of leadership helps all government organizations ensure that the public is aware of their services.

In addition to fostering awareness of services, the Government of Canada is working toward improving citizen satisfaction. The Service Improvement Initiative (SII) targets organizations whose activities have the greatest impact on the public. Under the SII, Government of Canada departments and agencies must make plans for improving satisfaction with services provided to citizens. By 2005, organizations must show a 10% increase in satisfaction over established surveys and research projects on citizen satisfaction.

Another aspect of this whole-of-government approach involves the development of relationships with other government organizations.

These partnerships provide a framework for sharing ideas and experiences as well as setting standards and ensuring seamless service delivery. Inter-agency cooperation is central to the success of services such as the Canada Site and 1 800 O-Canada. One example of this support can be found on the Canada Site, where organizations contribute to or manage some of the audience or topic oriented sites that fall under their expertise.

Cooperation within government also leads to greater efficiencies in service delivery. For example, a caller to 1 800 O-Canada is able to obtain general information about a particular program or service and possibly order a related publication. The caller is also able to obtain a contact working in another government organization. By providing this top-level service, 1 800 O-Canada frees up employees in other government organizations and enables them to handle complex or detailed enquiries about their specific programs and services – which, in turn, enjoy the visibility provided by access through a national toll-free service and Internet site.

Focusing on inter-agency cooperation must also include considerations for employees working in these organizations. Employees are frequently on the front lines of service delivery and expect to have access to the full range of tools they require in order to stay informed and fulfill the requirements of their jobs, including providing services to the public. One project currently underway involves educating employees about the tools and services available through the Canada Site. One of the goals of this initiative is to inform public service workers about the organizing principles behind the Canada Site so that they can find information on the site when they need it as well as help citizens locate information. The project currently targets staff who deal directly with citizens.

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The Government of Canada also created Publiservice, an intranet site that helps respond to employee needs. The site promotes an informed and engaged public service by providing reference tools as well as information about training, speeches, policies and publications that are of special interest to public service employees.

While the success of any CRM model depends on citizen-centric service delivery, there are other facets to consider. Stakeholders, partners and employees, though focused on the needs of citizens, all play a crucial role

in CRM. For this reason, the Government of Canada considers CRM to stand for "Complete Relationship Management." This model ensures the greatest benefit for citizens interacting with the bureaucracy by organizing services around their needs instead of government structure. It also benefits government by providing the framework for consistent and coherent promotion and messaging. The public service also realizes the benefit of having well informed and enthusiastic workforce.

<sup>1</sup> Hunter, David R. and Sean Shine. *Customer Relationship Management – A Blueprint for Government*. The Government Executive Series. Washington: Accenture, 2001.

*As part of Communication Canada, the Public Access Programs Branch helps the public obtain information on Government of Canada programs and services. For more information on this article or the Public Access Programs Branch please contact: Donna Wood, Director General, PAPP, at (613) 947-0900 or donna.wood@communication.gc.ca*

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## Vienna, Austria's Use of Citizen Request Management

By Riedel Rainer

The use of information and communications technology (ICT) in delivering government and health services has become more widespread in recent years. With more widespread use of ICT has come a shift in citizen demand from delivering government information to online and interactive dialog oriented services. This has required a more citizen-centric approach to delivering services.

Vienna has used many approaches to improve the interaction between citizens and the government. For example, survey tools have been used to find out citizens' wishes. A recent survey showed that citizens prefer for government institutions to be called "services" rather than "departments" or "agencies." Also, Vienna provides multi-channel service delivery to enable access by all citizens. Front-end devices such as PCs, mobile phones, and one-stop shops are offered, as well as public terminals for those citizens who do not have Internet access at home.

Among our most prominent online services are the Vienna Government portal, "Wien.at" (<http://www.wien.gv.at/english/>), Vienna's Citizen Request Management (<http://www.wien.gv.at/english/vcrm/>), the m-parking system (<http://www.m-parking.at/>), which allows users to pay for short-term parking through their cell phones, and the lost property system and an online lost and found service (<http://www1.fundamt.gv.at/default.htm>). Other solutions can be found at <http://www.wien.gv.at/english/hightech.htm>. The

aforementioned Vienna portal ([www.wien.at](http://www.wien.at)) is the main interface between citizens and government and is continually adapted by applying statistical and market analysis, and private and public research services.

The evolution of online services is being taken to the next level with Vienna's citizen relationship management (CRM) efforts. These efforts are being implemented within larger eEurope initiative, which serves as a framework to improve the application of new technologies and systems by governments. Two of these initiatives involving CRM are highlighted below: Vienna Citizens' Request Management (vCRM) and the Electronic Democracy European Network (EDEN).

### vCRM

(<http://www.wien.gv.at/english/vcrm/>)

The Central Vienna Citizens' Request Management, developed in cooperation with UNISYS (<http://www.unisys.co.at/>) and Fabasoft (<http://www.fabasoft.at>), is a cross-departmental system of referencing and handling requests, complaints and suggestions from the local community. Reference data on incoming requests or complaints, as well as related files are registered, stored and processed by a computer application based on Standard ELAK (short for "Elektronischer Akt"), the electronic filing system used by the City of Vienna. Each citizen can decide if he or she wishes to stay anonymous or identify him or herself to the vCRM-system.

The system provides the following advantages:

- Coordinated complaint management
- Parallel cases are identified
- Information can be accessed from everywhere

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- Identical complaints - one file
- Cross-departmental system - only one reference number per file is used by all departments
- Complete electronic data and document storage (file referencing, text processing, E-Mail, scanning)
- Electronic workflow

The departments interested in participating in the vCRM project initially had already considered topics such as change management and CRM internally. Fears existed among others of increased control through the workflow process and too much transparency of sensitive information in the system. An in depth rollout of vCRM among a few early-adopters was necessary to convince department heads of its benefits.

All requests of our citizens are recorded and stored into one database in real time along with the answers from approximately 70 municipal departments. Similar cases with similar answers will be stored and displayed in our FAQ-system (frequently asked questions).

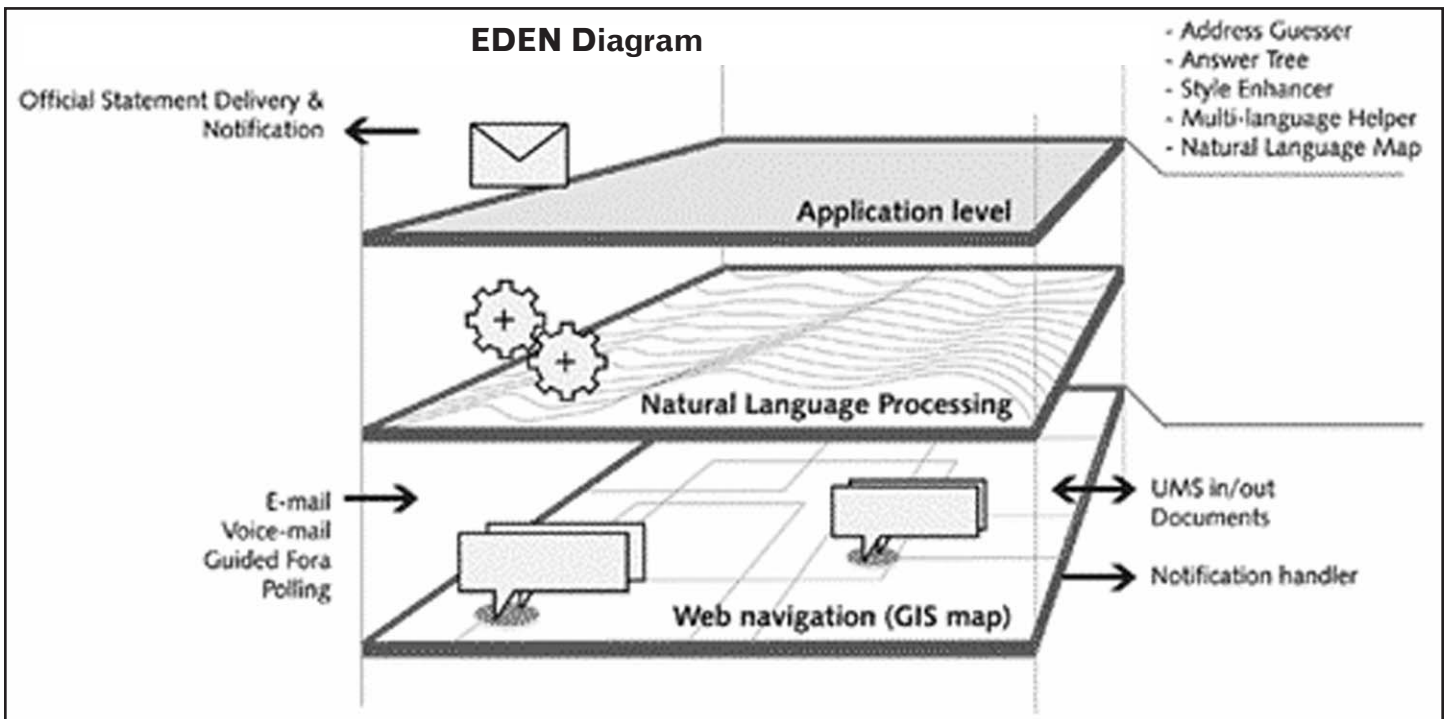
## vCRM Case Study: Public Lighting

The following example is taken out of the roughly 10.000 requests in the year 2001. Franz, a Viennese citizen living in the ninth district at Lustkandlgasse 37 has gone to sleep and realizes that the street lighting in front of his bedroom is blinking constantly. He cannot sleep. He tries to call the

public lighting hotline "Licht Telefon" +43 (800) 33 80 33 [8 VCA MD 33] of the Municipal Department 33. The automatic answering machine tells him that the line his busy and he may wait or call later. This "typical message" makes him angry. Next morning he goes straightly to the Vienna City Terminal and clicks "wien.at", "contact the city" and "vCRM." He files his location and request: "streetlight is blinking at Lustkandlgasse 37" and that "the drain cover in front of the house should be fixed" using the touch screen. In return he receives a Case Identification Code and Pin Code. The vCRM officer at the district office receives the request, classifies it, takes it down and sends it directly to the local unit of MD 33 Public Lightning and MD 48Waste management, street cleaning and vehicle fleet. The request is added to the daily workload of the maintenance teams. After repair they send their report back and the vCRM officer informs the requester that his request has been solved.

## Electronic Democracy European Network project (EDEN)

The use of the Internet by European governments has so far been focused on Web sites rich in information but one-directional and lacking in interaction. EDEN will address the issue of shifting from the prevailing paradigm of "broadcasting" to the paradigm of "interactivity". The aim of EDEN Project is to enable true bi-directional communication between citizens and government staff. The project will achieve this goal by defining a multimedia platform for democratic consultation.



# International News

The EDEN-project (<http://www.wien.gv.at/english/eden/>), funded by the European Union, is the foundation of our vision for citizen relationship management. The goal of the EDEN Project is to improve the communication between government and citizens in the decision-making processes. EDEN will help to stimulate and support citizens' participation in the decision-making process, specifically in the area of urban planning, through the development of Natural Language Processing (NLP) tools (<http://www.wien.gv.at/english/eden/Glossary.html#nlp>) designed to make communication between citizens and public administrations easier, more dynamic, and more effective. The incoming information is analyzed according to the addressee, the location and content, thus allowing the information to be linked to GIS maps.

The benefits will be threefold:

- Qualitative improvement by simplifying access to professional quality data support through Natural Language Processing (NLP) and by providing different views of a linked city map;
- Quantitative improvement by offering Internet access via different media, in order to overcome the lack of mass participation in Public Administration processes; and
- Economically by reducing the cost per citizens' participation action.

## Conclusion

vCRM is the first city-wide document handling system introduced by the Vienna City Government to document and resolve all incoming requests. It benefits citizens as well as the administration. It reduces the processing time. The citizen may participate via email and public terminals because of multi-channel service delivery. The combination of this application with Natural Language Processing Tools as described above will enable the administration to analyze complaints, requests, and comments. By giving all involved parties the possibility to interact, improvements in the level of service will be achieved that haven't been possible in the past. Thus the citizen will become an equal partner of the administration in the decision making process.

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