

Building customer satisfaction into Departmental Performance

Introduction: the purpose of this paper

The mismatch between perceptions and reality

1. It is becoming clear that there is a mismatch between achievement of some government targets on the one hand and improvements in public perceptions and specific customer satisfaction with public service delivery on the other. There may be many reasons for this, some of which lie outside the scope of Departments' influence. However, OPSR research reveals that knowledge and understanding in detail about customers of public services is at best patchy, and often not used to inform policy development and the design of service delivery. This means that as Departments achieve success in hitting targets, the underlying goal, a widely shared sense of success in improving public services, may remain unattainable.

This paper seeks to:

- clarify what we do know,
- suggest ways of improving our knowledge
- put forward possible strategies for addressing this issue.

What do we know?

2. We know that:
 - Wider public expectations of success in improving public services are declining (see appendix 1)
 - Specific customer satisfaction with most public services is static, with decline in relation to local government and the police and modest improvement in relation to primary schools (see appendix 2)
 - These trends bear no clearly evident relationship to achievement of government targets.

How can we improve our knowledge?

3. Knowing that customer satisfaction is not improving is fundamentally unhelpful unless we are able to understand the reasons in sufficient detail to suggest appropriate remedial action. We need to understand patterns of response amongst different customer groups, socially and geographically, to understand how this aggregates into the national picture, and, crucially, what are the specific factors which drive satisfaction up or down. Without this knowledge policy decisions can amount to a 'shot in the dark' in terms of their effects on perceptions and experience. With them it is often possible to take

specific steps to improve services in line with known customer wishes. We suggest that, as a minimum, PSA targets require the following background knowledge about their likely impact, based on OPSR's principles of good customer feedback:

- We should listen to customers to build up a robust picture of their levels of satisfaction, needs and expectations
 - At a local management level
 - Aggregated to give a national picture
 - Specific information about individual customer groups (segmentation)
 - Specific analysis of the key drivers of satisfaction
 - Reliability (this depends on sample size and other controls for robustness)
 - Data on trends over time
4. Understanding customers needs to cover the broad sweep of the Department's influence and activity, not merely specific PSA targets. However, many Departments' central focus is on achieving specific PSA targets. For this reason only information in relation to PSA targets is given here. For the 20 PSA targets identified by OPSR as having a specific purpose in relation to customers, the following table illustrates our understanding of the current position in relation to the factors outlined above. We also highlight work that Departments plan to improve the customer data they collect. (Please note – these tables are in draft form only – we would welcome further discussion with Departments to get a more complete picture of work that is in train. In some cases Departments may have additional data not currently accessible to OPSR).

Green areas: Comprehensive data is available

Amber areas: Some data available but the picture is incomplete

Red areas: Insufficient data available

5. Whilst some of this data may seem quite complex, it is possible that through co-ordinated collection and strategic analysis a great deal of relatively straightforward and valuable information can be distilled. Recent Canadian research reveals 5 key drivers of customer satisfaction across all public services (in different measure for each):
- Timeliness
 - Knowledge and competence of staff
 - Courtesy and comfort
 - Fair treatment
 - Outcome

Many PSA targets are designed to improve outcome and timeliness, but relatively few have direct impact on the other three drivers. It is possible that attention to the real drivers of customer satisfaction, both in relation to specific targets and more generally, in policy design might create significant improvements in customer satisfaction.

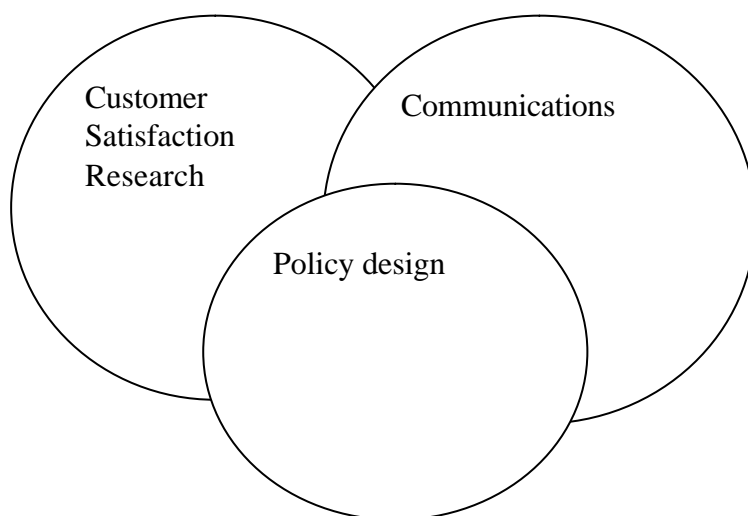
6. An obvious first step to improving knowledge is to work on improving the data. At present, data is drawn from multiple sources, is difficult to co-ordinate and is often only partly understood by policy and strategy staff. OPSR is pursuing this issue with delivery leaders.

Without urgent attention to improving understanding of the customer experience we have no means of gaining control of the process by which current trends in customer satisfaction can be reversed.

What can be done to address this issue?

Co-ordination of research, communications and policy design in relation to customer satisfaction

7. Improving the quality and comprehensiveness of data is the first step in a complex process. The overall aim of this process is to embed understanding of the customer in all aspects of the work of all organisations involved in serving customers, Departments and front line organisations. Ensuring that 3 key areas interconnect is fundamental to this:



Customer satisfaction research: Action is needed to ensure that appropriately collected data provides all the necessary information and informs policy decision making. This research among direct customers should be supplemented by surveys of the general public to form the basis of a Communications strategy.

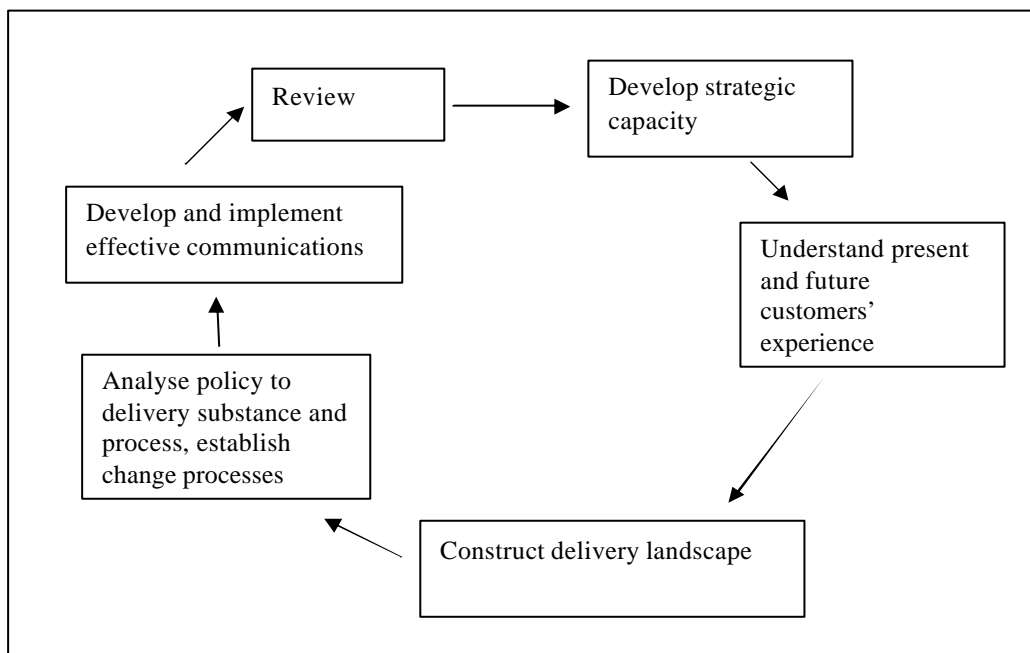
Policy Design: Policy needs to be informed by detailed customer satisfaction data, and should seek to improve customer satisfaction outcomes alongside achieving more specific targets. Policy needs to be supported by a well designed communications strategy

Communication: Delivery chains for many public services are large and complex involving multiple organisations. It is crucial that front line staff, who interact with customers and have a major role in creating public satisfaction, understand the importance of their role. Effective communication strategies involve a high degree of interaction between communication and policy staff with a view to developing strategic influence with front line staff.

8. **Frequently, research, communications and policy formulation are insufficiently co-ordinated to provide a sound platform for effective leadership for customer oriented change.** Corrective action is necessary where this is the case, probably through board level ownership of all three areas and the need to co-ordinate them. This is an essential first step.

9. Instigating a cycle of continuous improvement

Strategic processes need to be aligned to ensure that a constant cycle of improvement is established. This needs to be based on regular collection of customer information and to incorporate policy development and delivery processes as well as communication.



10. Approaches to achieving change

OPSR is able to offer expertise and (where appropriate) support in procuring appropriate support in the three areas of improving customer satisfaction data, incorporating this into policy design and communication, through shared projects and other advice.

APPENDIX 1 & 2

