Executive Summary

Excellent service is about being responsive to the needs of clients.[1]

We carried out a special audit of five services provided by government departments to establish whether their systems and processes were responsive to their clients. For the purposes of this report we refer to the service providers we audited as the “five agencies”.

Government departments are required to report to Parliament on their service performance in delivering agreed goods and services. In general, client service issues have received little attention at a government-wide level.

Our objectives in carrying out the audit were to:

- identify principles of good client service practice;
- give more prominence to client service as an aspect of management;
- stimulate debate on the subject; and
- encourage the sharing of experiences.

Overall, we were impressed with the efforts that each of the five agencies had taken to be responsive to its clients. We found examples of excellent service in all five agencies. Nevertheless, we identified some areas for improvement.

This executive summary sets out the ‘bare bones’ of our observations and the best practice criteria we used to evaluate them against. Much of the value of this report is contained in the illustrative examples of good practice which are spread throughout the main text.

Making a Corporate Commitment to Client Service

At a corporate level all five agencies recognised the importance of serving their clients. Planning documents generally considered the impact for the client. Some strategic and operational documents explicitly considered the intended benefits for the client of planned initiatives or developments.

1 We have used the term “client” throughout the report – rather than “citizen” or “customer” – to reflect the range of users of government services, and the special, dependent relationship between the user of a public service and the provider of that service.

Nonetheless, we found scope for the five agencies to strengthen their client orientation to ensure that their strategic direction has appropriate regard for achieving service objectives.

We believe that client focus could be given more prominence in purchase and performance agreements for chief executives. This would provide a more coherent framework for the explicit consideration of client outcomes in activity and resource planning – such as in considering technology options and staffing proposals.

Best Practice Criteria for Making Client Service a Priority

In making client service a priority, a client-focused organisation will:

- make client service a key goal, and display a clear commitment to service in its corporate strategy and accountability documents;
- ensure that planning, structural and resourcing decisions are directed to improving client service; and
- ensure that choices about public spending explicitly take account of the impacts on services delivered to clients.

Understanding the Client

All agencies were making progress in analysing their markets and thus better identifying particular client groups, their characteristics, and their specific needs. Initiatives to tailor services to particular market segments reflected an awareness of the different needs of client groups.

Only one agency had drawn up an explicit, integrated strategy to systematically identify the characteristics of its clients.

All five agencies needed to build on their individual initiatives by drawing up service strategies for the delivery of services into the future. These strategies should provide the necessary framework for an integrated programme to identify the characteristics of all existing and prospective clients, and target services to meet unmet need.

We were encouraged that all agencies were taking steps towards developing such a strategy.

Best Practice Criteria for Understanding the Client

In setting out to understand its clients, a client-focused organisation will:

- carry out market research and foster relationships with interested parties to find out who its existing and prospective clients are, and their particular needs and preferences;
- use this market information to design an explicit client service strategy;
- identify local needs so that appropriate services can be provided; and
- use client profiles to introduce new services to meet emerging or unmet needs.

Providing Access to Services

All agencies had considered options for the delivery of services. However, only one of the five agencies had developed an explicit policy focused on ensuring access to its services – including marketing, consideration of service points, and strategies to assess service awareness. Such a policy is vital to ensure that the agency:

- is delivering the right mix of services for the various client groups;
- has identified all potential client types; and
- has no significant pockets of unmet need in the market.

Effective communication with clients is an important means of providing access to services. All five agencies were using a variety of means to communicate with their clients. Each agency was providing information about its services that was generally relevant to users, comprehensive and understandable. However, service marketing and promotion were not always assigned the necessary priority, creating the risk that some clients may not be clear about the role of the agency and the services it provides.

We also identified instances where agencies had changed the way in which they delivered their services, and we assessed how that transition had been handled. In those instances we observed that steps had been taken to plan service changes and minimise the impact on clients.

Best Practice Criteria for Providing Access to Services

In providing access to its services, a client-focused organisation will:

- have an explicit policy governing access by all potential clients to its services;
- actively seek opportunities to enhance access for groups whose needs may not be well met through existing service delivery methods or who face potential access barriers, using innovative options where appropriate;
- make it easy for clients to do business, offering a choice of service channels and (wherever possible) providing customised service channels;
- consider ways to improve access by taking advantage of technologies such as the Internet and call centres;
- promote its services to the public, telling the public about itself and about its services;
- seek opportunities for clients to participate directly in the design of services;
- build partnerships to better accomplish shared service goals and as the basis for new services;
- publish information about its services which is understandable and easy to use; and
- inform and (where possible) consult relevant segments of the client population, or organisations familiar with these clients, about planned changes in the way services will be delivered.

Delivering the Service

We assessed how the five agencies were delivering services to their clients. We looked at the following aspects of service:

- reliability;
- client compliance;
- personal and commercial confidentiality; and
- business process controls.

We noted the importance of reliability as a quality service measure for the activities we reviewed, and identified what steps had been taken to address the risks of system or process failure where service delivery relies heavily on electronic systems. All five agencies had taken steps to ensure that clients were clear about their rights and obligations, through information and education. However, we identified opportunities for all to more fully develop active promotional strategies, including public awareness and education, and programmes targeting specific client groups.

All five agencies handled, in the course of their business, sensitive information about their clients and had in place policies governing the handling of client information. Staff we interviewed were aware of the need to take care in handling requests for client information. However, many operational groups within the five agencies had a need for specific guidance and procedures making it clear how client confidentiality affected their day-to-day work.

In all five agencies we found a willingness to make special efforts to meet the needs of clients. This is a key characteristic of any agency committed to delivering high-quality service.

All five agencies had an Internet web site, each of which contained useful information. Three agencies had telephone call centres to handle enquiries. The centres were making a valuable contribution to the quality of client services, although we identified some areas where the centres might operate more effectively.

Best Practice Criteria for Delivering the Service

To ensure that it is delivering the right service, a client-focused organisation will:

- recognise the importance of reliability to the client – through business continuity and contingency plans, and careful management of dependency relationships with external parties;
- design public relations and education programmes to make clients aware of their obligations and foster co-operation and voluntary compliance;
- treat client information with respect and ensure its security by having policies and procedures to guide employees in handling such information;

- design service centres with the needs of the client in mind; and
- be willing to make special efforts to respond to the needs of clients.

Resourcing Service Delivery

We sought to establish the means by which each agency ensured that it had the capacity to deliver services. Our findings confirmed that effective service delivery relies on:

- choosing the right staff – using commitment to service as a key requirement for recruitment;
- providing ongoing motivation, training and coaching within a client-focused culture; and
- sound business process controls consistent with the principles of quality management.

All five agencies recognised staff as their key resource in providing high-quality service. The range of staff management practices we observed in all five agencies illustrated this:

- developing job-specific competencies which included a commitment to service;
- training programmes focused on client service skills; and
- staff surveys designed to identify obstacles to improved service and strengthen a client-oriented culture across the organisation.

The five agencies had in place process management and other quality controls as the basis for them to deliver services. We did not audit compliance with these systems and controls.

Best Practice Criteria for Resourcing Service Delivery

In determining how it will resource service delivery, a client-focused organisation will:

- make quality management the basis for achieving excellent service;
- recognise that skilled and motivated staff and sound business processes are the key to delivering excellent service;

- make client service a key competency for staff, provide the necessary training, and develop incentives to encourage staff to meet client-oriented goals;
- foster a client-focused culture;
- ensure that staff have the necessary guidance and tools to do the job;
- have in place the necessary resource planning and management processes to ensure that it can meet its service objectives; and
- have in place quality controls to ensure that processes are followed consistently.

Judging Service Performance

The five agencies' service performance measures commonly focused on workflow volumes and response times. Such measures can be relevant to the client, but those being used were often associated with internal process rather than the actual delivery of services to the clients. The measures had not been derived from systematic feedback on client needs and preferences.

We consider it important that an agency use a range of techniques to gain feedback about its clients' perception of the service they received. This will help the agency to determine the effectiveness of its service-delivery strategies. Feedback options include:

- formal procedures for clients to make complaints;
- analysis of complaints;
- asking individual clients for their assessment of recent service;
- client focus groups, forums or councils;
- quantitative client surveys;
- favourability surveys to assess the public image of the agency; and
- a client satisfaction index which measures indicators of service quality.

All five entities had undertaken some work to obtain feedback from their clients. However, no one entity had adopted a comprehensive strategy that took full advantage of the feedback options available.

Best Practice Criteria for Judging Service Performance

As a basis for properly judging its service performance, a client-focused organisation will:

- have service standards which encompass all aspects of service important to its clients – drawing on consideration of all possible causes of service failure from the viewpoint of the client;
- measure those aspects of service which matter most to the client, using a mix of quantitative and qualitative measures;
- have service standards for business units delivering different types of service to different client groups;
- use a range of client satisfaction tools to test whether expectations are met in practice;
- be aware that resolving problems is a vital aspect of service quality; and
- invite clients to comment on, and (where appropriate) complain about, the quality of services they receive, and make it easy for clients to do so.

Reporting Service Performance

Internal reporting against performance measures and standards can help focus staff on key performance areas. Regular effective reporting of service performance can alert management and staff to problems which could be influencing the quality of service received by clients. Conversely, positive feedback can be a useful means of motivating staff and providing an incentive to staff to provide good client service.

All five agencies were reporting internally on process volumes and against business objectives supporting achievement of their service objectives. This was particularly important where client service was the product of a number of operational units within the organisation.

Reporting to the public – including clients – on service performance, however, was limited and, where it was happening, focused on a narrow range of measures. We believe that the agencies should consider broader service performance reporting that encompasses all relevant aspects of service important to their clients.

Best Practice Criteria for Reporting Service Performance

As a basis for properly reporting its service performance, a client-focused organisation will:

- report internally on the achievement of business objectives relevant to the delivery of services; and
- report externally on performance against all aspects of service which are important to clients and other external parties.

Seeking Continuous Improvement

Continuous improvement is the systematic process which seeks to identify opportunities to improve service. We found that all five agencies had sought to identify improvement opportunities within their organisation.

Benchmarking studies with similar agencies – such as international counterparts – can identify means of improving processes. Three of the agencies had recently participated in international benchmarking studies.

Relationships with community organisations can also help improve service delivery, and are a valuable source of feedback from client constituencies. Where appropriate, the agencies had sought input and advice from different community organisations, both nationally and on the initiative of local offices.

Best Practice Criteria for Seeking Continuous Improvement

For the purpose of seeking continuous improvement, a client-focused organisation will:

- systematically seek opportunities to improve service;
- identify the potential to improve work processes which have a service impact;
- use service “champions” to lead and promote continuous improvement;
- seek opportunities to learn from benchmarking studies of comparable organisations or processes;

- build ongoing relationships with external stakeholders as a means of obtaining valuable feedback on service awareness and quality; and
- recognise that community groups can provide valuable representation for clients, and are a valuable source of information about how its services are being received.

101 We carried out a special audit of five services provided by government departments, to establish whether their systems and processes were responsive to their clients.

102 For the purposes of this report we refer to the service providers we audited as the “five agencies”. In each case the provider was a business unit or similar component of the responsible government department.

The Purpose of the Audit

103 The State Services Commission’s publication *The Public Service and the Public*[2] (as well as other guidance documents) makes some references to the need for government agencies to respond to the needs of their clients. Government departments are required to report to Parliament on their service performance in delivering agreed goods and services.

104 In general, however, client service issues have received little attention at a government-wide level. We set out to identify principles of good client service practice for public sector agencies generally, using findings from case studies for illustration. The objective of this report is to give more prominence to this aspect of management in the public sector. We hope it will stimulate debate and, where possible, encourage the sharing of experience among the range of agencies which are responsible for delivering services to the public on behalf of the Government.

How Did We Draw Up Principles of Good Practice?

105 In developing principles of good practice against which to evaluate practices in each of the five agencies we carried out research in-house, consulted outside experts, and asked selected other businesses about the systems and processes they followed to ensure that their services met quality standards.

The Agencies We Chose for the Audit

106 Members of the public have different relationships with different government agencies. Some are under an obligation to use the services of a government agency (such as travellers entering the country), some have an entitlement to services, while others are purely voluntary users of such services. In selecting the five case studies for our audit we considered:

2 September 1995, ISBN 0-478-08908-2.

- the type of service provided; and
- the type of client.

107 The five agencies we chose as case studies were:

- the Intellectual Property Office, a business group within the Ministry of Commerce;
- the Goods Management group of the New Zealand Customs Service[3];
- the Tenancy Services group of the Ministry of Housing;
- the visitor information services of the Department of Conservation; and
- the Passports Office of the Department of Internal Affairs.

108 These five agencies provide services to a range of clients who:

- are **compelled** to use the service – as in the case of the Customs Service and the Passports Office; or
- are **entitled** to use the service – as in the case of Tenancy Services and the Intellectual Property Office; or
- may **choose** to use the service – as in the case of the visitor information services of the Department of Conservation.

109 We were aware that different client groups might have a quite different status in relation to the one agency, giving rise to a variety of different client relationships according to the type of service provided.

How We Carried Out the Audit

110 Each agency performs quite different functions. We spent some time examining work flows and processes so as to understand the mechanics of each activity. We examined the different ways in which each agency interacted with clients, such as face to face, by telephone, by letter, or electronically.

111 Clients often have contact with more than one group within any government agency. We examined the work of different groups within each business, where such groups had some form of contact with clients.

112 Some government agencies have centralised their interaction with clients. The Intellectual Property Office is one agency that has chosen this structure

3 From here on we use the abbreviated term "Customs Service".

to deliver its services. Others, such as Tenancy Services and the Department of Conservation, deliver services through a network of offices. We visited a selection of those offices to establish how service delivery was managed across the organisation.

113 In carrying out the audit we talked to operational and support staff, interviewed managers, and examined a range of documentation. Where possible, we also consulted selected community organisations and client groups for their views on the performance of the agencies concerned.

What Distinguishes Public from Private Services?

114 A common set of good practice principles underlies service delivery in the private and public sectors. However, government agencies deliver services in a different environment and for different purposes. The main differences are:

- Members of the public seeking services from government have – in general – no choice as to where to go to obtain those services. Moreover, they will normally have to go back to that same agency if they are not satisfied. Taking their business elsewhere is not an option.
- Government agencies owe basic obligations to the public. The way in which public sector agencies deliver services to their clients is an important dimension of the relationship between the state and its citizens.
- Service which meets the needs of clients helps the Government to achieve its desired outcomes.
- In the public sector the service relationship is often based on needs rather than wants. The clients of government agencies frequently lack the means to enforce their rights as consumers, giving rise to an imbalance of power between the provider of the service and the client.
- Government agencies have a responsibility to ensure that their services are reasonably accessible to all eligible people, whatever their backgrounds and wherever they may live.

The Criteria We Used to Assess Responsiveness to Clients

115 We looked for evidence that each agency had in place effective management systems, and employed certain key processes essential for providing high quality service. These processes were:

- making a corporate commitment to client service;
- understanding the client;
- providing appropriate access to services for all identified client groups;
- making sure the right services are delivered;
- providing the necessary means for effective service delivery;
- measuring service performance;
- reporting on service performance; and
- seeking continuous improvement.

New Methods of Service Delivery: Call Centres and Internet Web Sites

116 Three of the five agencies had call centres. We assessed each call centre against industry best practice criteria.

117 We also evaluated the Internet web sites for each of the five agencies against criteria developed by an expert adviser specifically for the evaluation of government web sites.

118 The detailed criteria and specific findings for call centres and Internet web sites are set out respectively in Appendix 1 on pages 117-127 and Appendix 2 on pages 128-135.

MAKING A CORPORATE COMMITMENT TO CLIENT SERVICE

201 Service providers that are focused on responding to the needs of their clients will:

- be committed to service as a key goal; and
- consider the impact on their ability to deliver that service before making major corporate decisions.

What We Looked For

202 In each of the five agencies we looked for an articulation of service orientation which was reflected throughout the organisation.

203 We sought evidence of an explicit commitment to service in planning material and public accountability documentation; and we examined those documents for linkages between service objectives, the Government's desired outcomes, and corporate initiatives.

Our Specific Expectations

204 We expected that each agency would:

- Make client service a key goal in planning material and other accountability documents.
- Where appropriate, consider the impact on clients when advising the Government on resource planning issues.

Client Service As a Corporate Goal

205 The Department of Conservation, the Customs Service and the Passports Office all identified client service as a corporate goal. Corporate documents such as strategic and business plans made linkages between corporate initiatives and operational objectives (such as information technology developments or service marketing initiatives). We were able to see a clear relationship between their day-to-day service delivery activities and the outcomes sought by government.

206 The mission statements of the Customs Service and the Department of Internal Affairs (of which the Passports Office is a part), contain statements of their commitment to serving their clients, and are displayed in public areas for clients to see.

Corporate Commitment

The Passports Office exists within Identity Services, a business group of the Department of Internal Affairs. Client service is identified as a key goal in planning documents for the Identity Services group.

The *Identity Services Business Plan 1998-99* and *A Strategic Plan 1997-2002* highlight client service as a key goal. Identity Services' Vision, Mission, and Values Statements all signal the importance of client service.

Vision: *Together, our people will provide customers with quality, value based products and services.*

Mission: *We will accomplish our mission through: delighting our customers by our understanding and responsiveness to their needs … continually improving our relationships with our customers and partners … managing information on behalf of the public to the highest levels of integrity and accuracy.*

Values: *We are committed to providing high quality services to our customers.*

These statements perform an important function of establishing a management-led service culture, and reflect a process of considering how the agency will be responsive to its clients.

Planning documents also link operational strategy and development to outcomes for clients.

The *Identity Services Strategic Plan 1997-2002* outlines an operational programme for the business group, focused on a number of goals including that of improving client service and satisfaction.

The strategies developed to achieve the goals stated in the strategic plan *lay out the blueprint for building an efficient organisation that will deliver superior results to its customers and the Crown.*

207 Managers and staff of all five agencies had a good understanding of how their activities were related to their service delivery goals. Department of Conservation offices displayed posters outlining the Department's quality management principles, and a pocket-sized version had been developed for staff.

208 Excellence in service delivery is identified as a strategic objective for the Ministry of Commerce's Business and Registries Branch (of which the Intellectual Property Office is a part). Action strategies and indicators of service performance underpin this objective.

209 We suggested to the Intellectual Property Office and Tenancy Services ways in which they could strengthen the linkages between service delivery and the Government's strategic result areas.

210 The Intellectual Property Office was in the process of developing a more active approach to client management, and a number of initiatives were under way. We saw a need for the Intellectual Property Office, as a distinct business unit, to articulate how its activities would contribute to outcomes for its clients and for the economy. In our view, this would help it to develop a clear rationale for its service objectives, and provide a focus for its marketing efforts in the future.

211 Our analysis of Tenancy Services' systems and processes indicates that it is committed to responding to the needs of its clients. However, in our view there is potential for the agency to strengthen links between its activities and the strategic results sought by the Government. The rationale for the role of the agency and for the activities performed by the agency needs to be made explicit, and linked to client service orientation and marketing strategy.

Resource Planning and the Impact on Services

212 Government agencies operate with limited resources. A sign of commitment to their clients is the extent to which they assess the impact of resourcing constraints on services. The approach taken by the Customs Service illustrates the importance of considering client impact as part of the resource planning process.

213 The Customs Service was required to reduce expenditure by $0.395 million in the 1998-99 financial year. The necessary savings were identified through reductions in quality, timeliness and levels of output.

214 The Customs Service Northern Region systematically identified savings by output class, assessing the impact on its ability to meet its service objectives. These impacts included:

- an increase in lost calls as a result of staff shortages;
- more complaints; and
- cancellation of a "mystery caller" survey.

Conclusions and Suggestions for Improvement

215 There is scope to strengthen the client orientation in all five agencies to ensure that organisational strategic development and planning activities explicitly take account of intended outcomes for the client. A means of obtaining a greater client focus could be to give more prominence to the issue in purchase and performance agreements for chief executives.

216 Identifying the impact on clients is an important consideration for all government agencies in advising the Government on the impact of resource constraints.

Best Practice Criteria

217 From our research and observations we identified the following key characteristics of a client-focused organisation in making a corporate commitment to client service. To meet best practice criteria the organisation should:

- make client service a key goal, and display a clear commitment to service in its corporate strategy and accountability documents;
- ensure that planning, structural and resourcing decisions are directed to improving client service; and
- ensure that choices about public spending explicitly take account of the impacts on services delivered to clients.

301 A good understanding of who needs its services should be the basis for any business's blueprint for service delivery. Building a picture of the client makes it possible – to the extent practicable – to match the mix of services to their needs and preferences.

302 Creating a client profile is essential if government agencies are to be successful in making their services accessible to all eligible sections of the community. Knowing who their existing and prospective clients are should enable government agencies to:

- build up a picture of those individual clients and groups who are currently using their services, and why;
- tailor their structures, systems and processes to the characteristics and behaviour of their clients;
- take advantage of opportunities to meet emerging needs; and
- identify possible areas of unmet need, i.e. where prospective clients – for whatever reason – are not using the services offered.

303 By regularly updating client profiles agencies should also be able to monitor shifts in demand and in the type of services sought – such as in response to population shifts or trading patterns.

What We Looked For

304 We looked for evidence that each of the five agencies:

- knew who their existing and prospective clients were, and had identified the characteristics of those clients – by gender, age, income, location, needs, and preferences; and
- had taken initiatives to meet emerging client needs.

Identifying Clients and Their Needs

305 All five agencies had identified their clients, and were broadly aware of client groups and their different needs. The process of identifying clients and their needs can be complex; particularly where agencies deliver a variety of services to groups of clients with very different characteristics and needs. The Department of Conservation is one agency which has taken positive steps to identify its clients, analyse their characteristics and needs, and develop a service strategy to meet those needs.

306 Visitors to national parks and other areas the Department manages come from all parts of the globe, and with many different goals. The variety of client groups which make up the market for its visitor services led the Department to develop a service delivery strategy which would enable it to respond more effectively to their differing needs.

Department of Conservation
Te Papa Atawhai

Visitor Strategy

The Department of Conservation prepared a comprehensive V*isitor Strategy* in 1996. The strategy:

- explains why the areas managed by the Department have been protected and the importance of these areas as places for visitors to enjoy;
- identifies visitor expectations of the level of service and helps to shape management of recreational opportunities on public conservation land;
- establishes the general characteristics of each visitor group, translates these characteristics into service needs, and identifies what each type of visitor wants – including factors such as settings, access, facilities and services, and projections of use;
- describes the specific strategic direction for each of the visitor groups in terms of –
  - the location and range of facilities and services provided,
  - standards of these facilities and services, and
  - the role of other providers; and
- identifies a number of means of providing visitor information and interpretative material –
  - signs and notices
  - visitor centres and information centres
  - visitor publications
  - visitor programmes
  - policies for relationships with concessionaires and other bodies such as tramping clubs and the Mountain Safety Council.

307 Like the Department of Conservation, Tenancy Services must understand its clients in order to design services which meet their specific needs. Knowing about local rental markets is vital to the success of its service delivery objectives.

TENANCY services

A division of the Ministry of Housing

Knowing Local Rental Markets

Tenancy Services had relationships with client groups locally and through its Customer Council. Its offices were aware of the characteristics of the rental markets they were serving. Managers and staff told us that these factors influenced the behaviour of their clients, and the type of advice they sought. We believe that more work could be done to identify the different characteristics of tenant groups, and address those through an active strategy to promote its services.

308 Relationships with external stakeholders are a source of important information about the characteristics of client groups. In considering how best to reach its clients, the Passports Office has recognised the importance of collaborating with stakeholders.

309 The Passports Office has identified its stakeholders and clients in the *Identity Services Strategic Plan*. These groups included intending travellers, other government agencies such as the New Zealand Immigration Service, ethnic groups, travel agents, and Citizens' Advice Bureaux.

PASSPORTS

Awareness of Services Available

The Passports Office is designing a marketing strategy to ensure that potential clients are sufficiently aware of services available and how to gain access to them. Stronger linkages with interested parties will enable the Office to take a more systematic approach to tailoring services for client groups and their needs, and to identify unsatisfied needs.

Taking Initiatives to Meet Emerging Client Needs

310 The Intellectual Property Office was taking positive steps to strengthen relationships with its client groups.

311 Patent attorney firms generate around 70% of the Office's work, making them a major client group. At the time of our audit the Office was in the process of appointing relationship managers whose task it will be to provide a single contact person with the Office for the major firms within this client group. If successful, this initiative should give the Office a better understanding of needs and perceptions within this key segment of its client base.

312 Some individuals or companies make applications only occasionally. The Intellectual Property Office was moving to respond more effectively to the needs of this group by forming a client service group to deal with more general enquiries from infrequent clients.

313 The Customs Service is committed to seeking opportunities to facilitate trade. Within this context it has taken initiatives to develop service options to meet the emerging needs of importers and exporters.

NEW ZEALAND CUSTOMS SERVICE
TE MANA ARAI O AOTEAROA

Meeting New Service Needs

A Customs Service initiative has been the facilitation of procedures for the import of vessels, equipment and personal effects for the coming America's Cup yachting challenge. This arrangement should facilitate the importation process for competitors and save them the considerable costs of paying duty and/or GST at the border.

The Customs Service in Auckland also frequently consults the key users of its services. This consultation allows it to offer new services as opportunities arise.

314 In addition, all agencies had undertaken surveys to help identify the characteristics of potential clients and possible barriers to access or use of services. These surveys were valuable in identifying the perceptions or needs of potential clients with differing characteristics.

Conclusions and Suggestions for Improvement

315 All five agencies had taken steps to determine who their clients were and their needs, and had plans in place to establish closer relationships with those clients. However, only the Department of Conservation had drawn up an explicit, integrated strategy to systematically identify the characteristics of all existing and prospective clients.

316 In our view there was scope to:

- identify market segments in a more systematic way through research and analysis of client databases; and
- develop a comprehensive, explicit service strategy based on that information.

317 We believe that all agencies could achieve further gains if they adopt a more active and systematic approach to the analysis of client needs and perceptions. This will involve:

- regular direct contact with clients – including more regular surveys to assess awareness of services in the community – and use of other client research tools such as focus groups;
- statistical research and analysis for demographic and other relevant data; and
- regular liaison with interested parties such as community organisations and other bodies with whom their clients come into contact.

Best Practice Criteria

318 From our research and observations we identified the following key characteristics of a client-focused organisation in identifying its clients and understanding their needs. To meet best practice criteria the organisation should:

- carry out market research and foster relationships with interested parties to find out who its existing and prospective clients are, and their particular needs and preferences;
- use this information to develop a strategy of targeting particular segments of their market;
- identify local needs so that appropriate services can be provided; and
- use client profiles to introduce new services to meet emerging or unmet needs.

401 In this part we discuss four important requirements for government agencies to consider in providing reasonable standards of access to services, all of which should be components of a service delivery strategy:

- a clearly stated service access plan;
- specified services that meet different client needs;
- information about services and about the agency which is easy for clients to use and which helps them find the services they are seeking; and
- when changes in services are made, a plan to manage the changes to minimise the impact on clients.

402 A comprehensive understanding of clients and their needs should provide agencies with the necessary information from which to prepare a service delivery strategy. This strategy should specify how the agencies plan to provide access to their services for existing and prospective clients.

What We Looked For

403 Government agencies face the challenge of ensuring that the identified client groups have reasonable access to services; consistent with efficient resourcing. The mix of service channels (telephone, face-to-face, electronic, or mail) should offer choice, cater for the needs of client groups, and provide equitable access. The mix should reflect the nature of the service and the characteristics of the client. We looked for evidence that the five agencies had considered ways to enhance choice and access, making full use of available technology where appropriate.

404 The most common means by which the public finds out about a government service is through information supplied by the agency itself. Information about services should be relevant, comprehensive and understandable. With the assistance of external advisers we analysed commonly used forms, pamphlets, booklets and brochures for ease of use by possible clients.

405 In addition, establishing a clear corporate image and promoting the services they offer is essential for clients to be well informed and able to find the services they need. We assessed the extent to which the five agencies were fostering a distinct corporate image by which clients could readily identify the agency's role and the services it provided.

406 Finally, we examined instances where agencies had changed the way in which they were delivering services. Changes to the way services are delivered can be confusing for clients, and should be monitored carefully to

ensure that services continue to be provided to an acceptable standard over the period of transition.

Our Specific Expectations

407 We expected each agency to be able to demonstrate that it:

- had drawn up a service delivery strategy which specified how it planned to provide access to its services for all existing and prospective clients;
- was offering a mix of service channels which reflected the profile of its clients; and
- had considered ways to improve access to its services, including making full use of available technology.

408 We also expected information about services to be easy to use, and agencies to have fostered a distinct corporate identity to help clients find them and the services they were providing.

409 Finally, we expected to find changes to services managed to minimise the impact on clients.

A Service Access Plan

410 An explicit service access plan should:

- recognise accessibility as a key service delivery principle;
- specify the standards of service the public can expect, having regard to the types of services provided; and
- identify options for service delivery and determine the most appropriate channels for delivering services which will meet client needs (such as partnership with allied providers, agency arrangements, and different client contact options).

411 Only one of the five agencies – the Passports Office – had expressly identified accessibility as a principle of client service, and had developed an explicit policy governing access to its services. The Identity Services Strategic Plan defines access as one key factor to be considered when developing a service delivery framework. Drawing up an access policy and evaluating its effectiveness in practice is essential if government agencies are to ensure that the needs of all potential clients are being satisfied.

Offering a Mix of Service Delivery Methods

412 One of the challenges facing government agencies is to provide a reasonable standard of access for the full range of individuals and groups who may seek to use their services. The approach taken by Tenancy Services (see next page) is a good illustration of how one agency has considered different ways of delivering services to its clients – tenants and landlords right across the country.

Looking for Opportunities to Improve Access

413 All five agencies had taken initiatives to enhance access or address potential barriers to access, often making valuable use of technology. These reflected the type of services being provided, and the type of client. Initiatives included:

- establishing call centres with toll-free access;
- establishing electronic links, including supply of information through the Internet; and
- using other agencies, community organisations, and interested parties.

414 Three of the five agencies had call centres: the Customs Service, Tenancy Services, and the Passports Office. We assessed each call centre against best practice criteria – see Appendix 1 on pages 117-127. Overall the call centres provide an important service to clients in each of those three agencies.

415 All five agencies had an Internet web site. We evaluated these websites applying criteria developed specifically for the evaluation of government websites. Generally the sites contained useful information.

416 Analysis of web site use can also be a valuable source of data about clients and the type of information they are seeking. We discuss the benefits of such analysis further in Appendix 2 on pages 128-135.

417 The Customs Service is undertaking a project to streamline the importation of goods by individuals and businesses that do not use electronic clearance methods. The project includes reviewing the technology available to improve small goods clearance – such as through telephone services or the Internet.

A division of the Ministry of Housing

Multiple Delivery Methods

The mediation services provided by Tenancy Services require direct communication between the tenant and the landlord. One way in which this takes place is through face-to-face meetings between the parties in the presence of a Tenancy Services Disputes Resolution Officer. Tenancy Services has 21 offices throughout the country to facilitate face-to-face mediation. Some offices cover very large areas. For example the Rotorua office covers an area from Turangi in the south to Whakatane in the north and Hicks Bay in the east.

Because of the size of the areas they serve, local disputes resolution officers have formed relationships with local Citizens' Advice Bureaux and other community organisations. These community groups are provided with Tenancy Services leaflets and brochures, and in some cases are given basic training on the rights and responsibilities of landlords and tenants. In certain circumstances mediations are conducted in these groups' offices.

Contract mediators are also used to cover areas that are a long way from the nearest Tenancy Services office.

Shuttle mediations and teleconferencing also provide an alternative means of overcoming potential access problems associated with distance.

Other positive steps Tenancy Services has taken to ensure clients are able to access services are establishment of:

- a call centre which either takes overflow calls to an office or automatically answers an office's telephone; and
- an Internet web site which provides information about its services.

Meeting the Information Needs of Clients

418 All five agencies were using a variety of means to communicate with clients:

- newsletters;
- visits and in-house functions;
- a public presence at seminars and other venues;
- explanatory material such as booklets and brochures; and
- the Internet.

419 However, marketing their services and communicating with clients was not always assigned the necessary priority, and each agency had yet to fully develop a strategy to establish and maintain ongoing relationships with existing and potential clients. At the time of our audit the Intellectual Property Office and the Passports Office were developing a marketing strategy.

Making Information Understandable for Clients and Easy to Use

420 We evaluated material published by each of the five agencies. Appendix 3 on page 136 lists the evaluation criteria we used. We found that:

- the material was largely clearly set out, with headlines which would ensure that readers found it easy to identify the key messages;
- the content was generally easy to follow, and the design and layout were sometimes imaginative and eye-catching;
- checklists, cartoons and case studies were used as helpful ways of illustrating the messages the agencies were seeking to convey to readers; and
- instructions for filling out forms were logical.

421 Information material can be made more accessible for the reader by:

- ***Using a natural style with a personal language and tone.*** While some documents were written in a direct and personal tone, other material was written in a formal style, making it more difficult to read.

- ***Designing the material to make the text easy to read.*** Using white space and wide margins can make the text easier to read. Some documents were cluttered with blocks of complex text, making the information more difficult to absorb.

- ***Following a consistent design.*** While design features such as underlining, upper case, fonts and margins can provide variation for readers, differing styles can also make some text visually difficult to follow.

422 We also asked community organisations – such as Citizens' Advice Bureaux – whether they considered the material easy to read. Their views were that, generally, it was.

423 While written material provides a valuable source of information for clients, the five agencies could still consider providing information in a different form. Audio-visual material in the form of compact discs and videos may be a more suitable medium for some groups. At the time of our audit Tenancy Services was preparing audio-visual presentations for landlords, and was planning a similar presentation for tenants.

Fostering Public Recognition

424 Individuals also need to know where to go to find services. Government agencies need to foster a distinct corporate identity which makes it clear to clients what type of services they provide, and to whom. They should also consider how best to promote the services they offer.

425 The five agencies accepted the value of branding their identity and their services. The Customs Service, for example, is one of a number of government agencies with responsibilities for enforcing controls over goods crossing New Zealand's borders.

426 Two agencies – the Department of Conservation and the Customs Service – had already taken significant steps to brand themselves and the services they provided. At the time of our audit the Passports Office was reviewing its forms and leaflets in the light of a Department of Internal Affairs branding project. In our view it is important for the Passports Office to distinguish its services from those of the New Zealand Immigration Service and other agencies to which members of the public might turn to seek a passport or other travel document.

427 Although they were moving in that direction, both Tenancy Services and the Intellectual Property Office had scope to raise their corporate profiles and promote more clearly the services they provided.

428 Comments from community organisations and staff within Tenancy Services itself suggested that its role within the community was not as well known as it could be, and that the public was sometimes unclear about its functions. For example, we were told that Tenancy Services was seen variously as an advocate of the tenant or landlord, or associated with either Housing New Zealand or the Department for Courts (which administers Tenancy Tribunals throughout the country).

429 Confusion about the role played by a government agency may deter potential clients or create false expectations of the type of service they will receive. We suggest that Tenancy Services consider ways to address this source of potential confusion for the public.

Informing Clients About Changes in Services and Managing the Transition

430 Changes in services, or the way in which services are delivered, have a direct impact on existing and prospective clients. Where such a change had occurred, we expected to find that steps had been planned so as to minimise the impact on clients.

431 We examined the closure of Link Centres by the Department of Internal Affairs, and the introduction of client service delivery based on an 0800 number telephone access (see next page).

432 The Passports Office also draws up communication plans for times when normal services may not be available – such as during holiday periods or outside office hours – and when unexpected events occur.

PASSPORTS

The Closure of Link Centres

Although the Department of Internal Affairs assessed that the Link Centres served only a small proportion of passport clients, their closure from the end of December 1997 signalled a fundamental change in the service approach from face-to-face counter service to centralised delivery of information over the telephone. Key components of the transition process were:

- managing public expectations;
- informing interested parties and the general public;
- monitoring the effectiveness of their communications; and
- monitoring use of the new service.

An important step in the transition process was to establish the needs of Link Centre clients for those services which the centres would no longer provide. In drawing up its strategy for advertising coverage, the project team looked at the number of users for each Link Centre location. Over the transition period the Department monitored numbers of counter enquiries from people visiting Departmental offices which were continuing to operate at the same locations. This monitoring indicated the effectiveness of the Department's communications.

The Department prepared a communication plan for the closure of the Link Centre network designed to remind the public of the closure of the centres and inform it of the new toll-free 0800 telephone numbers available for callers from throughout the country. The public was informed about the changes by:

- mailouts to travel agents;
- posters, flyers, business cards and signage;
- a telephone transfer system for callers to Link Centre numbers; and
- radio and newspaper advertising.

The Department advised the public of the impending closure of the Link Centres, and concluded that this led to the intended decline in use of the centres as clients adopted the replacement services. Demand declined with promotion of the Department's newly introduced toll-free 0800 telephone number.

Conclusions and Suggestions for Improvement

433 One of the challenges facing government agencies is to provide a reasonable standard of access for the full range of individuals and groups who may seek to use their services. This requires agencies to know who their clients are, and which groups have special needs or are likely to encounter problems with access to services. All five agencies were taking steps to improve access to their services, through the use of technology and relationships with client groups.

434 We believe that there is a need for all agencies to integrate service initiatives into an explicit service delivery strategy, in order to provide reasonable assurance about the levels of access available to all clients.

435 The call centres operated by three of the five agencies were making a valuable contribution to the quality of client services. We identified areas where the centres might operate more effectively. We also examined the Internet web sites for each agency, which contained useful information.

436 Information material was generally easy for clients to use and understand. However, marketing and communications were not well developed in any of the five agencies, although steps were being taken in this direction.

437 All agencies need to assign priority to implementing programmes to market their services and establish systematic communications with clients. Building partnerships with community organisations which have ongoing links with clients as well as direct promotion of the services they can offer, are important elements of this service marketing strategy.

Best Practice Criteria

438 From our research and observations we identified the following key characteristics of a client-focused organisation in providing access to services. To meet best practice criteria the organisation should:

- have an explicit policy governing access by all potential clients to its services;
- actively seek opportunities to enhance access for groups whose needs may not be well met through existing service delivery methods, or who face potential access barriers, using innovative options where appropriate;
- make it easy for clients to do business, offering a choice of service channels and (wherever possible) providing customised service channels;

- consider ways to improve access by taking advantage of technologies such as the Internet and call centres;
- promote its services to the public, telling the public about itself and about its services;
- seek opportunities for clients to participate directly in the design of services;
- build partnerships to better accomplish shared service goals and as the basis for new services;
- publish information about its services which is understandable and easy to use; and
- inform and (where possible) consult relevant segments of the client population, or organisations familiar with these clients, about planned changes in the way services will be delivered.

501 We recognised that there were significant differences in the ways in which the five agencies were required to deliver their services. Nonetheless, we identified a number of common principles that we expected all of them to be following. To assess whether each agency was meeting our expectations we looked at the ways in which services were being delivered, examining (where necessary) the underlying systems and processes.

What We Looked For

502 We looked for evidence that systems and processes in each agency reflected an awareness of the importance of a set of common good practice principles. These principles were:

- delivering a service on which the client can depend;
- obtaining the co-operation of the client and the public;
- ensuring that client information is handled appropriately;
- meeting the needs of face-to-face service delivery;
- being prepared to make a special effort to meet the needs of the client; and
- setting user charges on the basis of a fair and reasonable assessment of costs.

Our Specific Expectations

503 Members of the public and businesses should have confidence that services will not be interrupted on account of failures in agency systems. This risk is highest when agencies rely on electronic systems to deliver services. We expected that the five agencies would have plans in place to ensure continuity of service to clients in the event of systems failure.

504 An agency should inform its clients of their rights and obligations, and make it clear what would happen if the rights were not honoured or the obligations were not met. Information and education are two key means of achieving compliance and ensuring that clients know their rights and obligations. We expected to find that the five agencies had:

- provided information material for their clients which set out clearly the clients' rights and obligations; and
- made obligations clear to their clients, and approached compliance activities in a consultative way.

505 Clients dealing with government agencies need to be confident that their information will be handled with care and kept secure. We expected the five agencies to be alert to the sensitivity of the information they collected from their clients.

506 Serving clients face-to-face demands special skills on the part of staff, together with appropriate facilities. We expected the five agencies to meet adequate standards wherever they delivered services in this way.

507 We expected that the five agencies, in striving to provide excellent service, would be willing to "go the extra mile" for the client.

508 We expected the five agencies to have a robust system for allocating costs to services, as the basis for setting user charges.

Delivering a Reliable Service

509 We decided to assess the reliance placed on electronic systems in delivering services and the extent to which the five agencies had considered and addressed the risk of system failure. For this purpose we selected the Customs Service and the Passports Office as case studies.

510 The processing of import entries and issuing of passports are two services that depend heavily on the reliability of electronic systems.

NEW ZEALAND
CUSTOMS SERVICE
TE MANA ARAI O AOTEAROA

Introduction of the Electronic Cargo Information (ECI) Fast Freight Manifest System – Contingency Planning

The Customs Service formed a joint group with clients to discuss introduction of the ECI system for clearing air cargo. A major concern raised by airfreight businesses at consultative meetings was the reliability of the electronic interface between themselves and the Service. In response to concerns expressed by clients the Service gave assurances that it would operate alternative processing procedures should technical problems occur, and it developed a contingency plan.

The contingency plan incorporated a facility for staff to manually process cargo manifests should the computer link fail. The link did, in fact, fail while we were carrying out our audit, requiring stand-by staff to process entries at short notice outside normal hours.

511 The Passports Office had a business continuity plan and capacity to move to electronic processing at its Christchurch office as a disaster recovery site, together with manual processing from other Identity Services sites.

Managing All Links in the Service Chain

512 Government agencies may also rely on suppliers and contractors to meet their service commitments. These external parties are a vital part of the service chain, which must be managed closely to ensure the reliability of service. All five agencies depended – to a greater or lesser extent – on the performance of external parties to meet their service commitments. The Passports Office illustrates the importance of those relationships.

513 For the Passports Office it is vital that:

- it has ready access to records necessary for processing applications; and
- once processed, passports are delivered promptly and securely to the intending travellers.

514 Records management and document delivery were being undertaken by contractors. Both contracts required the contractor to employ document-tracking systems and offer an urgent service where necessary. Discussions with Passports Office staff, and examples of correspondence between the Office and the contractors, indicated that staff were aware of the important role played by the contractors in meeting the Office's obligations to its clients.

Obtaining the Co-operation of the Client and the Public

515 Any government agency seeking to ensure that its clients meet their obligations must first secure their co-operation. A system where the individual or business is willing to comply offers significant potential benefits for the agency and the client:

- cost savings for the government agency concerned, with fewer detailed controls and more efficient processing;
- a more timely service; and
- lower costs of compliance.

516 We identified three aspects necessary to secure this co-operation:

- helping clients to understand their rights and obligations;

- encouraging self-reliance and voluntary compliance; and
- fostering positive public relations through marketing and communications.

Helping Clients to Understand Their Rights and Obligations

517 All five agencies had produced information which outlined rights and obligations. Such information helps clients understand their obligations, thus promoting co-operation and voluntary compliance.

518 The Customs Service produces a range of publications including pamphlets and guidance notes. It also issues a number of fact sheets explaining different aspects of the border control regime and how the regime is administered.

519 The Intellectual Property Office issues information brochures outlining the procedures for the protection of intellectual property – patents, trade marks and designs.

520 The passport application form is largely self-contained, providing itself the primary source of information about the obligations on the applicant and requirements under the legislation.

521 Processing staff at both the Intellectual Property Office and the Passports Office use standard paragraphs in their correspondence which specify the action that needs to be taken by the applicant. Those paragraphs ensure that clients receive consistent information about their obligations and the action expected of them to meet the agency's requirements.

522 As part of its visitor information service the Department of Conservation produces a range of pamphlets about its National Parks, including track guides and details of history and natural features.

Encouraging Self-reliance and Voluntary Compliance

523 If it is effectively designed and marketed, information about services and about the rights and obligations of clients can help government agencies achieve their corporate objectives by promoting self-reliance and voluntary compliance.

TENANCY services

A division of the Ministry of Housing

Encouraging Self-reliance Through Advice and Guidance

Tenancy Services has prepared a variety of information outlining the obligations of landlords and tenants, and describing the services it offers. Pamphlets are available on a range of subjects – including discrimination, applications to the Tenancy Tribunal, and tenancy bonds. Each provides clear advice on tenancy matters in simple and direct language.

In addition, a comprehensive booklet *Renting and You*:

- explains the rights and responsibilities of tenants and landlords;
- outlines the main features of tenancy law;
- explains how to use the services of Tenancy Services; and
- provides practical advice and guidance, with the help of checklists, case studies, and answers to common queries.

A model "Tenancy Agreement" developed by Tenancy Services serves as a valuable means of telling tenants and landlords about their rights and obligations and about the role of Tenancy Services.

In the course of our visits to district offices of Tenancy Services we noted that other explanatory material had also been prepared to meet local needs or the needs of specific client groups. This included:

- information about the sale of rented property;
- case study scenarios to help tenants resolve disputes in flatting situations;
- checklists for landlords and tenants;
- information about common areas of dispute, e.g. payment of rent arrears; and
- notes on boarding and flat sharing agreements.

This material could readily be used more widely and form the basis for an education and awareness action strategy to improve knowledge of services and communicate more actively with community agencies and clients.

524 Tenancy Services uses a variety of information for this purpose. Focusing on ways in which tenants and landlords can avoid tenancy problems and (where possible) resolve disputes themselves, the material provided by Tenancy Services is consistent with its stated philosophy of encouraging self-resolution of disputes by the parties concerned.

525 Government agencies sometimes face a tension between enforcing the law on the one hand, and responding to the needs of clients on the other. Enforcement should, as far as possible, be achieved through education which explains the need for compliance and gives advice as to how that can be achieved. The Customs Service is one government agency that must strike a balance between enforcement and service in its everyday dealings with clients.

NEW ZEALAND CUSTOMS SERVICE TE MANA ARAI O AOTEAROA

Achieving a Balance Between Enforcement and Client Service – Getting Export Statistics Right

The reporting of trade patterns and interest rate levels is influenced by the accurate and timely production of export statistics. However, the Customs Service discovered that export entries were often incorrect and lodged late. In August 1998 the Service therefore launched a national strategy – in conjunction with the Department of Statistics – directed at over 7,000 exporters to highlight the statutory requirements, the export schedule, the importance of statistics, and the need for timely, accurate lodgement of documentation. Exporters were invited to seminars and were sent information packs. The Service also encouraged businesses to lodge export entries electronically, and to tell the Service if they were unable to meet the 48-hour deadline.

Fostering Positive Public Relations Through Marketing and Communications

526 A positive public image fosters community co-operation, and can help government agencies win support for the way they deliver their services. Positive public relations is vital for the success of the Department of Conservation's visitor strategy (see next page).

527 All five agencies had a range of material available for clients. Public education initiatives included:

- A proposal by the Customs Service to run courses in conjunction with customs agents to address a lack of understanding of customs requirements. The Service's auditing group also has an educative and public relations role, designed to help traders meet their obligations and avoid penalties.
- Seminars run by individual Tenancy Services offices for real estate agents, tertiary education institutions, Citizens' Advice Bureaux, offices of Housing New Zealand, and property managers.

528 We identified opportunities in each of the five agencies to promote better client understanding of their obligations through education programmes. In broader terms, all five agencies needed to consider preparing integrated and comprehensive strategies to address the need for all client groups to have a full understanding of their obligations. The strategy should include public awareness and education, training, and awareness programmes targeting specific client groups.

Ensuring That Client Information Is Handled Appropriately

529 We expected the five agencies to be alert to the sensitivity of the information they collected from their clients. As evidence of this awareness we looked for:

- references to privacy and confidentiality issues in codes of conduct; and
- an awareness among the staff and managers we interviewed of the importance of meeting obligations of privacy and confidentiality to the client.

Department of Conservation
Te Papa Atawhai

Promoting Positive Community Relations to Help Achieve Client Service

For conservation strategies to be successful in the long term, they must first be accepted and valued by their surrounding communities and key user groups. For example, the Department of Conservation manages over 75% of the land on the west coast of the South Island. This means that almost every resident of the area has some type of relationship with the Department; making good community relations vital to the success of any conservation initiative.

To promote positive community relations the Department has prepared a national *Public Awareness Strategy and Action Plan* and a framework for each conservancy to draw up its own community relations plan.

During our field work at the West Coast Conservancy we collected several publications oriented toward community relations in that conservancy. It has identified stakeholder groups, and prepared:

- a West Coast Public Awareness Strategy;
- media guidelines for area managers;
- a community relations crisis management plan; and
- a public awareness framework.

The West Coast Conservancy has also developed a range of public relations strategies, and has taken a number of initiatives to establish positive relationships with community groups, including:

- media releases;
- mail-outs to target community groups;
- open days at visitor centres;
- community meetings; and
- school contacts.

Tongariro/Taupo, the other conservancy we visited, also undertakes events which serve an important public relations function – such as a summer programme and annual conservancy conservation awards. These events also serve as an effective means of networking with clients and interested parties.

530 Privacy and confidentiality were particularly relevant to:

- Tenancy Services, because of information it holds about rents, bonds and tenancy arrangements;
- the Customs Service, because of the information it holds about imports, exports and illicit activity;
- the Intellectual Property Office, because it holds information with significant commercial value; and
- the Passports Office, because of the personal information it holds and collects for the purpose of issuing passports and other travel documents.

531 The five agencies had policies in place governing the proper handling of sensitive information. However, some individual service groups needed to develop specific guidance and procedures so that staff understood how the issue was important to their day-to-day work.

Tenancy Services: Handling Requests for Information

532 Tenancy Services provided written guidelines for staff as to how they should handle requests for information. These guidelines supplemented general provisions in a code of conduct for mediators. Staff we interviewed were aware of the need to handle personal information with care. A Customer Charter for the Tenancy Bond Centre contains a commitment to protect all personal information, and we were told that awareness of privacy considerations was incorporated in training for Bond Centre staff.

The Customs Service: Personal and Commercial Information

533 The Customs Service had a code of conduct, detailed security policy, and standards governing the handling of information. Staff we interviewed were broadly aware of their obligations. Guidance for individual groups would ensure that all staff were able to relate these obligations more directly to their day-to-day work.

The Intellectual Property Office: Information About Inventions

534 The Ministry of Commerce had a code of conduct that applied to staff in the Intellectual Property Office. We suggested that the Office develop specific guidelines tailored to the nature of its particular business, to reflect the risk of inappropriate disclosure.

The Passports Office: Personal Information About Individuals

535 The Department of Internal Affairs had a code of conduct that applied to staff in the Passports Office. The *Passports Procedures Manual* contained guidance on handling requests for information, and the passports system could be used to verify the identity of an enquirer. In addition, the Office had issued guidance as to what personal information call centre staff should release over the telephone. We saw this guidance as a valuable reference for staff in establishing the relationship between the caller and the applicant for a passport.

Meeting the Needs of Face-to-face Service Delivery

536 Staff serving at public counters need a specially defined set of skills. Face-to-face interaction with the public demands special interpersonal communication skills, involving:

- using information to deliver clear messages to enquirers with varying levels of knowledge and understanding of their responsibilities; and
- dealing with many different clients – often from different cultures, and some of whom will be angry and frustrated.

537 We expected staff at public counters to have been trained in client service, and to have the necessary information to handle a range of possible enquiries from the public.

538 Service centres or counter areas should be designed to meet the needs of target client groups. They should be both functional and welcoming. We assessed the extent to which public service areas met these requirements.

539 We expected service areas to reflect the type of client and:

- have clear signage and access;

- offer personal facilities for clients – such as adequate waiting spaces and (where appropriate) play areas for children; and
- have interview rooms where staff and clients can hold discussions in private.

540 The five agencies recognised the need for counter staff to be skilled in providing face-to-face service. Where appropriate, each agency had trained its counter staff in client service. Staff in the Department of Conservation's visitor information centres and in the Passports Office had received "Kiwi Host" training. In its Auckland office the Passports Office has formed a distinct client information team to deal directly with the public, and we were told that the Office is planning to develop a set of competencies for dedicated counter staff in recognition of the special requirements of that job.

541 We visited a number of service centres and public counters, to determine whether they met the criteria in paragraph 539 as to design and layout. In most cases there were signs showing the location of these centres – although promotional and explanatory material did not contain a map for clients with suggestions about where to park or public transport options. We believe this would be useful, particularly for clients from out of town.

542 The public areas we visited had seating available for waiting clients, and booths where clients could fill out forms – although a few were cramped or needed to be streamlined to cater for different client groups. Interview rooms were available for private discussions, and play areas provided where clients were likely to be accompanied by children.

543 We conducted a brief survey to find out how users viewed the standard of facilities within the public library area of the Intellectual Property Office. Respondents made a number of suggestions as to how facilities could be improved, which we passed to the Office for its consideration. We suggest that all agencies consider conducting similar surveys periodically to evaluate whether their facilities meet the needs of their clients, and to obtain suggestions for improvement.

544 At the time of our audit the Office was already planning to re-design its public library space and has told us that it has since relocated this area to provide better facilities for users.

545 Our observations highlighted the importance of having the characteristics of client groups in mind when designing service centres. The Department of Conservation's visitor information centres in its Tongariro/Taupo Conservancy are a good model for a service centre designed to meet the needs of its target clients.

Department of Conservation
Te Papa Atawhai

Designing a Service Delivery Centre with the Client in Mind

An effectively designed service centre is one where clients can have their needs met by skilled and well-informed staff, or have some needs met by a range of information media.

Some visitors to Department of Conservation visitor information centres will expect staff to be able to answer a wide range of questions about (for example):

- flora and fauna;
- track, weather and road conditions;
- fishing and other recreational activities; and
- history and geology.

Counter staff at visitor centres had received “Kiwi Host” training, which covers service skills and general knowledge of New Zealand, its culture and geography. Staff had access to Standard Operating Procedures which contained varied information to help them answer enquiries, and formed part of their training.

Staff also have access to a wide range of brochures, with new information of local interest added when necessary.

Track and weather conditions are displayed on public notice boards, as are ski reports. Visitors are able to make forward hut bookings for other National Park tracks. Foyers in the visitor centres were open 24 hours a day with safety and track information, and a telephone.

Making sure visitors are informed about safety in National Parks and properly prepared for the conditions is an important role for Department staff. Staff are expected also to be familiar with tracks and natural features in their national parks. Staff at Whakapapa were expected to have outdoor experience, and individual staff members were encouraged to spend time in the field.

The centres we visited offered a range of static and audio-visual displays, brochures and books. At the time of our audit the Department was re-designing the Whakapapa Visitor Centre to:

- strengthen conservation messages;
- improve visitor flow and ease congestion to cope with growing visitor numbers; and
- upgrade displays.

Going the Extra Mile for the Client

546 Government agencies need a capacity to respond quickly to the urgent needs of some clients. We noted a willingness among all five agencies to make special efforts for the client. We paid particular attention to the responsiveness of the Customs Service and the Passports Office, because:

- importers and exporters must clear their goods through the Customs Service before they can market or sell those goods within New Zealand or overseas; and
- everyone must have a current passport (or other approved travel documents) before they can leave the country.

The Customs Service: Facilitating the Flow of Goods Across New Zealand's Borders

547 Initiatives by the Customs Service point to a positive attitude towards helping the client. A deferred payment scheme allows importers to defer the payment of Customs charges accounted for on Customs import entries. The intended effect is to increase the efficiency of Customs' tax collection system and to reduce compliance costs for clients.

548 Along with other trans-shipment arrangements, the Service's planned FCL (Full Container Load) Notifications Project represents a further initiative. This will entail the Service providing electronic notification to port authorities that FCL and Bulk Container goods have been released from Customs control. The intended benefits are lower traffic congestion on the wharves, and speedier despatch of shipments to the premises of importers or customs agents.

549 We were told that Customs Service staff are on call to clear urgent shipments, and goods inspections are scheduled for the convenience of brokers and freight forwarders. These arrangements provided additional evidence of a willingness to respond to client needs, and our discussion with a large freight forwarding company confirmed that this service was appreciated.

The Passports Office: Responding to the Needs of Urgent Travellers

550 The Passports Office issues passports and other travel documents within a standard time target of 10 working days. This service meets the needs of

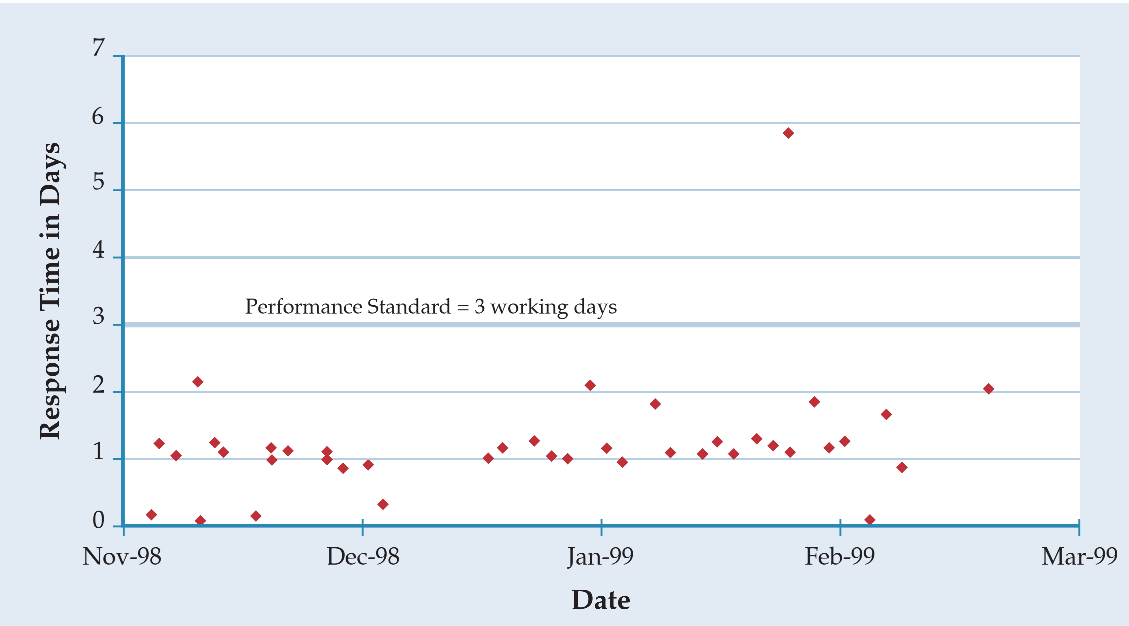
those who are either renewing their passports when they are about to expire, or have already made plans to travel overseas.

551 However, when relatives living overseas fall ill or other unexpected events occur, members of the public may need a valid passport within a day or even hours. To meet this need, the Passports Office will also – for an additional fee – issue a passport within three working days. This is one of the Office's service performance standards. We looked at how quickly it processed urgent passport applications against that standard.

552 Urgent passport applications can be processed at Auckland, Wellington and Christchurch, serving intending travellers about to leave from the three international airports. At one centre we examined 49 urgent applications made between November 1998 and March 1999 where all the necessary documentation had been included with the application. We excluded applications for passport renewal.

553 We found that actual processing times were – with one exception – well below the three working day service performance standard. See Figure 5.1 below.

Figure 5.1
Response Times for Urgent Passport Applications
November 1998 to March 1999



554 The average response time for the urgent applications sampled over this period was 29 hours. We consider this a good illustration of an agency responding to the needs of its clients rather than simply meeting a prescribed standard of service. If the response times we observed are indicative of practice throughout the year, it represents a positive commitment to clients who need an essential service quickly because of their personal circumstances. This is a key feature of any responsive service organisation.

555 In addition to providing an urgent service in normal working hours, the three passport offices in Auckland, Wellington and Christchurch provide a call-out service in the evenings and at weekends. Extensive use is made of couriers to ensure speedy despatch of documents and passports to clients.

User Charges: Paying for Services

556 Parliament is entitled to assurance that the fees charged for the provision of public services are based on a full knowledge of costs and activity volumes. Over time, fees can represent significant costs for individuals or clients. For the 1996-97 year, for example, one firm of patent attorneys paid almost $4 million in fees to the Intellectual Property Office on behalf of its clients.

557 We expected to find fees based on a robust system for recording costs, time and levels of activity.

558 The Intellectual Property Office and the Passports Office charge for their services. We did not test systems for attributing costs to those services. We did, however, examine their methods for allocating staff time to the services which they were providing for different client groups.

The Intellectual Property Office

559 Clients pay fees for the Intellectual Property Office to process applications related to patents, trade marks, or registered designs. We asked staff how they recorded the time spent on different activities.

560 Although the Office is able to monitor activity volumes, it does not routinely record staff time separately against those activities for which the Office charges fees to its clients. Consequently, we were not satisfied that the Office was able to provide the necessary assurance that fees and activity costs were related over time.

561 The Office told us that it had reviewed the relationship between work types and staff time over a two-month period. It considered two months a

sufficiently long period from which to derive reliable costings because the work was repetitive and there was consistency in the time required to process similar tasks.

562 We encouraged the Office to: review its activity costings on a regular basis; and consider putting in place a time recording system which would enable it to routinely monitor the allocation of staff costs to activities, thus providing a more defensible rationale for the fees paid by clients.

The Passports Office

563 The Passports Office charges client groups for the range of different services it provides. It is able to relate costs to fees, using detailed data about activity volumes and processing times for different activities. This information enables it to review its pricing strategies in a transparent way to:

- advise the Government on cost-recovery options;
- adjust for shifting demand and processing efficiencies; and
- identify and address cross-subsidisation between services.

Conclusions and Suggestions for Improvement

564 The five agencies should develop strategies which ensure that all client groups have a full understanding of their rights and obligations. This strategy should include public awareness, education, and training programmes targeting specific client groups.

565 Service centres of the five agencies generally offered appropriate facilities for clients. Counter staff had the necessary skills and training to deal with members of the public face-to-face, and had access to a range of information to respond to requests for advice or guidance.

566 While we found policies in place governing the proper handling of sensitive information, we believe that there is a need to develop specific guidance and procedures for individual service groups. This will allow staff to appreciate how this obligation is relevant to their day-to-day work.

567 In all five agencies we found a willingness to make special efforts to meet the needs of clients. This is a key characteristic of any agency committed to delivering high-quality service.

568 Where government agencies charge clients fees for services they must be able to justify fee levels through analysis of the time and cost involved in providing the service. We recommended the ongoing recording of staff time against discrete activities as a sustainable basis for charging for services over time.

Best Practice Criteria

569 From our research and observations we identified the following key characteristics of a client-focused organisation in delivering its services. To meet best practice criteria the organisation should:

- recognise the importance of reliability to the client – through business continuity and contingency plans, and careful management of dependency relationships with external parties;
- design public relations and education programmes to make clients aware of their obligations and foster co-operation and voluntary compliance;
- treat client information with respect and ensure its security by having policies and procedures to guide employees in handling such information;
- design service centres with the needs of the client in mind; and
- be willing to make special efforts to respond to the needs of clients.

601 Agencies with adequate resources will have the capacity and capability to deliver quality services to their clients. The two main areas we examined were:

- personnel practices; and
- business processes.

What We Looked For

602 An organisation's staff are its key asset for delivering quality client service.[4] A number of factors strengthen the competence, capability and empowerment of staff to serve clients well – including recruitment, induction, on-going training, having multiple skills and motivation, and an environment that will foster a service culture.

603 Staff need to be provided with the tools and support systems necessary to serve the client effectively. Support systems include information technology, supportive management, and effective scheduling of resources.

604 We did not test the effectiveness of control systems as part of this audit.

Our Specific Expectations

605 We expected the five agencies to have identified personnel management as a vital ingredient in the delivery of services by:

- establishing key attributes of excellent customer service in job descriptions;
- identifying and addressing training needs for staff;
- fully utilising staff by giving them multiple skills and secondments, where appropriate;
- operating a performance assessment and remuneration system which reinforced client service; and
- fostering a client-focused culture.

4 The Public Sector Training Organisation has issued unit standards for public service delivery. These standards provide a basis for assessing staff competence in service delivery and identifying training needs.

606 We also expected to find in each agency (as appropriate) sound business processes supporting the delivery of services, such as:

- clear staff responsibilities and operating procedures;
- effective relationships between the different parts of the business that have a role in providing service to clients;
- resource planning and management to ensure that resources are matched to demand, thus maximising efficiency and providing assurance that the agency will be able to meet its service commitments in the short and long term;
- effective process tracking systems that facilitate workflow, minimise delays in the different parts of the business, and enable the agency to tell clients what stage of the internal process an enquiry or application has reached; and
- quality control systems (which may include periodic sampling and peer review) that provide ongoing assurance that procedures are being followed.

Personnel Management

607 All five agencies had identified staff as their key resource in providing high-quality service to clients.

Job Descriptions

608 We examined the job descriptions of selected staff in each agency who dealt with clients. These identified a demonstrated commitment to client service as a key competency requirement. For example, the job descriptions we reviewed for Customs Service officers placed a strong emphasis on quality service.

609 The job descriptions for Customs Service staff also identified the competencies required in each role. These competencies are weighted. The job description for client service officers, for example, requires the jobholder to display a high level of ability as a client server, decision-maker and communicator.

Client-focused Training Needs

610 All five agencies had trained relevant staff in client skills, or were in the process of identifying training needs. This training included courses in communications, service delivery and negotiation, telephone etiquette, and conflict resolution. Familiarisation with the work of different business units was a feature of training for call centre staff who were required to handle a wide range of enquiries.

611 Staff and volunteers working at Department of Conservation visitor information centres are required to have a general knowledge about the outdoors, reflecting the need to be confident when answering questions about the local area.

"Multi-skilling" and Secondments

612 The Intellectual Property Office, the Customs Service, and the Passports Office used staff with multiple skills and secondments to address workload peaks, give staff a broader understanding of the business, and provide an appreciation of dependent relationships between business units.

Performance Assessment Linked to Client Service

613 Job descriptions identified client responsiveness as a key competency and contained indicators for monitoring performance. However, without structured feedback mechanisms performance assessment was not explicitly linked to evidence of the individual displaying the required level of competence in serving clients. This type of assessment is difficult to undertake in an objective way. Nevertheless, Tenancy Services had taken some steps in this direction.

614 The Customs Service had introduced non-monetary incentives to recognise quality client service. Compliments from clients about the service they received from staff are published internally. Similarly, staff at the Passports Office call centre exchange positive feedback from clients. Such management approaches can provide valuable motivation for staff in maintaining and enhancing a service ethic in their work.

A division of the Ministry of Housing

Feedback on Mediators' Skills

Tenancy Services offers mediation services to help landlords and tenants solve problems.

Mediation is a specialised skill requiring empathy, patience and objectivity. The job description for Tenancy Services mediators reflects these competencies. Tenancy Services has developed a performance plan designed to improve the agency's performance by creating a system of regular client and peer feedback to:

- identify and acknowledge individual contributions;
- identify training and development needs; and
- provide information for decisions about performance-related remuneration.

Client-focused Culture

615 Front-line employees are constantly in contact with clients. Staff surveys can therefore be a useful tool in determining the needs of staff, such as more training, better direction from management, or greater empowerment.

616 The Passports Office and the Intellectual Property Office had recently carried out staff culture surveys. In June 1998 a survey of Department of Internal Affairs staff was carried out to monitor progress with the department's change process, and followed three previous cultural surveys of staff.

617 Similarly, staff at the Intellectual Property Office were participating in a programme – "Service is Me" – designed to foster staff commitment and a client-focused culture. Responses to both surveys highlighted positive perceptions of the organisations and barriers to better service.

Business Processes

618 Sound business processes are vital to ensure that clients receive a high-quality service. The five agencies had in place a variety of business processes providing the foundation for the consistent, co-ordinated and efficient delivery of high quality services.

Clear Staff Responsibilities and Operating Responsibilities

619 Clear guidance for service delivery processes helps to ensure that staff provide consistent and appropriate information to clients. All five agencies provided detailed policy and procedure manuals for staff involved in client service activities.

Effective Relationships Between Different Parts of the Business

620 We assessed how well staff understood the different parts of the business and how aware they were of the contribution each made to service delivery. These relationships may be between different processing groups, or between those groups and support functions such as document management.

621 These relationships were particularly important for effective processing within the Passports Office, the Intellectual Property Office, the Customs Service, and, to a lesser extent, Tenancy Services. Staff had a sound understanding of their roles, and of the ways in which outcomes for the client depended on their own contribution to work processes. Channels for communication included staff meetings, exchanges of staff, intranets, and internal newsletters.

Resource Planning and Management

622 Resource constraints can lead to unmet demand and dissatisfied clients. Staffing levels should enable the agency to respond to changing demand in the short term and over time. Agencies should seek to match resources to demand as far as possible, to ensure that they are able to meet client demand in the most efficient manner.

623 Resource planning is particularly important where:

- the agency carries out high-volume operations; or
- workloads can fluctuate significantly over the year.

624 Agencies may also need to allow sufficient time to recruit staff with the necessary skills and experience.

625 Each year the Passports Office processes around 270,000 applications for travel documents, while the Customs Service checks and clears around 2.5 million import and export entries. Tenancy Services receives around 500,000 enquiries each year about tenancy matters. Because of their high-volume operations it was important that these three agencies, in particular, were monitoring workload and managing demand by scheduling resources accordingly.

626 All three of those agencies were monitoring closely work volumes over time. The Passports Office, for example, commissions annual 5-year work volume forecasts. It also monitors workloads at office and team levels by application type, as does Tenancy Services.

627 Resource planning is particularly important where demand fluctuates over the year. This is the case for Department of Conservation visitor centres, where summer demand greatly exceeds demand in winter. Accordingly, the Department prepares demand forecasts for its visitor centres using historic counts of visitor numbers, and schedules seasonal staff to meet expected demand.

628 Smoothing demand has the potential to ease resource planning by reducing the need to make major changes to staffing levels to meet demand peaks, and offering additional options to clients. There were limited opportunities for the agencies to smooth demand. However, at the time of our audit the Passports Office was planning to test a proposal to encourage people to renew their passports. If successful:

- people would choose to renew their passports to avoid paying the surcharge for urgent service; and
- the Passports Office would be better placed to manage demand over the year.

Effective Process Tracking Systems

629 Effective tracking systems are necessary to ensure proper control of work processes, to maintain oversight of volumes and timeliness, and to respond to queries from clients. Such systems are vital where one document may pass from one part of the organisation to another. This happens with the processing of passports where, for reasons of quality control, at least three staff are required to process a single application.

630 Both the Passports Office and the Intellectual Property Office had tracking systems that enabled them to follow an application or document through its various phases, showing:

- the location of the document or application;
- the staff member currently assigned responsibility for dealing with it;
- its status (i.e. the stage of the process it has reached);
- a history of the application or document showing elapsed time since it was received; and
- a narrative explaining the action taken, queries and other matters relating to the application or document.

631 The Customs Service had a similar system for tracking import and export entries. We observed that access to these databases was important in enabling call centre staff to respond to queries from clients.

Quality Control Systems

632 Quality control systems are designed to ensure that processes are followed consistently. Quality control systems used by the five agencies included:

- "mystery shopper"[5] surveys to assess the quality of advice given to clients;
- peer review; and
- sampling for compliance with documented processes or procedures.

5 "Mystery shopping" involves engaging somebody to approach an agency in the role of a client, and assess the quality of service provided. The results can be used to identify specific areas for improvement.

633 Support systems and business controls within Tenancy Services and the Intellectual Property Office illustrate the way in which quality systems contribute to the ability of an agency to meet its service standards. These two agencies have high volumes of applications to process.

A division of the Ministry of Housing

The Administration of Tenancy Bonds – Quality Controls

For efficiency, quality control systems should be tailored to the skills and experience of staff. This approach is taken in the Tenancy Bond Centre at Porirua.

The Bond Centre has a turnaround standard of 24 hours for the refunding of tenancy bonds. For the 1997-98 year the Bond Centre made 152,000 refunds of tenancy bonds. Data must be entered correctly and verification processes followed to ensure that bonds are paid out to the proper party.

The quality control process begins with staff checking one in five applications themselves. A supervisor then checks a sample of applications for errors. The number of applications checked for each staff member is determined by the experience of staff, as measured by their error rates. The supervisor checks one in five applications for new staff and for those staff with higher error rates, while for the other two groups of staff fewer checks are carried out.

The supervisor prepares daily reports analysing errors by type and for each staff member. Coaching is initiated for those staff with error rates higher than 1%.

634 Taken together, sound business processes play a vital role in enabling agencies to meet their service commitments. Work processes in the Intellectual Property Office demonstrate how effective process controls can contribute to the ability of an agency to meet its service standards.

Intellectual Property Office of New Zealand

Effective Work Process Controls

In 1997-98, 5,653 patents were filed with the Intellectual Property Office, while the Office received 15,529 trademark applications and carried out 835 design examinations. Each group in the Office needs to work together to meet the Office's five-day response standard.

Applications for patents, copyrights and designs involve considerable documentation. The Office has a number of controls and processes for efficient and effective file processing, tracking and storage. The different stages of the application and registration process are also subject to a number of statutory deadlines.

To meet its service standards the Office relies heavily on accurate and prompt filing, administration, and retrieval services provided by the Document Information Service Centre (DISC) of the Ministry of Commerce. The Office and DISC have a service level agreement to define the relationships between the two parts of the Ministry.

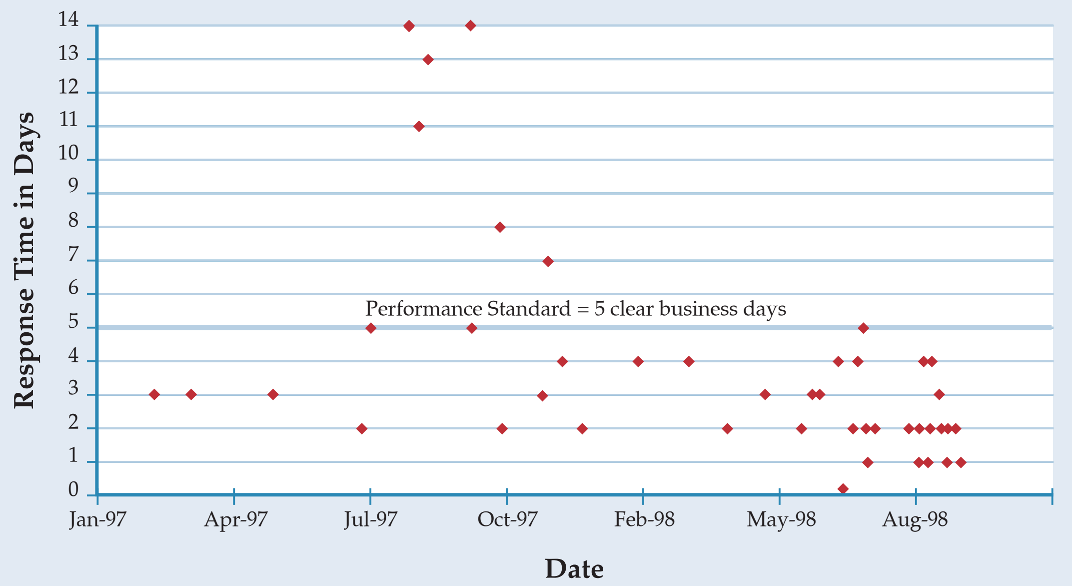
The Office had recently conducted an audit of apparently obsolete and inactive files. To test whether it was meeting its own responsibilities to process applications, we selected a sample of files recorded in the Office's computer system as being inactive.

From the sample tested we found that the files were accurately filed, and contained clear deadlines for client action.

The Office has a performance standard that for 95% of new applications it will issue an examination report or confirmation that acceptance and registration can occur within five clear business days of receipt. We assessed the response time for trade mark applications.

Figure 6.1 (on the next page) shows that the Office had difficulty meeting the five-day response standard in the second half of 1997 due to restructuring. By 1998, however, the Office had settled into the new structure and improved procedures, and the target was consistently met.

Figure 6.1
Trade Mark Application Response Times
January 1997 to August 1998



Conclusions and Suggestions for Improvement

635 A service agency's staff are its key asset. The staff should have the competencies to perform well, be provided with relevant training, and be well motivated by appropriate incentives and a positive work environment.

636 All five agencies valued their staff as their key assets, and recognised the links between their day-to-day work and the services they were providing to clients. However, more explicit links between the assessment of staff performance and the quality of service delivery may offer useful opportunities to both motivate staff and improve outcomes for clients.

637 Process management and other quality controls were in place as the basis for the agencies to deliver services, which was consistent with the principles of quality management.

Best Practice Criteria

638 From our research and observations we identified the following key characteristics of a client-focused organisation in resourcing service delivery. To meet best practice criteria the organisation should:

- make quality management the basis for achieving excellent service;
- recognise that skilled and motivated staff and sound business processes are the key to delivering excellent service;
- make client service a key competency for staff, provide the necessary training, and develop incentives to encourage staff to meet client-oriented goals;
- foster a client-focused culture;
- ensure that staff have the necessary guidance and tools to do the job;
- have in place the necessary resource planning and management processes to ensure that it can meet its service objectives; and
- have in place quality controls to ensure that processes are followed consistently.

701 Measures of service performance and their associated standards set out the levels of service a client can expect to receive. The way the service is delivered, how its performance is measured, and the performance standards set should be established from profiles of the client's needs and expectations. Delivering services that clients do not need, or providing inappropriate services, will often lead to dissatisfied clients.

What We Looked For

702 We examined whether the five agencies had established their service performance measures and standards on the basis of a systematic assessment of client needs.

703 We also evaluated the quality of service performance measures against criteria of measurability and comprehensiveness, and in the context of our own observations of business processes within each agency.

704 In the absence of published performance measures and standards clients are not in a position to judge the services they receive. It is important that the chosen performance measures and standards be clearly communicated to clients, and be directly relevant to the particular service being provided.

705 Giving clients the opportunity to offer suggestions or make complaints can lead to significant improvements in client service. Complaints can point to problems with service performance, process controls, and business support tools; while positive feedback can encourage staff and provide an important incentive for improved service.

706 Client feedback can be a valuable tool for management in confirming that it is measuring the right characteristics of providing the service, and that it is meeting the performance standards set.

Our Specific Expectations

707 The right performance measures and standards:

- provide the means for the agency to assess whether it is responding to the needs of its clients; and
- should be meaningful to individual clients.

708 We expected the five agencies to have:

- used a systematic process to establish appropriate performance measures and standards from an analysis of clients' needs and priorities;
- chosen performance measures that were measurable and comprehensive;
- adopted business processes that focused on meeting performance standards; and
- systematically sought comment from clients on the relevance, comprehensiveness, and relative importance of their performance measures and standards, and their performance achievement against those standards.

Establishing Measures and Standards

709 None of the five agencies directly derived the service performance measures and standards they used from a systematic analysis of client needs. As a result, the agencies were not in a position to demonstrate that their measures and standards fully reflected clients' needs and priorities.

710 Delivering quality services to clients is principally an externally focused objective. Nevertheless, achievement of that objective will be greatly facilitated by efficient and effective internal processes. An agency should consider applying appropriate performance measures and standards to its internal processes. However, they should not be in substitution for measures and standards directly relevant to its clients.

External Measures and Standards

711 In each of the five agencies clients potentially had contact with a variety of operating units, depending on the type of service they were seeking, or the service channel they were using (face-to-face, telephone, or electronic). In many cases operating units within the one agency were serving discrete client groups. This creates the opportunity to develop measures and standards for both the unit providing the service and the characteristics of delivering the service.

712 The Goods Management group of the Customs Service is one example of an agency that delivers a variety of services to a range of different client groups. Services provided within the group include:

- electronic processing of import and export entries;
- processing applications for temporary import entry;

- providing a counter service;
- processing applications for Customs' deferred payment scheme and administering the scheme;
- performing compliance audits;
- administering Customs controlled areas; and
- clearing incoming international mail.

713 Two operating units of the Customs Service had taken steps to assess the level of satisfaction with their services.

NEW ZEALAND CUSTOMS SERVICE
TE MANA ARAI O AOTEAROA

Identifying Clients' Needs

The Customs Service has a public counter at the Auckland International Mail Centre from which it answers telephone and face-to-face enquiries from the public about items of mail and collects duty and/or GST. In October 1998 one of the mail staff assessed the standard of service provided to private importers. The survey showed how importers defined their expectations of service, and how they assessed the Mail Centre's performance in meeting a number of service criteria.

The Service's Client Liaison Group had, for a similar purpose early in 1998, surveyed holders of special importation agreements for their benefits to clients in terms of increased cash flow and lower compliance costs. This questionnaire was a useful means of assessing the level of support for the scheme and maintaining contact with the clients.

714 More generally, in our view, the agencies had scope to establish more measures and standards for each point of client contact and for each type of service transaction. The two examples taken from practices in different parts of the Customs Service show how this can be done.

Internal Measures and Standards

715 One useful way to consider developing internal measures and standards is to use a risk management approach – that is, to identify the internal controls necessary to ensure the agency meets relevant quality management objectives for the processes by which the agency delivers client services. The Passports Office had adopted this approach.

PASSPORTS

Measures and Standards for Process Controls

The *Internal Controls Document* for the Identity Services group makes the Passports Operations Manager responsible for exercising controls to address identified risks to the Passports Office meeting its objectives. The risks set out below show a range of circumstances which may lead to a failure to deliver quality service:

- New Zealand travel documents lose their integrity overseas;
- clients may not be able to travel if the Office does not respond to their applications within the required time;
- clients are not treated fairly or impartially;
- unqualified applicants may receive travel documents;
- travel documents are lost or stolen;
- clients are given incorrect advice;
- client privacy is breached;
- suppliers fail to meet their obligations; and
- clients' records are lost.

Identifying possible causes of service failure is a valuable means of underpinning service commitments to clients.

716 However, using measures of process as indicators of service quality reflects a narrow (and possibly inaccurate) interpretation of client needs, as well as being an internal rather than client-responsive focus. In our view, all five agencies had scope to create a more comprehensive set of external performance measures and standards to better reflect service quality commitments to their clients.

The Adequacy of Measures for Judging Performance

717 The performance measures being used by the five agencies were relevant to the services that they were providing and, in most cases, were readily measurable. However, the measures overwhelmingly related to response times and quantity considerations such as workflow volumes.

718 Timeliness is a key performance measure for clients, and it was appropriate to all five agencies. Although they were using some more qualitative measures, they were not measuring many important aspects of service delivery. Other possible measures (such as for answering telephone enquiries and handling client information) failed to address some key aspects of what each agency was in a position to deliver to its clients.

Business Processes Focused on Meeting Performance Standards

719 The business processes in all five agencies were focused on meeting performance standards. This was illustrated by, for example:

- detailed business objectives for timeliness in different parts of the business which supported the achievement of the agency's overall service standards; and
- close monitoring of work volumes and work in progress.

720 Tenancy Services monitors the elapsed time between mediations and tribunal hearings. This measure is directly relevant to the interest of the tenant or landlord in having the dispute resolved without delay.

721 Meeting service standards means monitoring work in progress and taking corrective action where there is a risk that those standards will not be met. A useful approach is that taken by the Passports Office.

PASSPORTS

Monitoring Processing Times

The Passports Office undertakes to process standard passport applications within 10 working days. Each day a staff member is responsible for following up on all applications that are eight working days old or more and identifying the reasons for delay. This is a useful mechanism to alert the Office to circumstances where it risks failing to meet its timeliness standard, enabling it to take the necessary corrective action before failure occurs.

Obtaining Feedback from Clients

722 Asking clients about the value that they place on different aspects of service, and their perception of performance in those areas, is an essential source of assurance that the agency is meeting the needs of its clients.

723 The agency can take a range of quantitative and qualitative approaches to assure itself that it is providing clients with the services that they need and expect.

724 A mix of techniques can help an agency to understand its clients, and promote ongoing communication. Figure 7.1 opposite shows some of the ways available, and those used by the five agencies.

Figure 7.1
Ways of Obtaining Client Feedback

	Passports Office	Intellectual Property Office	Dept of Conservation	Customs Service	Tenancy Services
Formalised client complaint system	Yes	No	Yes	Limited	Limited
Analysis of complaints	Yes	No	Limited	Limited	Yes
Post-transaction feedback from clients (i.e. call-backs)	No	Limited	No	Limited	Yes
Client focus groups, forums or councils	Limited	Yes	Yes	Yes	Yes
Quantitative client surveys	Planned	Yes	Yes	Yes	Limited
Favourability surveys of total market	No	No	Yes	No	No
Client satisfaction index	Yes	No	No	No	No

725 Figure 7.1 illustrates that all five agencies have taken some steps to obtain feedback from their clients. However, no agency had developed a comprehensive client feedback strategy that took full advantage of the range of feedback options to ensure that it was measuring all aspects of service important to the client.

Handling Client Complaints

726 None of the five agencies had a clear definition of what constituted a complaint. Understanding the nature of such feedback is important if complaints are to be used as a measure of client satisfaction and an indicator of where service performance can be improved.

727 All five agencies had some means of dealing with complaints. However, not all had a fully documented complaints process. This was confirmed by our interviews of staff, which indicated that they were not always clear where complaints should be handled. The Department of Conservation is one agency that has set up standard procedures to guide its staff in handling complaints.

728 The Department of Conservation has created a Standard Operating Procedure (SOP) entitled *How to Handle Complaints*. The SOP details who is accountable and the procedure for handling complaints, and provides helpful hints on how to manage the situation.

729 The face-to-face nature of client contact in visitor centres allows clients to make any complaints directly to Department staff, and for problems to be resolved on the spot (where possible). This SOP is included in a manual for counter staff at the visitor centres, and is a valuable tool for the consistent and professional resolution of client disputes or concerns.

730 All five agencies told us that they received very few complaints given the number of clients they deal with or items they process. The agency whose systems recorded the highest number of complaints was the Passports Office. We examined how the Office had responded to those complaints over a 16-month period, for:

- the tone of the response;
- the clarity and comprehensiveness of the explanation given to the complainant; and
- evidence of the matter having been investigated.

731 The Office had courteously apologised where it had made an error, providing a refund of the fee where appropriate. In all cases we found that complainants had received a full explanation for the Office's requirements and of the processes followed.

Post-service Feedback from Clients

732 Obtaining feedback from a client soon after a service is provided allows the entity to obtain the client's perceptions quickly and clearly. This can be the role of client liaison officers or operational staff. In Tenancy Services, mediators obtain feedback from a sample of landlords and tenants following mediation meetings.

733 However, this feedback approach may be impractical under some circumstances. For example, the Department of Conservation would find it difficult to assess the quality of information provided to visitors unless they return to a service centre or leave contact details. Nonetheless, all five agencies could consider some means to assess after the event how the service was received.

Client Focus Groups

734 Client focus groups, client councils, and client forums are ways of meeting with clients (or their advocates) to receive feedback, undertake consultation and pass on information to clients about, for example, changes in services.

735 Tenancy Services has a national forum – the Tenancy Services Customer Council – to meet with key clients and receive feedback. The Intellectual Property Office has a Client Liaison Board and a Technical Focus Group to obtain client feedback. Conservation Boards are able to provide valuable feedback to Department of Conservation offices about local policies, and serve as a liaison point with local communities.

Quantitative Client Surveys

736 When conducted across a representative sample of clients, surveys can be used to present quantitative and qualitative data about the client population.

737 The five agencies:

- had undertaken surveys in the past; or
- were carrying out assessments of client satisfaction at some service points; or
- were planning to undertake client surveys.

738 The Department of Conservation monitors visitor numbers to establish patterns of use – for example, on the most popular tracks. It has published a number of specific visitor perception studies. It also regularly monitors its image with the public – enabling it to compare ratings over time (by conservancy) and in relation to events having an impact on the public's perception of the Department.

739 Tenancy Services asks a sample of clients for their views on the mediation process. The Passports Office, the Intellectual Property Office and the Customs Service were all planning to survey their clients in the months following our audit.

740 Well-designed satisfaction survey questionnaires include three types of questions:

- that assess client satisfaction with the organisation overall;
- that measure satisfaction with various aspects or dimensions that contribute to the definition of a quality service or product; and
- that are exploratory and hypothetical.

741 The Department of Conservation uses exploratory questions in its surveys to determine public attitudes towards possible conservation management options. The Passports Office has also used this approach to determine those features of service most valued by clients. Such surveys may also ask clients to assess any change in the quality of service over a given period.

"Favourability" Surveys

742 One method of determining the overall impact, coverage and "favourability" of an agency is to undertake a market-wide random survey including existing and potential clients. This survey method can be used to evaluate how the public perceive the organisation and its services.

743 The Department of Conservation engages a consultant to undertake monthly favourability surveys. These surveys identify the reasons for favourable and non-favourable perceptions of the Department's public image. Analysis of survey data can identify the impact of local initiatives or once-only events.

Client Satisfaction Index

744 One option for monitoring client satisfaction is a Client Satisfaction Index (CSI). The Identity Services group of the Department of Internal Affairs (of which the Passports Office is a business unit) has completed designing such an index. The CSI will be used to produce a regularly updated picture of customer satisfaction for its Births, Deaths and Marriages, Passports, and Citizenship business units.

745 A CSI is a standardised overall measure of service performance against selected service indicators which clients judge to be critical to their satisfaction. This type of index can be a useful and cost-effective tool to monitor client satisfaction.

746 By focusing on the key indicators of client satisfaction, the index may produce a valuable picture of client attitudes more efficiently than a whole range of measures. Also, a standardised overall measure facilitates comparisons in time and between sites, thereby providing a practical source of information to managers.

747 A CSI can be designed to measure a number of key variables of client satisfaction on a regular basis.

Conclusions and Suggestions for Improvement

748 Existing service standards were relevant and, in most cases, readily measurable. However, some important characteristics of the services being delivered were not measured.

749 Some measures and standards related to internal processes rather than the actual delivery of the service to the client. In our view, all five agencies should establish a more comprehensive set of external performance measures and standards to better reflect service quality commitments to their clients.

750 Consistent with corporate commitments to client responsiveness, agencies could establish service measures and standards for business units providing discrete services to specific client groups. The measures and standards could be displayed at points of service and communicated to clients. This would allow for a more comprehensive measurement of client service at different points within each agency.

751 None of the five agencies was in a position to demonstrate that its existing performance measures and standards fully reflected the needs and priorities of its clients. The agencies should consider employing a range of techniques to better understand those needs and priorities, and find out how their services are received.

Best Practice Criteria

752 From our research and observations we identified the following key characteristics of a client-focused organisation in judging service performance. To meet best practice criteria the organisation should:

- have service standards which encompass all aspects of service important to its clients, drawing on consideration of all possible causes of service failure from the viewpoint of the client;
- measure those aspects of service which matter most to the client, using a mix of quantitative and qualitative measures;
- have service standards for business units delivering different types of service to different client groups;
- use a range of client satisfaction tools to test whether expectations are met in practice;
- be aware that resolving problems is a vital aspect of service quality; and
- invite clients to comment on and (where appropriate) complain about the quality of services they receive, and make it easy for clients to do so.

801 Service performance can be reported internally for management purposes and externally to clients and other parties. External reporting serves the interests of public accountability. It also provides a means of demonstrating the ways in which the agency is meeting its commitment to service.

What We Looked For

802 Internal reporting is important for effective management, motivation, and direction. We expected that internal reports on service performance would be useful, informative, relevant to the line of business, and timely.

803 We expected that the five agencies would report publicly against a range of performance measures relevant to the needs of their clients. We also expected that the agencies would, where appropriate, report to their clients on service performance through newsletters, newspaper articles, journals, and relevant sector publications.

Internal Reporting

804 Internal reporting of service performance can help focus staff on key performance areas. Regular effective reporting can alert management and staff to problems that could be influencing the quality of service received by clients.

805 All five agencies were regularly reporting internally on business processes such as application volumes and response times. This was particularly important where client service was the product of a number of parts of the organisation. At the Intellectual Property Office, for example, applications for the registration of patents, designs and trade marks pass through the hands of several teams in the course of the examination process.

806 The Intellectual Property Office had comprehensive internal reporting on processing times and team performance. Team leaders prepared comprehensive monthly reports of performance against standards and supporting business objectives (recording volumes processed and other key statistics) and provided a commentary on the performance and achievements of each team.

807 Regular team reporting makes it possible to:

- assess the efficiency of work processes;
- highlight any issues concerned with productivity or resourcing; and
- identify the causes of any difficulties in meeting service objectives.

External Reporting

Annual Reports

808 An agency's annual report should include a report on its performance over the year. The parent department of each of the five agencies is required to include a statement of service performance in its annual report.

809 In our view, all five parent departments needed to consider reporting more broadly on their performance in responding to clients. For the five agencies all of the parent departments were in a position to report against a wider range of performance measures (such as the quality of telephone service and the effectiveness of giving advice) and thereby provide a more comprehensive account of service performance.

810 More extensive performance measures will enable an agency to report on the full range of activities and processes relevant to the delivery of services to its clients. For example, the Department of Conservation undertakes many activities directly related to its service performance. In the past, not all of these activities were reflected in the Department's Annual Report, but some improvement is evident in its 1997-98 annual report.[6]

Reporting to Clients

811 Each of the five agencies used a variety of channels to communicate with clients and other external parties. Generally, such communication channels were not used explicitly for reporting to client groups on service performance. However, the visitor satisfaction studies published by the Department of Conservation are a means of telling external parties how visitors perceive its services.

6 Parliamentary paper C.13.

Department of Conservation
Te Papa Atawhai

Publicising the Results of Visitor Satisfaction Studies

The Department of Conservation publishes the results of its surveys of people walking its tracks. These reports provide information about visitor experiences, and about management options to address identified concerns.

Meaningful reporting on service performance relies on robust and logical design of client service performance measures and standards. The reports evaluate overall satisfaction and assess the extent to which visitor expectations have been met. All tracks on its "Great Walks" network scored about 90% for overall satisfaction, and around 90% of experiences were as good or better than expected. The reports therefore contain valuable information about client perceptions and expectations.

The reports examine use-levels, evaluate satisfaction with facilities and services, and analyse the perceptions of visitors by age, gender and nationality. Visitors are also asked to comment on options such as making a crowded track one-way. As such, the Department's visitor satisfaction reports contain information of interest and value to a range of stakeholder and user groups such as tramping clubs, concessionaires, conservation groups, and local businesses.

Conclusions and Suggestions for Improvement

812 Internal reporting on business processes was supporting each agency's commitment to client service. However, the value of external reporting would be enhanced by the agencies reporting on a wider range of service performance measures. They could also consider using existing communication channels to report to clients on aspects of service performance.

Best Practice Criteria

813 From our research and observations we identified the following key characteristics of a client-focused organisation in reporting service performance. To meet best practice criteria the organisation should:

- report internally on the achievement of business objectives relevant to the delivery of services; and
- report externally on performance against all aspects of service which are important to clients and other external parties.

901 Continuous improvement can be described as the systematic process by which an organisation seeks to improve the way it carries out its business, through:

- periodic review of systems and processes against measures of effectiveness and efficiency;
- elimination and mitigation of risk, and adoption of best practice throughout the organisation; and
- ongoing comparative assessment of business practices with those of organisations that have established themselves as leaders or innovators in that specific business function.

What We Looked For

902 We examined to what extent the five agencies were following these principles in delivering their services.

903 As discussed in Part Seven, analysis of client information collected from client surveys, feedback, and complaints can identify areas in which the quality of service can be improved. Benchmarking is another valuable tool for continuous improvement. Participation in studies with benchmarking partners may point to ways in which agencies can improve their own processes and systems.

904 Consultation with stakeholders can make agencies aware both of what service strategies are being successful and where they may not be meeting needs. For many government agencies, community organisations can be a valuable source of information about how service delivery processes are seen from the perspective of the client.

905 Community organisations come into contact with members of the public who are existing or prospective clients of government agencies. The volume and nature of enquiries received by these organisations may be an important indicator of the quality of services provided by government agencies. As such, community organisations are a valuable source of information about public awareness and effectiveness of their services.

Our Specific Expectations

906 We expected that the five agencies would be:

- taking a systematic approach to continuous improvement;

- actively seeking opportunities to learn from benchmarking studies; and
- using community organisations as a source of information about the quality of services received by clients.

Taking a Systematic Approach to Continuous Improvement

907 All five agencies had taken a systematic approach to continuous improvement, and had periodically reviewed their business processes in order to improve service. For example, the Passports Office was reviewing the layout and content of the passport application form pending a reprint – drawing on comments from clients, call centre staff, team leaders, and passports officers.

908 In each agency, organisational structure was important in providing leadership in business and service improvement, identifying improvement opportunities, and promoting these throughout the organisation.

909 The following examples show how three of the agencies developed and promoted improvements.

The Service Improvement Role of Department of Conservation Regional Offices

910 The service improvement process entails:

- identifying areas for improvement;
- benchmarking to establish how other like agencies undertake similar activities;
- formalising best practice; and
- providing the necessary resources and training.

911 In the Department of Conservation the service improvement process is applied through its regional offices.

Department of Conservation
Te Papa Atawhai

Service Improvement Role of Regional Offices

The quality management approach to conservation is a key feature of the continuous improvement process within the Department of Conservation. This continuous improvement process is formalised in the Department's regional offices. The roles of its three regional offices include:

- effecting continual and systematic improvement;
- developing national consistency; and
- eliminating bureaucracy.

In the regional offices, risks, issues or successes identified at conservancy level can be prioritised and a consistent message sent throughout the Department.

Regional offices allocate resources, and build conservancy capacity by improving systems and practices and developing training programmes. Systematic improvement is formalised by the development of standard operating procedures in the regional offices.

The line reporting framework of the Department and the role of the regional offices seek to foster continuous improvement at all levels of the Department. The line reporting framework also helps to preserve consistency with organisational priorities.

The Customs Service: Providing Internal Leadership In Improving Service

912 In the Customs Service we observed a number of examples of process and service improvement, led by a client services group and the National Call Centre. The client services manager had an important role in liaison, networking, and identifying areas of strengths and processes that needed improvement.

913 From our observations of client service initiatives and discussions with the manager the value of this leadership role lies in:

- leading and promoting a client-focused culture;
- carrying out research to identify service improvement opportunities; and
- helping to implement process change for better service.

914 The National Call Centre is now recognised as a leader in client service through quality, reporting, resourcing, and commitment. The centre takes a systematic approach to continuous improvement – with assessments designed to highlight areas of strengths and weakness in client service that can be addressed by coaching or training.

915 The approach taken by the National Call Centre serves as a possible model for other groups within the Service. We encourage the Service to continue making use of this approach to promote positive change into the future.

Tenancy Services: Service Improvement Through Process Monitoring and Process Initiatives

916 Tenancy Services has three regional managers who provide support, training, and advice to its district offices. The Customer Service Council serves as a forum where service improvement initiatives can be considered for their likely impact.

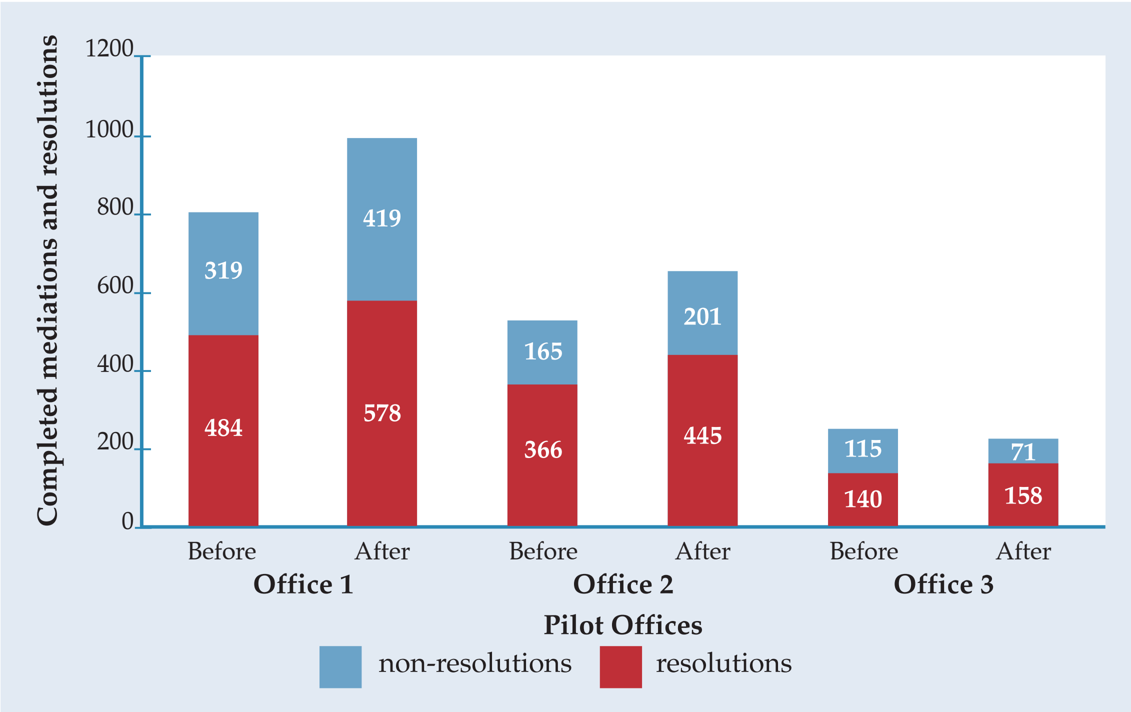
917 The Corporate Office analyses process performance to establish trends in applications and mediation success rates. This monitoring function enables Tenancy Services to identify the impact of proposed process changes (such as the introduction of a fee to make applications to the Tenancy Tribunal) on the quality of service delivery.

918 Tenancy Services has developed a number of projects aimed at continuous improvement for workload management, more efficient use of resources and client choice. Monitoring the impact of service improvement initiatives enables the agency to determine the success of a project against planned improvements. An example of one such service improvement project was the phased introduction of centralised dispute resolution advice and information.

919 In 1998 Tenancy Services began phasing in call switching arrangements for selected pilot offices. These arrangements would enable it to deal with client enquiries promptly and consistently from a call centre, freeing staff in those offices to handle a higher volume of mediations. As shown in Figure 9.1 below, analysis of the pilot project revealed the positive impact of its service improvement initiative – reflected in an increase in two out of three pilot offices of:

- completed mediations; and/or
- resolution rate of mediations.

Figure 9.1
Completed Mediations and Resolutions Before and After Call Centre Pilot



Learning from Benchmarking Studies

920 Benchmarking can identify areas of best practice and opportunities to improve business processes, and highlight better measures of service performance. The Customs Service, Passports Office and the Department of Conservation have all recently been involved in international benchmark studies. For example, involvement of the Department of Conservation in an international benchmarking and best practice project on interpretation and education in 1998 allows for comparison with overseas counterparts, and may identify potential for improved service.

921 We recommend that both the Intellectual Property Office and Tenancy Services consider engaging in benchmarking studies with one or more of their international counterparts.

Liaising with Community Organisations

922 Community organisations come into contact with members of the public who are existing or prospective clients of government agencies. They are a valuable source of information for agencies about their overall performance. Community groups (such as Citizens' Advice Bureaux, Community Law Centres, Peoples' Resource Centres) and groups representing the interests of particular client groups (such as the Tenants Protection Association) receive useful information about services delivered by government agencies.

923 Of the five agencies, we assessed Tenancy Services as having the clients likely to have the most contact with community organisations. We asked staff at Tenancy Services branches about their relationships with these organisations. We also asked nine community organisations about their contact with Tenancy Services.

924 Collectively, community organisations receive a large volume of enquiries about tenancy matters. The community organisations we visited kept statistics about the nature of enquiries they received. Analysis undertaken by the Association of Citizens' Advice Bureaux shows that Bureaux receive over 11,000 general tenancy enquiries each year. The Christchurch office of the Tenants Protection Association reported that it received almost 5,000 telephone enquiries in the 1998 year about a range of tenancy matters.

925 We expected to find strong links between Tenancy Services and the community organisations at a local level.

926 The community organisations we visited generally considered that the information material provided by Tenancy Services was helpful.

Some organisations said that audio-visual material would be valuable for those clients with poor literacy skills.

927 Since a major part of the work of community organisations is helping clients fill out forms, staff in those organisations need to have a good understanding of the requirements of government agencies. This is particularly important where clients may not have the opportunity to seek help face to face from the agency.

928 In some cases Tenancy Services staff had provided training for Citizens' Advice Bureaux staff, and liaison with branch managers promoted the two organisations' complementary roles. Some branch offices also used facilities of community organisations for mediation. In our view these were valuable initiatives in fostering good relationships with associated service providers.

929 However, not all Tenancy Services branch offices had the same close links with local community organisations. Education and community-based activities were largely reactive. Nor did all community organisations report that information had been sought about the volume or type of queries they received from existing or prospective clients. There was no comprehensive analysis of concerns or queries coming to the attention of community organisations locally or at a national level.

930 Our observations were that workload volumes in some Tenancy Services offices might be limiting the time available to take a more vigorous and systematic approach to their relations with community organisations. We suggest that the agency review its capacity to establish and maintain links with associated service providers, in the interests of ensuring that it is fully informed about the markets it is serving.

Conclusions and Suggestions for Improvement

931 All five agencies were taking initiatives to continually improve their services. The agencies could consider promoting "client service champions" to help foster best practice within the organisation, and monitor the outcomes of such practices for clients.

932 Building relationships with interested parties such as community organisations can give agencies a wider perspective on their service performance, and provide mutual benefits through two-way partnerships.

Best Practice Criteria

933 From our research and observations we identified the following key characteristics of a client-focused organisation in seeking continuous improvement. To meet best practice criteria the organisation should:

- systematically seek opportunities to improve service;
- identify the potential to improve work processes which have a service impact;
- use service "champions" to lead and promote continuous improvement;
- seek opportunities to learn from benchmarking studies of comparable organisations or processes;
- build ongoing relationships with external stakeholders as a means of obtaining valuable feedback on service awareness and quality; and
- recognise that community groups can provide valuable representation for clients, and are a valuable source of information about how its services are being received.

APPENDIX 1

The Call Centre: Centralised Service Delivery by Telephone

A well-run call centre can provide an efficient and effective channel for serving clients. For some businesses – such as the Passports Office – the call centre has become the service hub of the agency. This makes the performance of the call centre vital to the service performance of the agency as a whole.

From our research we identified the characteristics of an excellent call centre. We defined these characteristics as:

- ***Having clear strategies and objectives.*** The agency should be clear about the client service role the call centre is designed to perform.
- ***Valuing staff.*** Agencies should recruit staff specifically for this specialist role. Excellent call centres invest heavily in recruiting the right people, and in training those staff. They also monitor workload to match staff resources to call volumes, and provide a satisfactory work environment.
- ***Providing business support tools*** for staff to help them answer the range of enquiries they may receive.
- ***Having standards to measure caller access*** and other aspects of phone service. Critical indicators of telephone service include phone manner, waiting times and the number of calls abandoned.
- ***Collecting and using data to increase effectiveness.*** Call centre operations should be integrated into a management information system so that the agency knows what calls are coming in; from where the calls are coming; what people are calling about; and how often and for how long they are kept waiting. Call logging and classification systems can help the agency as a whole to develop initiatives to provide better service.
- ***Making the best use of technology.*** Consideration should be given to using call-back options to enable call centre operators to ring back callers at busy times. In addition, Interactive Voice Response (IVR)[7] is a means of handling routine calls efficiently and, thereby, provides a tool for reducing call volumes.

7 IVR is an automated electronic system that allows the caller to obtain information and effect transactions by telephone.

- ***Maintaining effective communications with operational groups.***
- ***Assessing client satisfaction with the services provided.***

The Customs Service, Tenancy Services, and the Passports Office all operate call centres. We assessed each call centre against these best practice criteria. For the assessment we:

- interviewed call centre managers;
- reviewed call centre development studies;
- examined call traffic reports;
- observed the work environment for call centre staff;
- asked about staff training and supervision; and
- observed call handling practices.

The Customs Service

The Customs Service established the National Call Centre (situated in Auckland) after an analysis of clients' needs identified a number of weaknesses in the traditional approach of providing advice to clients. Historically, queries were made to local customs offices and, consequently, responses varied in quality, timeliness, and consistency – depending on the institutional knowledge of the officer responding and the resources available to the officer.

Use of Technology

The National Call Centre does not utilise IVR technology to reduce the volume of routine calls. A customs staff member answers all calls to the centre between 8am and 5pm, Monday to Friday. Outside these hours a voice mail facility operates.

The Customs Service relies on its Internet web site to reduce the volume of routine calls by having information, such as exchange rates, available on-line.

Business Support Tools

The call centre was established to overcome problems such as inconsistency of advice. One of the key features of the centre is an internally designed Business Support Tool (BST). The main reason for the BST was to improve client service by providing answers to a wide range of queries in a consistent, accurate and timely fashion.

The BST gives call centre staff on-line access to an electronic database with information in a number of key categories, including:

- office locations
- prohibitions
- duty rates
- exchange rates
- publications
- consulates and embassies.

The BST also has a standard letter template to provide immediate written responses to callers when required.

Judging Performance

The National Call Centre has a comprehensive suite of performance measures and monitoring tools that are designed to assist staff to provide a high quality service. Call centre staff have themselves adopted a set of personal service standards.

Qualitative Measures

Much of a call centre's success relies on accurate information being given to a client over the telephone.

National Call Centre staff are assessed six to eight times each month by the team leader using silent monitoring. Staff members also review their own performance. The concept of peer review is being developed within the team.

Quantitative Measures

The technology available to call centres allows for the capture of data regarding aspects of client service. This allows for quantitative measurement of service performance. The major factors measured are:

- total enquiries received
- actual calls answered
- calls responded to within 20 seconds
- calls not responded to within 20 seconds
- abandoned calls
- results of external client satisfaction surveys.

Staffing the Call Centre

The call centre is staffed with experienced customs officers recruited internally who are required to have a range of competencies to work in the centre. The centre engages a consultant to perform an initial voice evaluation to ensure that staff have the correct competencies to meet the requirements of the position. The voice evaluation assesses:

- client contact, including opening statement and enthusiasm;
- meeting the client's needs, such as presentation length and confirming tone;
- verbal communication, including rate of speech and confidence;
- communication skills, including listening and paraphrasing; and
- providing added value, such as promoting benefits and personal responsibility.

The voice evaluations and regular silent monitoring reveal deficiencies that can be addressed by focussed training.

Managing the Call Centre

A team leader provides the day-to-day management of the call centre. The team leader acts as a mentor and fosters the continuous improvement of the call centre by promoting best practice found in reviews and identified through day-to-day operations.

Trend analysis of the results of both quantitative and qualitative results gives management an indication of the team's ability to cope with call demands and may highlight areas for training and development.

Performance measures and standards form the basis of both internal reporting to staff and external reporting in the annual report. Individual staff performance is reported to all call centre staff.

The call centre has a feedback register that allows for systematically recording client feedback. The feedback is passed to the relevant section for reply.

The call centre is able to record client query types, enabling it to develop answers to frequently asked questions for the Customs Internet web site.

Customs Service management sees the call centre as the champion of customer service for the organisation. For that reason the centre is highly valued by the organisation.

Tenancy Services

Tenancy Services runs a call centre from its tenancy bond processing centre at Porirua, taking overflow calls from selected branch offices. The centre was launched as a pilot early in 1998 with the clear objectives of:

- providing a speedier, personal, and consistent response to callers seeking general advice on tenancy matters; and
- enabling branch staff to spend more time on their core work of mediating disputes between tenants and landlords, administering Tenancy Tribunal matters, and providing education to tenants and landlords.

The report of a Tenancy Services project team linked establishment of the call centre to service outcomes for its clients. As part of the pilot phase of the call centre project the agency analysed the impact on the workload of mediators in those offices whose call load overflow was picked up by the call centre. This analysis noted an increase in the throughput of mediations in those offices, confirming the benefits available.

Because rental markets, tenancy issues, and client groups vary from one region to another, call centre staff needed to have some understanding of those differences when handling calls. Before setting up the call centre Tenancy Services established the volume and type of enquiries received by branch offices. As each office linked into the call centre it compiled a dossier of local information related to its work for use by call centre staff.

Business Support Tools

Call centre staff have electronic access to selected relevant Tenancy Tribunal decisions, and can advise callers of the status of mediation or Tenancy Tribunal actions, or of tenancy bond matters in relation to a given property. However, more comprehensive on-line information is not available to call centre staff. We suggest that Tenancy Services consider expanding the range of information available to help staff deal with calls, such as scripts on the most common query types.

Judging Performance

The call centre has performance measures and standards for caller access and other aspects of telephone service. The measures and standards include caller waiting times (20 seconds), call-back times, and the rate of abandoned calls (less than 1%).

The call centre collects a variety of data on call sources, volumes, and average talking time which makes it possible to manage the workload for individual staff through the day. Call types were not logged, although we were told this was possible. This limits the ability to develop more efficient ways to handle queries, such as creating educational material to clear up an area of confusion for clients.

The call centre does not assess the satisfaction of its clients. As a result, it is not in a position to determine to what extent it is contributing to Tenancy Services' goals. Developing a client feedback strategy will be a key task for the new call centre manager.

The potential existed to expand the range of call centre performance measures to include (for example) assessments of accuracy and call control. In addition, there was no programme for calling clients back to determine whether they were satisfied with the advice they had received, or whether that advice enabled the caller to resolve an existing or potential dispute. This would be a useful indicator of the value of the advice function performed by call centre staff.

We were told that more intensive monitoring of calls was to be a key role of the newly appointed call centre manager. Peer review is another quality control option that could be considered.

Tenancy Services has recognised the importance of maintaining ongoing communication between the call centre and its branch Dispute Resolution Offices. Some branch staff told us that they had visited the call centre and spent time observing the handling of calls. This gave them a better understanding of call centre work.

We were told that consideration was being given to a service level agreement between the call centre and branch offices that would address (among other things):

- staff availability;
- agreed phone overflow levels;
- office hours;
- call load sharing; and
- regular briefings on local tenancy issues and feedback on call type patterns.

Staffing the Call Centre

The Tenancy Services project team's report identified the following key competencies for call centre staff:

- communication skills;
- knowledge of the Residential Tenancies Act; and
- a client focus.

Staff training needs were well documented and the training programme relevant and comprehensive. This is important given that many callers may be upset by a tenancy dispute when they telephone the call centre.

Call centre staff can draw on the experience and expertise of managers, mediators and tenancy officers in branch offices for advice. Call centre staff are also able to undertake bond-processing work as a break from taking calls. This is important in addressing the potential for stress from continuous call handling.

Managing the Call Centre

Tenancy Services had just appointed a call centre manager at the time of our audit. This should provide closer supervision of, and support for, telephone staff. At the time, bond processing operations and tenancy advice functions were under the control of a single manager.

The call centre was designed to provide a clear client service focus for Tenancy Services. Staff management policies and performance measurement were consistent with that goal. The call centre manager will have responsibility for developing a programme for educating clients and obtaining client feedback on the quality of service provided by centre staff.

Suggestions for Improvement

The 0800 TENANCY telephone number has not been widely advertised. We suggest that Tenancy Services develop a marketing and promotional plan for its call centre once it is fully operational and has the resources to meet any additional demand.

We also suggest that the call centre analyse call types, with a view to drawing up a set of frequently asked questions to be available on an intranet. These could assist call centre staff, and could be compiled also for the use of clients.

The call centre could consider client feedback mechanisms (such as calling back enquirers) to measure resolution rates as an indicator of the usefulness of the advice function.

The Passports Office

The Passports Office call centre was set up in Wellington in 1997 to centralise the processing of applications for passports and other travel documents, and provide a single point of contact for the public.

The centre plays a vital role in providing advice to the public, helping individuals fill out application forms, informing callers of the status of their applications, and referring urgent applications to the appropriate processing groups in Auckland, Wellington or Christchurch. In 1998 the call centre handled an average of over 5,000 passport calls each week.

The call centre is essential to the effectiveness of the Office's urgent service – referring applications to the relevant processing groups with instructions, personal details, and client deadlines.

Use of Technology

The call centre was using IVR technology to reduce the volume of routine calls. It offered the public voice-mail options for routine enquiries concerned with general passport information, requests for a passport application form, documentation requirements, fees, and processing times. At each level the caller was able to divert to the call centre operator. This enabled the caller to speak directly to Passports Office staff at any time. Levels of IVR use and diversion rates are analysed to determine the effectiveness of current IVR options.

Business Support Tools

Call centre staff had on-line access to the passports processing database, enabling them to identify the processing officer responsible for handling an application at the time, and tell the caller what stage it has reached. They have access to scripts – for example, on requests to fast-track applications, and on handling requests for children's passports – enabling them to provide comprehensive and consistent advice to callers. Call centre staff do not routinely analyse call types.

At the time of our audit call centre operators had limited access to on-line passport information to use for general enquiries. However, a new Customer Service Interface was being tested, which would assist staff in answering client enquiries by:

- providing detailed scripts which allow enquiries to be handled in a consistent manner, with the facility to print and send hard copies of such scripts to callers;
- making available status information about any application currently being processed; and
- logging call information.

Staffing the Call Centre

In our view, based on established industry standards, the call centre was under-resourced to meet demand. While we did not examine call data in detail, we did note that:

- the average ratio of abandoned calls to total incoming calls in 1998 exceeded accepted standards; and
- waiting times indicated that the quality of call handling was affected by the level of demand.

At that time a recruitment drive was under way.

In addition, the supervision ratio was low. This limits the support and guidance available to staff. Additional supervisory positions were planned to address this situation.

The call centre had clear standards for the quality of call handling, and was developing self-evaluation forms for staff, which would assess the extent to which standards were met. Staff would:

- make tapes of their own conversations for evaluation;
- undertake peer review of calls; and
- seek feedback from clients.

Call centre staff were recruited on the basis of clear competencies and given practical tests to measure their skills, including a telephone interview. They received comprehensive training on passport processing, and took part in role playing to give them confidence in handling a variety of call situations. Specialist training was provided on telephone etiquette and standards.

From our observations the call centre had positive relationships with other parts of the Passports Office. We were told that processing staff frequently visited the centre to take or listen in to calls. This gave them a better under standing of how the call centre functioned. Call centre staff also attended the meetings of processing team leaders.

The call centre also participated in re-designing the passport form – noting from its day-to-day interaction with callers those questions or sections with which the public most commonly had difficulties.

The call centre also acted on communications from business groups – for example, notices alerting it to events such as travel promotions which may create extra phone demand – or used scripts on how to respond to other issues that might give rise to enquiries from callers. This communication is vital to ensure clients receive accurate and consistent advice.

Suggestions for Improvement

To improve performance at its call centre we recommend that the Passports Office consider:

- reporting publicly on its ability to meet qualitative and quantitative measures and standards of service;
- providing call-back options so that callers can be rung back and do not have to wait in a queue when lines are busy;
- integrating client feedback into the call centre environment to enable the centre to evaluate the effectiveness of the advice and information supplied; and
- analysing call types to identify opportunities for improvement.

APPENDIX 2

Web Sites: Service Delivery Over the Internet

The development of the Internet and associated technologies has provided public and private agencies alike with another means of promoting their goods and services.

All five agencies had an Internet web site. We evaluated these web sites applying criteria developed specifically by our expert adviser for the evaluation of government web sites. The sites themselves were evaluated, as they appear for general users. The evaluation did not include examination of server log data or obtaining the reaction of users of the sites.

Evaluation Criteria

The evaluation criteria were divided into two groups:

- information content; and
- ease of use.

Information Content

Orientation means telling the user when entering the web site what its purpose is and what type of information and services they will be able to access. Only the Intellectual Property Office had a comprehensive statement on the purpose of the web site and the range of information and services available.

Content means the extent to which the information matches the needs of users, is relevant, and useful. The use of clear consistent language in a style that matches the user is important, as is a balanced professional tone. All five agencies' web sites contained relevant and useful information.

Currency means how up-to-date the information on the web site is. Update or review dates are a way of informing users of the currency of content. Most of the web sites appeared to be up-to-date but none of them showed dates of update or review on their pages.

Accuracy means the internal consistency of information in the web site and the correctness of the information compared with information in other places. One method of checking accuracy is to sample information against other sources – for instance, printed information issued by the agency. Most of the information contained in the web sites was accurate.

Ease of Use

Feedback options allow interactive services for users and enable users to provide comments and corrections to the agency. Key feedback mechanisms include contact details for the agency, and forms for users to enter data. Only the Passports Office allowed for feedback by printing out application forms.

The ***design*** must meet the needs of the identified audience and the technology that is available to them. We sought to establish the extent of compatibility of each web site with recognised industry (HTML) standards. We found all sites to be appropriately designed.

Navigability means how easily a user may move around the web site and find the information that they require. Users need to have different methods of navigation available to them – menus and links for browsing, and search engines for identifying specific information. The Intellectual Property Office site had several different formats and consideration should be given to standardising the entry page, trade mark search entry, and information library. The Customs Service site had some large documents and a search engine would have aided navigation.

Results of Our Evaluation

We evaluated the web sites during December 1998. We acknowledge that the agencies may have developed their sites further since then. We summarise the evaluations in the table on the next page. They show that, generally, the sites provided useful information for clients.

	Tenancy Services	Passports Office	Intellectual Property Office	Dept of Conservation	Customs Service
Information content:					
orientation	No	No	Yes	No	No
content	Useful	Useful	Very appropriate	Large and relevant	Relevant
currency	Unclear	Yes	Yes	Yes	Based on printed documents
accuracy	Minor editing errors	Yes	Yes	Yes	Yes
Ease of use:					
feedback	E-mail contact, No other interactive features	Print out applications	E-mail contact, No other interactive features	E-mail contact, No other interactive features	No
design	Appropriate and useful	Good	Functional	Consistent	Simple and consistent
navigability	Logical structure	Based on frequently asked questions	Several different formats	Logical and searchable	Simple but no search engine

On the following pages is an overview of each evaluation with the relevant URL address.

Tenancy Services

URL: http://www.minhousing.govt.nz/tenancy/

The site provides useful information for tenants and landlords. Although much of the information seemed to be based on printed material, the information had been restructured for web site access. Information was written in clear, understandable language, and was enhanced by some graphics. The information was also given in the Chinese, Korean, and Tongan languages. Information in Samoan and Japanese was to follow.

It was unclear whether the site was being continuously reviewed and updated. Information relating to application fees for the Tenancy Tribunal that came into effect in October 1998 appeared on the site, but was not wholly integrated.

There were some minor editing errors and some duplication of content.

In addition, scope existed to provide copies of standard forms – such as the Residential Tenancy Agreement – as printable documents on the site. Consideration could also be given to use of interactive forms where appropriate.

The site was easy to navigate, although browsing was necessary to determine the nature of the information in one section.

Passports Office

URL: http://inform.dia.govt.nz/internal_affairs/businesses/doni_pro/pports_home.html

The Passports Office site provided basic information on applying for a passport, and some links to travel information. The site was useful for people applying for passports who could not easily visit a Department of Internal Affairs office or a consular office. In some cases the information was slightly less detailed than that provided with printed application forms.

Given that at least some users were likely to be overseas, information would have been useful about which New Zealand consular offices would process non-urgent passport applications. That information was on the application forms but not on the web site.

Users could download printable versions of passport application forms, which was a useful feature. No interactive forms (for instance, for requests for information) were available, although e-mail contacts could be found through the site.

It was not easy to find contact information (addresses, telephone numbers) on the site. Otherwise the site was easy to navigate with options based on likely user questions. A design issue was that the Passports Office name appeared only in a graphic format, so that non-graphics users may have been unsure of the origin of the information. This also militated against the site being found by overall web search engines. Although a search engine is not really required for the Passports Office web site itself, it is covered by the overall Department of Internal Affairs search engine.

Intellectual Property Office

URL: http://www.iponz.govt.nz/

The Intellectual Property Office web site provided access to the trade marks database and an information library of documents describing the activities and procedures of the Office. Future enhancements were to include access to patents and designs databases, and interactive forms for the on-line submission of applications. The information and services provided were very appropriate to the mission of the Office.

The information and services provided at the site were clearly presented, but the intended audience was not specifically stated. The trade marks database was clearly useful to attorneys and those familiar with the Patent Office system. But the search facility did not have good links to explanations of trade mark concepts which might have assisted lay users wanting to investigate registering a trade mark. In addition, the registration and charging systems for useful access to the database were inhibiting to lay users.

The information library may not have been useful to attorneys, but did provide useful information to lay users. However, the information library documents tended to be couched in bureaucratic language based on printed pamphlets. It might have been useful to have the information library documents re-written in plain English (given its usefulness to lay users) and restructured and integrated for on-line access.

Specific statements on copyright and the privacy of user details were not provided. Guidance on the legal status of the information was only provided on full trade mark records. The Office did not integrate its printed and web site communications by referring to the web site as a source of information in the *Patent Office Journal*.

The information content was current and appeared to be accurate. The trade mark database was being updated weekly, and documents had recently been added to the information library – although it appeared that older documents were historical and not being updated.

One content area that did not seem to have been explored was that of placing the *Patent Office Journal* on-line. It may have been that in the long term the bulk of the *Journal* would be incorporated in the databases, but it might have been useful to at least make official announcements available through the web site. The list of patent attorneys which appears in the *Journal* did not appear on the web site, even though this is the type of directory information that would usefully be provided through the web.

The overall usability of the site was good with the file configuration and server speed providing adequate response times. Virtually all pages could be reached in three links from the home page.

Layout varied through the site, and perhaps could have been simplified and made more uniform. Provision for feedback about the site could have been given more prominence.

The trade mark search facility offered useful customised search options, although casual users had limited options. Complex searches could take significant time to process.

Department of Conservation

URL: http://www.doc.govt.nz/

The Department of Conservation's web site contained a very large amount of information. It appeared to have three target audiences:

- members of the public who may have had an interest in conservation policy;
- recreational users who wanted information to help with planning their activity; and
- Department staff.

Good information was available to recreational users on Great Walks and whitebaiting, with useful summary descriptions of the National Parks. But little information was available on other areas such as Forest Parks, and on activities such as hunting. More specific information could have been added for a wider range of areas and activities. Potential existed for on-line services – such as on-line bookings for booked tracks and inquiry forms for information about routes.

In a few cases information appeared to be oriented to departmental staff, which is understandable in a far-flung organisation. The *DOCtionary* – a glossary of specialised departmental terminology – appeared to be oriented to departmental staff, although it may have helped outsiders who communicate with departmental staff.

The site had been revamped recently, and in some areas material may still have required editing. Much material seemed to have originated in printed publications, but had been adapted fairly effectively for the web site. In longer documents, it would have been useful to provide navigation mechanisms such as tables of contents at the start.

The overall design of the web site was effective, although the initial page involved loading several large graphics. The colour scheme used non-standard link colours and could have been difficult to read on some monitors. The search engine assisted retrieval in this large site, but did not have guidance in its use, and appeared to retrieve information from older versions of the web site.

Customs Service

URL: http://www.customs.govt.nz/

The Customs Service web site consisted primarily of documents created for the print medium as information pamphlets and notices. The web site would have been more effective if this information was restructured for web site access. Information was generally written in clearly understandable language, although one useful resource for the web site might have been a glossary of specialised customs terminology.

It appeared that some information was not updated on a regular basis. For example, the Customs and Excise Act 1996 provided in the *Customs Policy* section had not been amended to reflect recent legislation. The rates of exchange page was being updated on a continuous basis.

There were no external links – such as to other Customs-related resources – and no interactivity in the site.

The design of the site was standard and information was accessible to mainstream browsers – although images did not have alternate text, which could puzzle, but not disadvantage, users without graphics. Download times for pages were not excessive, but images and file sizes could have been rationalised to improve speed of access to information.

A simple, consistent navigation model was used, but no search engine was available. In large documents that could not be broken up, it would have been useful to have internal links from a table of contents.

Analysing Web Site Use

Analysing web site use can tell a service organisation about its clients and the type of information they are seeking. This analysis can also identify opportunities to deliver services in a more effective and efficient way, as well as to improve the design of the site itself.

The monthly statistical report that the Department of Conservation receives about use of its web site illustrates the potential value of such data. The report tells the Department:

- the locations from which users have visited the site;
- the ratio of New Zealand to international users, and the most active countries;
- the most popular site page;
- the paths users most often follow when visiting the site;
- the organisations which used the site most often;
- the levels of activity by time of day and over the month;
- the pages most often printed off; and
- search phrases and keywords most often used to access the site.

APPENDIX 3

Suggested Criteria for Assessing Whether Client Information is Understandable and Easy to Use

Appearance

- effective use of white space;
- consistent headings, style, and spacing; and
- variety through the use of lists, diagrams and other graphic devices.

Design and Layout

- a clear introductory statement explaining the purpose of the material; and
- informative headings in the text which help the reader find the main messages.

Readability

- variations in sentence length;
- use of the active voice wherever possible;
- instructions conveyed in a direct style;
- a personalised style to involve the reader; and
- use of simple language appropriate for the target audience.

APPENDIX 4

Suggested Guidelines for Undertaking Client Surveys

There are a number ways of seeking the views of clients on their needs and preferences and their satisfaction with the service that an agency provides. We have detailed these in Part 7, paragraphs 722-747.

Surveys of clients are a recognised method of establishing clients' needs, expectations, and satisfaction with the service received. This appendix refers to some important issues to consider when planning a client survey. However, it is beyond the scope of this report to provide a complete guide to survey design and analysis. A variety of reference material is available to help agencies design surveys, including *A Guide to Good Survey Design* published by Statistics New Zealand.

Client surveys are complex, sensitive and difficult to carry out, and are often costly. Agencies should consider taking expert advice before undertaking any such survey.

When conducted properly, surveys have the advantage of presenting quantitative data and results that can be extrapolated across the whole client base.

The following are practical issues to bear in mind when considering a survey:

What are you trying to achieve? What do you want to know and what are you going to do with the results? Identify the objectives of the survey clearly at the outset, and how the data will be used. Ensure that these objectives will meet your information needs.

Whom do you want to survey? This will depend on what you want to achieve with the survey. There may be different segments of the client base from which you want to seek information. For example, people living in a particular geographic area, those within a particular age group, or those who use a certain service.

What numbers do you want to survey? Consider your target population, and how accurate you want the results to be. The sample size will affect the accuracy of results and the margin for error. You will also need to determine the response rate you are seeking. Consider taking expert advice about the sampling methodology. We suggest contacting Statistics New Zealand or other experts in survey design and analysis.

When do you want to carry out the survey? The timing is very important as you may get different answers to the same questions depending on when clients are asked. Clients can be surveyed either at point of service, or later (maybe a week or month). The longer the time that has passed since the service was provided the less people are likely to remember it and give useful responses.

How will you collect the information? Clients can be surveyed over the telephone, face-to-face, by post, or on the agency's web site. Factors to consider include cost, the nature of the questions, the desired response rate, location (e.g. at the service counter), and issues of privacy or confidentiality.

What questions should you ask? Think carefully about the questions you want to ask so as to obtain the information you are seeking. Considerations include:

- the mix of open and closed questions;
- whether you want to explore views on options or client preferences;
- whether you want to seek explanations for Yes/No responses; and
- classifying respondents by (say) income, age, gender or region.

Each of these factors (and others) will make it easier or more difficult to analyse the results.

The survey should be tailored according to the type of service and the likely respondents. In designing the questionnaire it is important to differentiate between a client's expectations and their experience of the service. Before finalising the questions, test them and the entire survey process as a whole (including collation and analysis of responses) by carrying out a pilot survey at an early stage.

How will you analyse and assess the responses? In planning the survey you will need to work out how you will analyse the responses. This means:

- establishing the criteria you will use to analyse responses; and
- deciding how you will draw conclusions about the quality of services, and what pattern of responses (such as satisfaction levels) will lead you to conclude that -
  - existing services are satisfactory or unsatisfactory; and
  - improvements should be considered.

How will you use the results of your analysis? Surveys of clients' satisfaction are an important means of identifying strengths and weakness in an agency's service to its clients. The results of the survey should be conveyed to service delivery staff, managers, and client groups. The results can be used by the agency's continuous improvement team to identify best practice and areas where staff training or more resources could lead to improved client service.

When reporting survey results you should ensure that the reader is clear about the scope of the survey (which may qualify the conclusions reached), including:

- the survey population chosen;
- the questions asked;
- the collection method used; and
- the approach taken to analyse responses.