Outcomes that Matter: Developing Customer Service as a Lever for High Performance Government

Introduction
Accenture has been formally studying government’s customer service programs for seven years. We first looked at the emerging trend of “eGovernment”—government services offered through the online channel—in 1999-2000. We have followed that trend as it moved mainstream and became, eventually, an essential and integrated part of many governments’ broader vision of leadership in customer service.

In our initial studies, we saw many governments subscribe to the premise that simply moving services online was in itself a “good thing,” and that eGovernment would undoubtedly deliver benefits if adopted. Many governments, seeing the explosion of eCommerce in the private sector as the wave of the future, scrambled to follow suit. The frequent result was that governments did their best to replicate their offline world as much as possible, without developing distinct strategies that recognized the inherent differences and challenges, as well as the greater potentials, of the online world.

While Accenture’s focus in our research has been in the main on industrialized countries, the principles we have developed for improving governments’ customer service programs are as true in developing nations as they are elsewhere. EGovernment clearly has delivered and continues to deliver value. Perhaps more than any other channel of service delivery, eGovernment can deliver dramatic improvements in the reach of services, the ease of interaction and the costs of service delivery.

What it cannot do in and of itself is effect the sweeping transformation of government service that will lead to high performance—generating the outcomes citizens want and that governments need to deliver, and accomplishing those objectives in the most cost-effective way. This change is bigger than eGovernment alone; it implies an entirely new vision that Accenture calls “Leadership in Customer Service.” Leadership in Customer Service is a vision that embraces the concepts of cross-government, citizen-centered and multi-channel interactions, and of service options that are proactively communicated to the citizenry and supported with necessary end user training.

While eGovernment is a catalyst of this change, it is also only one (albeit important) component of the change. For developed countries, the basic drive to put services online has now approached its limits; eGovernment, for them, has now become an integral component of government service. The leaders are setting their sights on the bigger picture—looking for far greater value from their service investments (not only in eGovernment, but in all areas—call centers, counter services, infrastructure and process

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1 To download a copy of Accenture’s 2006 research on governments’ customer service programs, Leadership in Customer Service: Building the Trust, please visit http://www.accenture.com/Global/Services/By_Industry/Government/R_and_I/BuildingtheTrustES.htm
improvements and so on). This is where the real future of government customer service lies.

**The importance of eGovernment in service to the citizen**

EGovernment, then, is most properly viewed in its role as a strong catalyst toward a new vision of leadership in customer service.

Once governments attain leadership in customer service, they will gain the ability:

- To deliver services that are tailored to individual citizens’ needs and circumstances, and to do so effectively and efficiently.
- To deliver services that are coordinated across the various channels of interaction (telephone, Internet, face-to-face, mail, short message system, and so on).
- To deliver services that yield timely and cost effective results for the citizen, consistent with the government’s policy objectives.

The bigger picture of leadership in customer service is about moving beyond service delivery tactics to a level of service in which a government’s interactions with its citizens are designed to build an implicit trust. In this approach, both government and citizens benefit, as building trust breeds greater citizen involvement, which in turn informs policy and dictates smart allocation of resources, right from the start.

**A “how-to” for service development?**

While a one-size fits-all, scripted approach is not feasible, Accenture has seen countries broadly follow certain steps toward their desired ends. Certainly, our research has shown that governments’ progress toward leadership in customer service has been marked by clearly defined stages (see Figure 1).
Governments evolve through steps, beginning with having eGovernment, through using eGovernment, to internalizing the principles of leadership in customer service (citizen-centered, cross-government, multi-channel, proactively communicated service). Once they have internalized these principles, governments create a new vantage point, from which they can see what the next phase of service means for themselves and for their customers (citizens and businesses).

As mentioned previously, in the future, leadership in customer service will be defined by service that builds an implicit trust between citizens and their government. Here, the definition of trust means even more than a belief that governments are acting in citizens’ best interests; it implies an inviolate institution. Citizens will know with absolute certainty that their governments are acting to the best of their ability to ensure citizens enjoy the highest quality of life. Citizens will feel the value government provides. Governments, in turn, will lead more boldly because they enjoy the confidence and support of their constituents. This is an outcome far beyond the citizen satisfaction levels with individual services that many governments already measure.

The implications of building the trust can be seen as a virtuous circle: trust in government builds a more connected populace, whose true needs inform the development of more effective policy, implemented via excellent service, resulting in a strengthening of trust (see Figure 2).
The result will be self-renewing high-performance government, in which citizens have confidence in their governments and governments, in turn, sustain and build on that trust over time to foster the most positive social outcomes.

Figure 2. Building trust through leadership in customer service starts a virtuous circle.

However, as stated at the beginning of this section, there is no one prescribed approach to this level of high performance—stemming from the fact that not all countries have the same drivers. What one country defines as service excellence, may not be another country’s ambition at all.

We saw from our research this year a range of drivers. As an example, the basic impetus behind Canada’s current service transformation agenda is to increase the level of Canadians’ confidence in their government, whereas Singapore is being driven by a constant need to maintain their competitive edge in light of its scarce natural resources. Finland, meanwhile, is concerned with developing fairness and equality of services across geographic disparities. Yet all three are leaders.

*How* they architect service, however, is a principle that can be applied to all countries, at any stage of development: it is done with a broader emphasis on service that creates value, rather than on simply putting services online. That is, the governments in leading countries seek to understand not only what citizens want now, but also what they need in the context of broader social outcomes.

Not surprisingly, those who have comfortably mastered eGovernment (those that already have a broad range of services available online and a high level of transactional
sophistication) recognize they have “reached the limit” with their current approaches to customer service and must step into the uncomfortable arena of transformation. They are now re-assessing and re-crafting their customer service strategies, not just to satisfy citizens, but also to create lasting value.

At the same time, they are veering away from a “best practice,” one-size-fits-all template. The key here is that governments need to build their strategies based on their own unique challenges and value propositions. They must architect service to achieve the outcomes that are a priority to them. Leading countries, in particular, have recognized that there is no set definition for “citizen centric.” They are putting the “custom” back in government customer service. That is what sets leading countries apart—their recognition that generic terms such as “improving performance” and “becoming citizen-centric” are almost meaningless when the concept is without national and cultural context.

Determining citizens’ real current and future needs is not easy, and in fact, the further government looks to the future of customer service, the less likely its citizens’ needs will be expressed versus implicit (see Figure 3). However, this true understanding is prerequisite to building service trust.

**Figure 3.** Governments’ true understanding of citizens’ needs and, correspondingly, the value they can deliver to citizens, increases as they move toward service trust.

**Common characteristics of the leaders**

Apart from service strategies that speak to their unique challenges and objectives, leading countries share a number of other characteristics worth consideration for those either looking to improve their service programs or those just getting under way.
Increasingly local connections

At the heart of governance is connecting with the people who are governed. And while the eGovernment channel does many things, it also disassembles that relationship. After years of emphasis on relentless automation, leading governments are beginning to realize that if they completely give up their personal interface with citizens, then people begin to lose their understanding of the relevance of government.

In contrast, by building local connections with the people they govern, governments can begin to use these connections to inform policy in meaningful ways. Their aim is to bring a strong and reliable customer voice into the design of individual services. To that end, many leading governments are developing increasingly local citizen touchpoints—making innovative use of their local connections to build bridges to citizens across all levels of government.

In concert with their use of technology to simplify and increasingly automate behind-the-scenes processes, they are using local centers to provide access to services traditionally provided at a national level, while building stronger citizen awareness of their governments’ offerings and a stronger personal connection. They are coordinating their service delivery strategies from the national down to the local levels, determining what absolutely has to be delivered at a central level, while increasing local involvement. In the process, they are decentralizing tasks from national government where possible and empowering municipalities.

Recognizing the need for organizational and process changes, not just technology ones

Governments that are most successful in aligning their service investments to their desired outcomes share a recognition that changes in internal structures and processes are just as crucial as changes to infrastructure. For leading developed nations, that includes strong new organizational designs, relentless simplification, business reengineering, consolidation and forays into shared services. For developing nations it will mean, at the very least, a recognition that improving customer service is as much an organizational and cultural challenge as it is a technology infrastructure one.

A focus on increasing adoption of more efficient service channels

Even in advanced countries (those with high Internet penetration and relatively tech-savvy populations), the telephone continues to be the predominant means citizens use to communicate with government. Despite the relative sophistication of their eGovernment offerings, a number of developed countries still struggle with converting even high Internet use into genuine enthusiasm for the eGovernment channel.

Obviously, the value of live communication should not be underestimated. Our research showed that in-person communication is expected to deliver the best level of service across all country categories we surveyed (advanced, developing and emerging countries). In developing and emerging countries, walk-in centers were cited as the main priority for investment.
While it will be difficult for any other channel to replace personal contact, leading governments continually strive to move the boundary in terms of what services citizens are willing to transact online. A key component of their effort is changing perceptions through proactive marketing. These countries are using a combination of four proactive tactics to promote adoption of their service strategies:

- **Stick**—strong pressure or mandatory use of more efficient online channels for some services
- **Carrot**—incentives (financial and other) for online use
- **Marketing pull**—innovative campaigns to increase awareness and educate users on how to access and use the available services
- **High-touch push**—help and support; showing people and businesses how to get the most out of services

In other words, they are not relying on a “if you build it, they will come” mentality for eGovernment. This is a key point, and one where governments most often stumble in their service evolution.

**A passion for customer service**

Finally, in all the leading governments we surveyed in our research, we found a passion for customer service among the executives charged with developing their governments’ service programs. They are hungry for inspiration wherever it resides, and exhibit a keen interest in learning from their peers. Not content to rest on their laurels, leading governments talk to each other; send delegations to each other’s countries to gain a more in-depth understanding of how their service programs compare; and have a voracious appetite for any information the world outside their borders can provide.

**The challenges to moving forward**

Perhaps nothing shows the limitation of eGovernment in and of itself more than citizens’ perceptions of the channel.

In our *Leadership in Customer Service* research this year, Accenture conducted an extensive citizen survey. In many countries surveyed—even among past world eGovernment leaders—citizens’ increased confidence in using the Internet is not matched by improvements in their perception of eGovernment (see Figure 4). As they enact new service strategies with far-broader-reaching objectives than simply getting services online, developing nations are encountering some unexpected difficulties. The gaps that remain—inherent in the structure and organization of government, as well as in the culture of a country and in its citizens’ deep-rooted attitudes and perceptions—represent the real challenge for the future.

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2 8,600 citizens in 21 countries.
Figure 4. Even developed countries struggle with converting high eGovernment penetration into real enthusiasm for the online channel.

It’s a cautionary tale for developing nations—even if they build magnificent eGovernment services, they face a number of significant hurdles, including:

**Managing the complexity of exploding service channels**

The proliferation of devices (channels of interaction) offers governments unparalleled opportunities for connecting with their citizens. As new channels open, they provide governments with unprecedented new reach. Yet they create both expected and unexpected pitfalls as well. With the increase in service delivery channel options comes an increase in technological, organizational and process complexity for governments to manage. Even small problems can not only disrupt one particular service, but can give customers a very poor experience, which will prevent them from using other services, and impact negatively on service trust.

Clearly, governments must ensure that every service works absolutely right before they launch it. After launch, governments need to be diligent about determining user attitudes toward the service and about finding ways of continuously improving it.

**Citizens’ beliefs and value systems that run counter to leading service practices**

Building “customer insight” is a practice in which organizations collect and use information about their customers to tailor services more effectively to them as
individuals. It is a common private sector customer service practice and is making some inroads in certain governments.

For example, Accenture research has found that some countries, such as Norway, Denmark and Finland, have unique identifiers in place, and their populations are familiar—and comfortable—with governments cross-sharing a wide range information. More often, however, privacy remains a thorny challenge. In a number of other countries, in fact, the challenges are growing as new initiatives (unique identifiers, biometric passports, and so on) have brought privacy concerns and questions of civil liberties to the fore. Resolving citizens’ concerns about privacy will be critical to enabling the holistic view of citizens that will allow governments to begin to proactively manage their needs.

The rising cost of technology for many governments
Governments are burdened by the costs of their legacy systems. Private-sector companies have the option to offshore some functions and activities that others can perform more effectively. Yet for most countries, even where it is a common private-sector practice, offshoring is unpalatable, is prevented by unions or simply goes against the cultural grain.

Some countries have sidestepped the rising cost of technology for now. For example, Singapore has been able to parlay its low-crime rate, tech-savvy population and pro-business environment into an attractive package for many high-tech companies, who look to the country as a test bed for their latest technology innovations.

Such examples are isolated, though, and for most countries, the challenge of staying abreast of technology while managing the costs of implementation (both of which factor into the country’s ability to remain competitive in a global environment) is a growing issue.

Developing cooperation to enable true cross-government service
The greatest service innovations often come from an individual or small group of people who champion an idea and rally enough resources to make it happen. The problems arise when governments try to convert the informal cooperative structures that nurtured service innovations into more formal arrangements.

Most governments struggle with translating their historically informal connections into organized models when the time—and the scale of the challenges—demands. These governments find it uncommonly difficult to answer the question of how long to allow processes to grow organically, versus when to apply the “muscles and the money” to drive programs forward. The result is that “seamless” cross-government service quite often begins to unravel when put under the pressure of scale.

Too great a focus on customer satisfaction metrics
Leading governments have listened to the call for citizen-centricity. They understand that the ultimate determinant of service success will be whether, in fact, citizens use the service. With so much riding on citizens moving to the more efficient self-service
channels, it is little wonder that these governments are trying to tune in to citizens’ attitudes and perceptions. To that end, many governments implement satisfaction surveys for citizens after completing their transactions. Others focus on working to service level agreements.

While these steps are important, the challenge arises when governments do such a good job at implementing service-level metrics and at measuring satisfaction against what citizens ask for, they forget to consider what citizens really need. Moving beyond point-in-time snapshots is critical for developing the insight that can eventually be translated into service trust.

Moreover, the picture is complicated by governments’ need to balance its obligations to its many different stakeholder groups, which includes not only a wide range of citizen and business groups (and their widely varying requirements), but also government employees, politicians, non-governmental organizations, even the international community. The question is, how do governments create transparency into their investments so that they can better assess the value they are delivering through their service programs and manage for improvement?

**How do you measure value?**

Unlike the private sector, which has widely understood metrics (such as share price), as well as a stock market with publicly available company performance information, there are no universally accepted standards for measuring and assessing value in public services. Therefore, individual agencies or central governments impose targets that often do not align with what constitutes real value for citizens. Public service organizations may hit the targets set without ever really adding value for citizens or achieving a true understanding of what performance factors drive value. Likewise, they cannot use their baseline measures to develop focused and methodical processes to deliver more efficient and effective service.

The net result is that increases in government spending do not necessarily lead to improved service delivery, and cost-cutting measures do not necessarily lead to increased efficiency.

Accenture has developed the Accenture Public Service Value Model (patent pending) to help government agencies analyze how they deliver value to citizens and how they can improve their performance to deliver increased value and become high-performance governments. (See sidebar, The Accenture Public Service Value Model.)
The Accenture Public Service Value Model

The Accenture Public Service Value Model was developed to address the challenge agencies face in developing a meaningful framework for measuring and managing performance. It proposes a more complete approach to determining successful actions and provides a process for tracking progress over time.

At its simplest, the Accenture Public Service Value Model considers two levers of public value—outcomes and cost-effectiveness. By increasing one or the other, agencies can be understood to be creating value. By increasing one at the expense of the other, they can be understood to be making a trade-off between their two fundamental means of creating value. A decrease in both levers represents a clear reduction in value.

A Public Service Value analysis defines outcomes for government agencies based on their:

- Statutory purpose - What the agency is established to do (for example, a revenue agency is established to collect tax revenues; a school board is established to educate children; and a police force is established to maintain public order).
- Stakeholder expectations - What the stakeholders expect of an agency as it performs its statutory duties (for example, that a social security agency’s interactions with citizens will be prompt, accurate and courteous and that a revenue agency will minimize the burden of compliance on businesses).

These outcomes are weighted, based on relevant external factors for specific administrations. They are then measured using metrics, which can be grouped to develop an outcome score. Separately, the cost of the resources deployed in delivering these outcomes is calculated. Then, by dividing cost into outcomes a cost-effectiveness score is developed, as shown in Figure 5.

![Accenture Public Service Value Model](image)

**Figure 5. The Accenture Public Service Value Model**

Public-sector value is created as the delivery of outcomes is improved in a cost-effective fashion. Accenture believes high-performance governments will consistently increase the public-sector value they deliver year after year by balancing service improvements against improved cost efficiency.
While this model is not focused on customer service specifically, its principles can be applied to help all administrations take a more balanced approach to their service programs that will further them on their journeys to becoming high-performance governments. Specifically, its focus on outcomes versus cost effectiveness can help government agencies consider the wider transformational opportunities in customer service and, conversely, to be more skeptical about the benefits of some more superficial approaches to putting government services online.

By adopting the Accenture Public Service Value Model, governments’ customer service strategies will increase value when they:

- Improve an agency’s delivery of its statutory purposes.
- Meet stakeholder expectations more effectively.
- Enable both of these outcomes more cost effectively than other strategies.

It is unlikely that simply replicating existing services electronically will optimize the opportunity to add value when judged against this standard. Here again, we see the fundamental weakness in many eGovernment strategies: to a considerable extent customer service strategies have been an “act of faith” on the part of governments. While some benefits in terms of increased automation and improved access have been relatively obvious, others have been harder to quantify—in particular, the general belief that providing online access to government services must always be a good thing in and of itself.

Applying the concepts of the Accenture Public Service Value Model, then, should bring a rigor to future customer service strategies that has been lacking previously. Governments will see that effective, value-adding strategies leverage the opportunities inherent in Web-based technologies to dramatically alter their customer service business models. In some cases, services will be transformed (and improved) so radically that old service models will disappear completely. Such strategies will have targets that are clearly quantified in measurable outcomes.

Implementing new, technology-enabled business models for customer service will also allow governments to improve cost effectiveness. By improving the integration of services within and across agencies, governments can not only meet stakeholder expectations through service improvements, they can also improve cost effectiveness by automating services (resulting in reduced administration) and integrating services, (resulting in the elimination of duplicated efforts and greater cost effectiveness).

Ultimately, using the Accenture Public Service Value Model will help governments address three key questions in the future:

1. How will the strategy improve the performance of government agencies in the delivery of their core statutory duties?
2. How will the strategy meet rising stakeholder expectations of government services?
3. How will the strategy contribute to improved cost effectiveness in the provision of government services?
Effective strategies will seek to add value in all three dimensions.

While to date the Accenture Public Service Value Model has been applied mainly in developed countries, the focus on achieving best outcomes in the most cost-effective fashion is a universal principle that will work equally well in developing nations. In the end, what is most important is to have a structured approach to discussing outcomes and to create a balance between the expectations of different stakeholders. Whether the discussion is technical or nontechnical—no matter the economic question or the complexity of the organization—it is an established methodology and a robust, transferable framework. While the outcomes that matter to a particular government differ, any government can go step-by-step through the model and build its own specific outcomes into the framework. The approach provides a practicable framework for creating a direct—and manageable—link between outcomes and day-to-day management decisions.

Recommendations for moving leadership in customer service forward
In this section, we offer some brief recommendations for governments’ next steps toward leadership in customer service—and ultimately, toward high performance. These recommendations stem from an understanding of public-sector service based on our research, as well as Accenture’s experience working with hundreds of governments around the globe. They apply equally well to developed and developing nations:

- **Drive out complacency.** The leaders of the future will be the ones that have a taste for continuous improvement. When it comes to leadership in customer service, standing still is equivalent to falling behind.
- **Set your own standards for excellence.** Governments in pursuit of high performance must develop a more strategic vision of service that reflects their own culture, aspirations and values.
- **Organize for effective execution.** Tomorrow’s leaders will recognize that good policy is only possible when it is linked to good execution. Organizing for effective execution means getting both the top-down and the horizontal organizational structures right.
- **Strengthen connections with the citizen, while using technology to continue to try to push the limits of what can be done online.** Building service trust means getting citizens engaged. Tomorrow’s leaders understand that sophisticated technologies, coupled with growing citizens’ trust, allows governments to push the boundaries of what services citizens will willingly transact online.
- **Aggressively incorporate private-sector learnings, but in a way that makes sense in a public-service context.** Tomorrow’s leaders will aggressively pursue the private-sector’s best thinking and lessons learned. They seek out the innovations and fold them into the governmental framework.
- **Develop accountability and transparency, especially across initiatives that span multiple governmental organizations.** How well governments act as one—both within and across jurisdictions—depends on strong models for building accountability that will ensure progress is made.
• **Develop continuity of leadership.** Without continuity of leadership, transformative initiatives quite easily fall apart. Even in countries with frequent turnover of administrations, leadership continuity can be established in the ranks of the civil service.

**Conclusion**

Governments’ future approaches to citizen service will determine whether they build an implicit trust with citizens and continue to progress—or fail to improve their connections to citizens, and stall.

Transformation of this magnitude encompasses far more than eGovernment. It is built on governments’ embracing a much broader vision of leadership in customer service that values eGovernment as a catalyst, but moves far beyond eGovernment into all channels of interaction and across multiple levels of government.

While developing true leadership in customer service takes significant time and effort, the payoffs are tremendous for both governments and those they serve. When governments sustain leadership in customer service over time, citizens’ needs are anticipated and met, and governments develop the most effective policy from the outset.

Leaders are already taking action to that end. They are employing all the tools at their disposal to orchestrate a new understanding with citizens that will foster the most positive social outcomes and ultimately drive their governments toward high performance. For those not as far along this path, the principles outlined here will help them set a new course for optimizing the value they can reap from their future investments in customer service.

**About Accenture**

Accenture is a global management consulting, technology services and outsourcing company. Committed to delivering innovation, Accenture collaborates with its clients to help them become high-performance businesses and governments. With deep industry and business process expertise, broad global resources and a proven track record, Accenture can mobilize the right people, skills and technologies to help clients improve their performance. With more than 129,000 people in 48 countries, the company generated net revenues of US$15.55 billion for the fiscal year ended Aug. 31, 2005. Its home page is www.accenture.com.

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