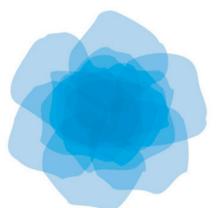


European Primer on

CUSTOMER SATISFACTION MANAGEMENT



PORTUGAL 2007



Slovenian Presidency of the EU 2008



Preface

EUPAN and IPSG

The European Public Administration Network (EUPAN) is an informal network of the Directors-General responsible for public administration in the Member States of the European Union, accession and candidate countries and the European Commission (www.eupan.eu).

It is the vision of EUPAN:

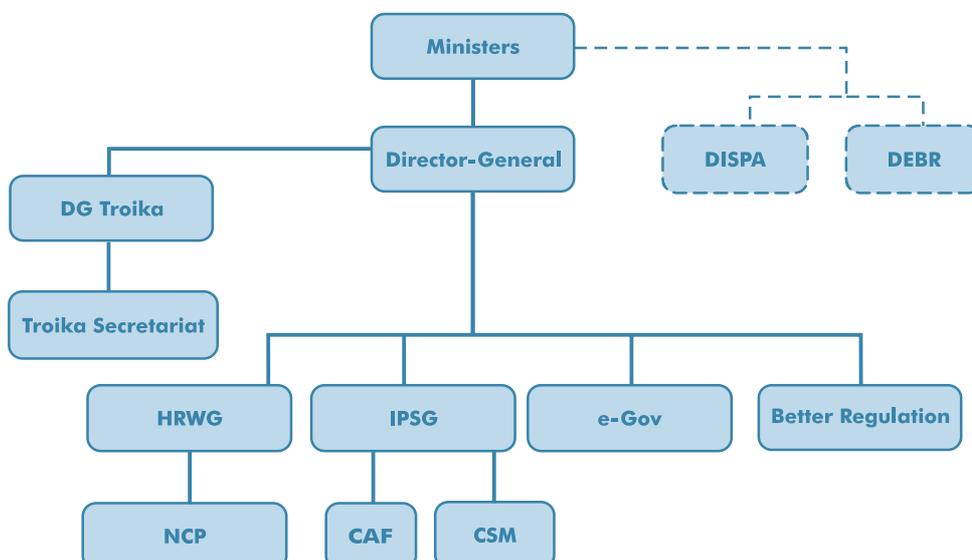
“To support the implementation of the Lisbon Strategy, placing the citizen at the centre of public management, by working in different areas (human resources, innovation, quality, e-Government) and with different actors in order to support efficiency and customer orientation in European public services.”

EUPAN is therefore a platform for the exchange of views, experiences and good practices to improve the performance, competitiveness and quality of European central public administrations. The network is organised on three levels:

- Ministers and the Commissioner responsible for public administration
- Directors-General responsible for public administration from the Member States
- Working groups of civil servants from the different Member States

EUPAN consists of different working groups residing under the assembly of the Directors-General of Public Administration:

- HRM working group
- e-Government working group
- The working group on better regulations and administrative simplification
- Innovative Public Services Group (IPSG)



IPSG has for quite some time recognised the importance of customer issues in developing improved public administration and is taking forward a number of activities and projects to enhance capability in this area. In recent years the topic of Customer Satisfaction gain interest and importance and a separate Expert Group on Customer Satisfaction Management was installed.

The topic of Customer Satisfaction

For many years the topic of customer satisfaction has been on the agenda, in recent years this has gained rapidly. According to the DGs' resolution of May 2006, the main focus of the common European work and efforts regarding customer satisfaction should be on the collection of best practices and the preparation of guidelines for questionnaires to measure customer satisfaction. During the Austrian (first half 2006), Finnish (second half 2006) and German (first half 2007) Presidencies of the EU, initiatives were taken to address these aspects. Furthermore, at the IPSG and Customer Satisfaction Expert Group meetings, ways were discussed to gather and present good practices and create guidelines. Based on these good practices, the Customer Satisfaction Expert Group meetings and the IPSG Meetings concluded that many interesting and valuable things could be done with these good practices and that the field of customer satisfaction was too large and too important to focus attention only on customer satisfaction surveys and measurement and to limit guidelines in this sense. "Measuring" satisfaction is one thing; "managing" satisfaction is another and should be the aim.

During recent meetings under the Portuguese Presidency (second half 2007) of the Customer Satisfaction Expert Group of IPSG, it was agreed that it would be sensible to get an overview across Member States of the role of the customer in public affairs and establish the priorities and needs of Member States around the whole subject of "customer insight" by carrying out a small survey. This allows to better focus the activity of the working group on the products and practices that can deliver the greatest added value. EIPA (The European Institute of Public Administration) has been asked to analyse, on behalf of the Portuguese Presidency, the responses to this survey. A total of 26 countries answered the questionnaire and the results were presented at the IPSG meeting (15 & 16 of November 2007) and the conclusions for further work by EUPAN in this field were agreed upon by the Directors-General. The Mid-term programme 2008 – 2009 states¹:

"In general the work related to Customer Satisfaction Management should be focused on how to use the European Version of the UK Primer, which will include good practices from Member States. The aim is to demonstrate the relevance of customer focus and the role of the citizens in public service management; including how involvement can be brought about (customer insight techniques). Regarding customer focus, one objective is to improve knowledge about the use of Citizen Charters to help all public institutions dealing with the public."

In the context of this objective, the working group developed this European Primer on Customer Satisfaction Management.

A Primer on Customer Satisfaction Management

IPSG has been considering how best to deliver the task agreed by Directors-General to work on Customer Satisfaction Management by producing an European version of the UK paper "The Primer" (Cabinet Office, 2006) and how to identify best practice cases to illustrate the concepts. Based upon the UK Primer, this publication explains the relevance of customer focus and the role(s) citizens/customers play in public sector management. It gives an overview of different methods and techniques around customer insight including examining the importance of customer needs,

¹ Mid-term programme 2008-2009, p.17.

expectations and satisfaction. It gathers a lot of information that is already available on this topic and gives practical examples and cases from public sector organisations all over Europe.

Draft versions of this primer have been discussed in the Customer Satisfaction Management Expert Group under the Slovenian EU Presidency and agreed by IPSG (12-13 May 2008).

The work in this field and the final version of the Primer are presented at the 5th European Quality Conference, hosted by the French EU Presidency, in Paris on 20-22 October 2008.

More info and cases on the web

This publication has many practical cases from several European countries. These cases are however limited in number and in volume. More full texts and up to date cases and examples can be found on www.eipa.eu/customer.

Acknowledgements

This publication is the work of many contributors. Our thanks goes to EUPAN and IPSG for creating a working group dealing with the topic of customer satisfaction and creating the context. Special thanks to the representatives in the Customer Satisfaction Management Working Group, for their valuable input, useful comments, providing cases and the many fruitful discussions: Eva Nikolov – Bruckner (Austria); Isabelle Verschueren (Belgium); Paule Funken (EU Commission); Johanna Nurmi (Finland); François Beauvais (France); Marga Pröhl (Germany – EIPA); Panagiotis Passas (Greece); Sabina Bellotti and Laura Massoli (Italy); Dace Aizstrauta (Latvia); Lina Semetulskyte (Lithuania); Nadine Hoffmann, Thierry Hirtz and Laurent Bravetti (Luxembourg); Stanley Borg (Malta); Frank Faber (The Netherlands); Tore-Martin Bredal (Norway); Marta Kuzawinska and Izabela Najda (Poland); Luis Evangelista and Matilde Cordoso (Portugal); Gordana Zurga (Slovenia); Ana Ruiz (Spain); Anna Enstrom Jarleborg (Sweden); Roy Stephenson (UK).

This publication is a joint European collaboration, having its initial roots several years ago. In the context of this particular publication we would like to thank the Portuguese Presidency of the European Union financing this project; the Slovenian Presidency for organising the different discussion meetings; and the French Presidency for publishing the report in the context of the 5th European Quality Conference (20-22 October 2008 in Paris).

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Introduction

Governments have to be more responsive to society's needs and demands. Public-sector organisations are being reformed in order to provide better, faster and more services. The citizen/customer has a prominent place in these reforms.

For many years the topic of customer satisfaction has been on the European agenda and in recent years this has rapidly grown in importance. According to the DGs' resolution of May 2006, the main focus of the common European work and efforts regarding customer satisfaction should be on the collection of best practices and the preparation of guidelines for questionnaires to measure customer satisfaction. During the Austrian (first half 2006), Finnish (second half 2006) and German (first half 2007) Presidencies of the EU, initiatives were taken to address these aspects. At the IPSG and Customer Satisfaction Expert Group meetings, ways were discussed to gather and present good practices and create guidelines. Based on these good practices, the Customer Satisfaction Expert Group meeting and the IPSG meeting concluded that many interesting and valuable things could be done with these good practices and that the field of customer satisfaction was too large and too important to narrow attention only to customer satisfaction surveys and measurement, and to limit guidelines in this sense. "Measuring" satisfaction is one thing; "managing" satisfaction is another and should be the aim.

Based upon the Cabinet Office document of 2006, titled "*Customer Insight in Public Services*", a "primer" – in the form of this publication – was created. This publication explains the relevance of customer focus and the role(s) that citizens/customers play in public sector management. It gives an overview of different methods and techniques around customer insight, including examining the importance of customer needs, expectations and satisfaction. It gathers a lot of information that is already available on this topic and gives practical examples and cases from public sector organisations all over Europe. This publication does not aim to be explorative or innovative in nature, but rather to give an overview and integrate existing insights.

Through five different parts, this publication hopes to serve as a strategic document in giving the citizen/customer a place in public sector management all over Europe and gives organisations a first practical guide on the way to Customer Satisfaction Management.

In the first part ("***The changing face of public services and the role of the citizen/customer***") the broader context and the importance of citizen/customer satisfaction in the public sector will be handled.

The public sector is changing constantly and rapidly in order to cope with a lot of challenges and to respond to the many new needs and demands in society. The place and the role of the citizen/customer have become of very high importance in these changes and reforms. Managing customer satisfaction is therefore indispensable for public organisations in order to see if they are doing the right things and if they are doing things right. In being a public service this is not always the easiest thing to do, due to the nature of the "client" on the one hand and due to the nature of public services on the other hand. Citizens/customers have different faces and different roles; sometimes they are customers of service delivery and sometimes they act like citizens when paying taxes, having to obey the rules, etc. This is also translated in a difference in public and private service delivery. Moreover

most public sector organisations are delivering services. Services have some clear characteristics (or sometimes a lack of them) which makes them special and not the same as products.

The second part ("**Understanding customer satisfaction**") deals with the concept of satisfaction and measuring it.

Expectations have a central role in influencing satisfaction with services and these in turn are determined by a very wide range of factors. It is arguable that the range of influences on expectations is even wider for public services. Via the Servqual model, the role of perceptions and expectations will be operationalised. Servqual is a service quality measurement tool that assesses both service perceptions and expectations across a range of different service characteristics. The service quality literature usually attempts to categorise the factors that influence attitudes towards the service on a number of different levels. At the highest level this involves a small number of service quality *dimensions*. These can be disaggregated into a larger set of service quality *factors* or *determinants*, which are then developed into questions for measuring by means of a structured questionnaire. As with the models for measuring satisfaction and identifying priorities, there are also a number of different constructions of the service factors that are most important in influencing perceptions of the service. The most important factors in influencing perceptions of the service, starting with the Servqual approach and later refining, will be presented here.

Traditionally, the political leaders determine what services are to be provided, on what terms and to whom; bureaucrats and professionals subsequently organise and deliver the services. The role of the citizens is largely passive. In the third part ("**From satisfaction measurement to satisfaction management**") we go deeper into the new setting, the range of actors involved – institutionally or on an *ad hoc* basis – in the production; delivery and evaluation of public services has grown and the role of the citizen has become more active.

This changing role of citizen/customers of public services has an impact on the policy and management cycle as a whole. Traditionally, the policy and management cycle is dominated and controlled by politicians and administrators. Now, citizens/customers are increasingly involved in this policy and management cycle at different stages (design, decision, implementation and monitoring; and evaluation). Citizen/customers become co-designers, co-deciders, co-producers and co-evaluators. Managing satisfaction is therefore more than only measuring satisfaction at the end of the line in the evaluation stage.

Part four ("**How to measure and manage customer satisfaction**") deals with the practicalities of this customer management approach and presents a number of tools and techniques for gaining an insight in expectations, needs, experiences, perceptions and satisfaction of the citizen/customer. In gaining this insight, measuring satisfaction at the end of the process or the service delivery (the citizen/customer as "*co-evaluator*") seems to be just one of the aspects of interaction with the citizen/customer. At this stage some lessons can certainly be drawn from measurement (re-active), but pro-active actions are not possible. Therefore, having insight into and an impact on the needs and expectations of citizens/customers at the start or at a much earlier stage (the citizen/customer as "*co-designer*", "*co-decider*" or "*co-producer*") is also very important.

In this part of the publication, instruments such as: front line staff consultation; satisfaction surveys; customer journey mapping; citizen charters; usability testing and website analysis; ethnography; user and stakeholder consultation; formal and informal contact with representative bodies; analysis complaint and suggestions; focus groups; citizen/customer panels etc. are presented and illustrated by cases from various European countries.

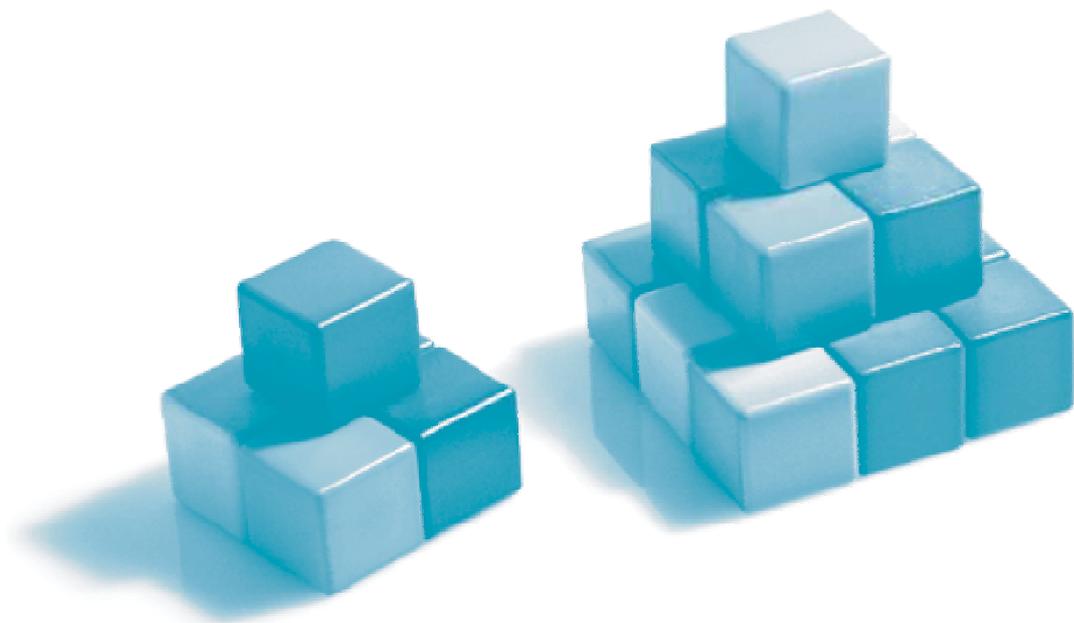
Using the right instrument for the right need of the organisation – as far as Customer Satisfaction Management in all its aspects is concerned – can provide a great deal of input for organisational improvement and better service delivery. Nevertheless, thinking well in advance about what the organisation wants to do is important.

Having an insight on the use of managing satisfaction for the overall improvement of the organisation and the service delivery is the core element of the final part ("**Customer Satisfaction Management and improvement**").

We hope that through this publication, the place and the role of citizens/customers in Customer Satisfaction Management can become clearer, and public service organisations all over Europe will have some practical guidelines on the way to Customer Satisfaction Management.

Part 1:

The changing face of public services and the role of the citizen/customer



1. Different game, different rules: a changing context, a changing public sector

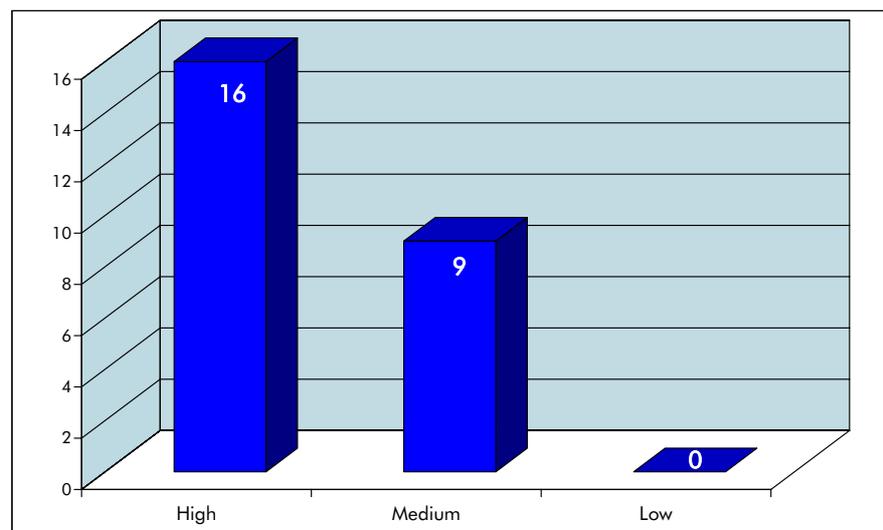
The public sector has to cope with numerous challenges and has to respond to many new needs and demands in society (OECD, 1993; OECD, 1995; OECD, 2000). Due to these challenges and pressure, the public sector is an object of large reforms (Lane, 2000; Kickert, 1997; Kettl, 2000). *“Over the last two decades there appears to have been a huge amount of public management reform. Although there was also reform in earlier periods, the changes since 1980 have – in many countries – been distinguished by an international character and a degree of political salience which marks them out from the more parochial or technical changes of the preceding quarter-century”* (Pollitt and Bouckaert, 2004).

The administrations of the EU Member Countries are not a homogeneous set of organisations, nor are their reform processes. Their reform processes are in fact quite divergent. The European scenery is a macedoine of systems. As Ridley says: *“Of course the countries of Europe, marked by their different histories, not only have different forms of civil service organisations but different philosophies about the values civil servants should express and the roles they should play in a democratic state. There are many ways of regulating public service in a democracy, not just in detail but in fundamental orientations. There is no agreed European model”* (Ridley, 1995:13).

Indeed, different EU countries have responded to the challenges in different ways. Nevertheless these reforms are characterised by the introduction of new principles and common grounds: a growing focus on efficiency and effectiveness, attention to transparency and accountability, awareness of public service delivery and the role and place of the citizen/customer (Doherty and Horne, 2002; Shand, 1999; Flynn and Strehl, 1996; Schick, 2000).

Many countries have recently undertaken initiatives placing the citizen/customer at the centre. Christopher Pollitt and Geert Bouckaert described this tendency as a shift from a producer point of view to a citizen/customer point of view (Pollitt and Bouckaert, 1995). The dynamic way of getting citizens/customers of public services involved in order to enhance their perceptions, expectations and commitment through active participation, has been a common strategy to obtain a legitimate level of quality and satisfaction of public services (OECD, 2001b). Thus, where the traditional relationships were bureaucratic and hierarchical, the new relationships are instead more pluralistic (Peters and Savoie, 2000).

The citizen/customer nowadays is at the top of the agenda in most (if not all) EU Member States. This was illustrated by the results of the 2007 survey conducted amongst the different Member States under the Portuguese presidency (EIPA, 2007: 6). In almost two thirds of the countries, the topic of “customer insight” is high on the public administration agenda.



2. Why manage customer satisfaction?²

Governments have to be more responsive to society's needs and demands. Public-sector organisations are being reformed in order to provide better, faster and more services. However, quality, quantity and speed are not the only new competences that society requires from its government. Since the pace of societal change is accelerating, government should equally be able to respond to changing demands by offering new solutions. Secondly, governments reform with the purpose of re-establishing trust in government. Governments need to provide more choice, democracy and transparency by interacting with citizens/customers at all stages of the policy and service delivery process.

This approach does not mean, of course, that citizen/customers always get exactly what they want. However, successful organisations use customer needs and expectations as a starting point, developing proposals around their customers' needs and expectations, also meeting other corporate imperatives. Managing satisfaction therefore has to do with managing services and/or products, but also with managing expectations and perceptions of the citizen/customer. Measuring satisfaction seems to be just one element in this overall satisfaction management approach. We will develop this idea further in part three.

Understanding citizens/customers in this way is something that governments can no longer ignore. Demographic changes and social disengagement make it harder to reach large numbers of the public. Driven by global competition, advances in technology and the offerings of leading commercial players have raised the standard of what constitutes an acceptable level of service. If we want our services to be used and our interventions to succeed, we need to meet the public on their terms and manage needs and expectations more clearly along the way to see the results in satisfaction.

The dynamic way of getting citizens/customers of public services involved so as to enhance their perceptions, expectations and commitment through active participation, has been a common strategy to obtain a legitimate level of quality of and satisfaction with public services.

These trends are not going to reverse. Indeed, we have to assume that we will have to work increasingly harder to engage the public over the next decade. And we have to do so with fewer resources. Our capacity to increase spending is limited by prudence and by an increasingly well-informed public demanding the type of high quality and low-cost service, which they get from brand leading airlines and supermarkets. The citizen/customer has a different relationship with public services than with the private sector: by and large the public are more ambivalent about government services, not giving them much thought at best, and at worst, wanting to have as little to do with them as possible. Nevertheless, the public sector has come under growing pressure to match rising private-sector standards. What has been achieved by leading commercial providers shows what is possible: *I only need to tell my bank once that I've moved, so why do I have to tell the "government" so many times?* The media also encourages citizens to become more vocal and demanding.

3. Different faces of citizen/customer and the nature of public service(s)

Managing customer satisfaction is therefore indispensable for public organisations, to see if they are doing the right things and if they are doing things right. In being a public service, this is not always the easiest thing to do, due to the nature of the "client" on the one hand the nature of public

² This part is based upon the UK Primer, Cabinet Office (2006), *Customer insight in public services: A "Primer"*, London, p. 2.

services on the other. Citizens/customers have different faces and different roles; sometimes they are customers of service delivery and sometimes they act like citizens when paying taxes, have to obey the rules, etc. This is also translated by a difference in public and private service delivery. Moreover most public sector organisations are delivering services. Services have some clear characteristics (or sometimes a lack of them) which makes them special and not the same as products.

3.1. The different faces

The nature and significance of the “customer” needs no explanation in the private sector. The best private sector companies know that a deep understanding of their customers’ needs is essential to ensure that they provide the correct “fit” in terms of products and services. Failure to do this will make it difficult for them to compete and as a result, they risk being forced out of the market.

Public sector organisations can have a complex relationship with the public. In some cases it can be characterised as a customer relationship – especially in the case of direct service delivery by public sector organisations – and in other cases as a citizen relationship where the organisation is involved in determining and creating the environment in which economic and social life is conducted.

The nature of client or customer satisfaction is different, as opposed to citizen satisfaction (Schmidt and Stricklan, 2000). The two are distinct. When we are looking at customer satisfaction, we are asking questions directly about the delivery of services at an operational level (*doing the things right*). Citizen surveys assess issues such as whether certain services should be provided by the public sector at all (*doing the right things*). The priority of users is for a better service, but as *citizens* they may also recognise that resources may be better used elsewhere (Dinsdale and Marsden, 1999). The challenge for the public sector is to balance the two distinct, and often competing, factors of value for money for citizens, with high quality and accessible services for clients. There are also a number of features of public sector services that make them different from private sector services. Many models of service quality focus on the aim of increasing consumption of services and/or increasing customer loyalty. For many public services these considerations are in theory less relevant, as they are monopoly suppliers, customers are required to consume the services (such as regulatory services) or they are in fact the opposite of the aims of the service, where a reduction in consumption would be preferred (such as health and social services) (Dinsdale and Marsden, 1999). The following part will briefly deal with the difference between public and private services.

However, it is also possible to overstate the differences between public and private services. Many actually face similar situations and a number of the key lessons are transferable. Perhaps a greater danger is over-simplifying our understanding of public services; they clearly cover an enormous range of types of services, which vary in a number of important respects, for example:

- the target group (the public as a whole, small sub-sets of the population, businesses, the community/voluntary sector, other public sector bodies etc);
- the nature of use (regulatory/compulsory versus voluntary services, those that are used on one-off occasions/episodically versus those used regularly, those that are free versus those with costs associated, the methods of contact/service delivery etc);
- market position (specialist services versus services that cover a number of functions, monopoly suppliers versus those who face competitors/where alternatives are available).

The box below gives a good overview of the different roles in relation to the nature of the service.

Different roles of the external client

⇒ **Beneficiary (“bénéficiaires de prestations”)**

The client/user receives a service, in the form of a legal monetary payment or allowance and the provider is in a monopoly position

E.g. unemployment allowances

⇒ **Client (“consommateur”)**

A client can choose where to get its service: public or private organisation. There is a strong personal relation

E.g. Vocational training

⇒ **User (“usager”)**

The user does not dispose of alternatives of service delivery.

E.g. public park

⇒ **User and Producer (“producteur et consommateur”)**

The user can both make use of a service and play a role in the production of the service or service delivery

E.g. voluntary parents in schools

⇒ **Buyer (“acheteur”)**

The user pays with a direct contribution for the service

E.g. postal services, public transport

⇒ **Tax payer (“contribuable”)**

The user has well defined duties, but a high qualitative service delivery is still important

E.g. taxes

⇒ **Citizen (“citizen soumis”)**

Have to follow rules and inspections, but has elementary rights

E.g. security

Source: Shand & Arnberg, 1996: p.17

Since all the different roles are not always clearly separable, this complex relationship will be described in the continuation of this publication as a citizens/customers relationship. Citizens/customers are the recipients or beneficiaries of the activities, products or services of public-sector organisations. Citizens/customers need to be defined, but not necessarily restricted to only the primary users of the services provided (EIPA, 2006: p.20).

3.2. Public and private service delivery

As mentioned above, we do not have to over-exaggerate the difference between public and private sector, but we have to be careful of some specificities and characteristics. In the public sector there are different factors at play (Cabinet Office, 2006: 6-7):

- Competition does not play the same role and the implications of customer choice are different. However, “customers” of public services *do* have a choice: they can choose to “opt out” (either entirely, or by failing to deal with requirements correctly). The costs of this end up with the government again, which has to enforce compliance, provide the help lines, or deal with the fall-out of a failed intervention. The way in which a public body is organised can disguise the cost of this unless it takes the trouble to find out, for example, how much time its front line staff spends with customers who are confused or lack confidence that they are being dealt with properly.
- Although people want their needs met as individuals, as citizens and taxpayers they still want a public sector that exists for the whole population and which provides services that are high quality as well as efficient; it is not just parents who are interested in schools.
- Unlike most of the private sector, public sector organisations do not have the luxury of selecting and focusing on their preferred and most profitable customers: they need to cater for the needs of the whole community. Indeed, for many services, the “customers” of greatest concern to

government are those of least interest to most commercial service providers. These people are often the hardest to identify.

- In many cases, the aim of an intervention is long term and reliant on a complex range of interrelated factors. Success relies on engaging a number of people in a coherent way – tackling child obesity or teenage pregnancy, for example, will involve reaching parents, teachers and role models as well as the child or teenager. Often, success will be years in coming and the conventional cost/benefit analysis used in the commercial world will simply not apply.

These factors combine to build a picture which shows that although the customer role is different in the public sector, the citizen has a right to be treated as a customer, and that public service provision must be equitable and fair to all, regardless of background.

The gap between the public and private sector, from the citizen’s point of view, is narrowing. Competition in the private sector will shape the future service delivery environment, against which the public sector will be judged. Governments need to rise to the challenge with all that this implies.

“Why do we persist in calling taxpayers “customers”? Taxpayers don’t have the option of buying or not buying goods or services from us; they can’t shop around for better value from other suppliers of similar goods; they can’t ask for their money back if they don’t like what we’ve done. Only customers can do things like that.” (Her Majesty’s Revenue and Customs (HMRC) staff)

“Yes we treat prisoners like customers! Of course those people sometimes did terrible things, but it is our task to treat them according to standards and norms. These standards are part of our service delivery.” (Prison Director)

3.3. Service and products

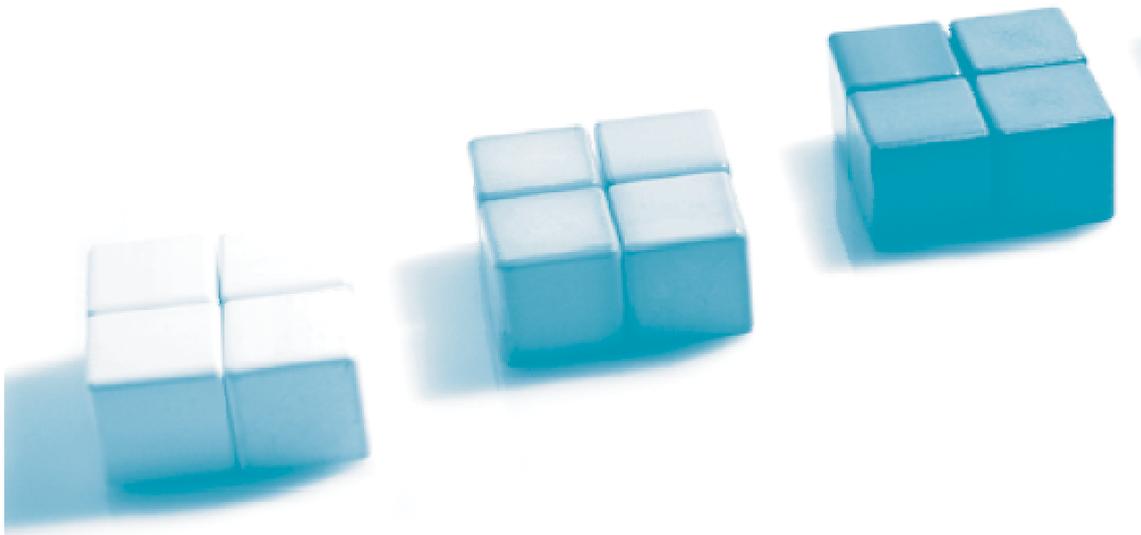
Most public sector organisations are delivering services. Services have some clear characteristics (or sometimes a lack of them) which makes them special (Ross, 1999: 13-15). These differences are described as *“intangibility”, “inseparability”, “heterogeneity”, “perishability”* (Hoffman and Bateson, 1997: 22-24). The box below gives an overview of them (Zeithaml et al., 1992: 50).

Characteristics	Effect/Problems
<p>“Intangibility”: <i>“A distinguishing characteristic of services that makes them unable to be touched or sensed in the same manner as physical goods.”</i></p>	<ol style="list-style-type: none"> 1. Services cannot be stored. 2. Cannot protect services through patents. 3. Cannot readily display or communicate services. 4. Prices are difficult to set.
<p>“Inseparability”: <i>“A distinguishing characteristic of services that reflects the interconnection among the service provider, the customer involved in receiving the service, and other customers sharing the service experience.”</i></p>	<ol style="list-style-type: none"> 1. Consumer involved in production. 2. Other consumers involved in production. 3. Centralised mass production of services difficult.
<p>“Heterogeneity”: <i>“A distinguishing characteristic of services that reflects the variation in consistency from one service transaction to the next.”</i></p>	<ol style="list-style-type: none"> 1. Standardisation and quality control difficult to achieve.
<p>“Perishability”: <i>“A distinguishing characteristic of services in that they cannot be saved, their unused capacity cannot be reserved, and they cannot be inventoried.”</i></p>	<ol style="list-style-type: none"> 1. Services cannot be inventoried.

Dealing with these specific characteristics will influence the search for defining which components of service quality determine satisfaction, as we will present in the next part of this publication.

Part 2:

Understanding customer satisfaction



Introduction

Understanding and measuring satisfaction is a central concern. Satisfaction is a widely accepted concept despite real difficulties in measuring and interpreting typical approaches to its assessment. The most common approach is the use of general satisfaction surveys undertaken every few years and designed to track changes over time, but we will describe others in part four. There are however, a number of difficulties with the concept of satisfaction (Communities Scotland, 2006: 20).

- It is not static, but changes over time; new experiences and levels of awareness will alter the potential levels of satisfaction that could be achieved.
- It is likely to be complex and the result of a mix of experiences before, during and after the point at which it is measured.
- It occurs in social contexts which are varied and changing and may be unpredictable or inexpressible to the service user.
- It may be difficult to express the reasons for satisfaction; particularly where less tangible aspects of services are being considered.
- It may be easier to express the reasons for dissatisfaction, particularly if this is the exceptional state.
- Without understanding the causes of satisfaction, there is a danger that we might treat a “good result” as a reason not to change anything, seeing it largely as a PR tool.

In order to get a better view on satisfaction, we describe some key elements in this part. The model that has underpinned the satisfaction approach is the disconfirmation theory, which suggests that customer satisfaction with a service is related to the size of the disconfirmation experience; where disconfirmation is related to the person’s initial expectations.³ If experience of the service greatly exceeds the expectations clients had of the service, then satisfaction will be high, and vice versa. In the service quality literature, perceptions of service delivery are measured separately from customer expectations, and the gap between the two, $P(erceptions) - E(xpectations)$, provides a measure of service quality and determines the level of satisfaction.



1. The role of expectations and perceptions

Expectations have a central role in influencing satisfaction with services, and these in turn are determined by a very wide range of factors. It is arguable that the range of influences on expectations is even wider for public services.

³ There are in fact a number of other ways in which expectations are defined, for example minimum/tolerable/acceptable levels of service and deserved (the performance level based on the time, effort and/or money invested).

1.1. How are expectations formed?

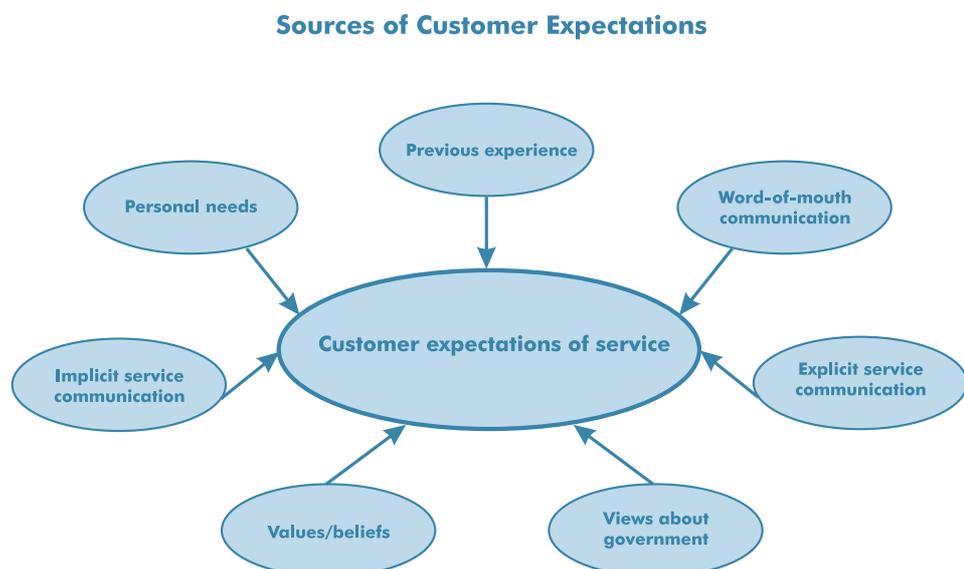
Given the central importance of expectations, it is important to understand how they are formed (Quality Accounts Commission, 1999). The basic key factors most commonly seen to influence expectations are described as:

- *Personal needs*: any customer or user of a service will have what they regard as a set of key personal needs that they expect the service to address. These will vary from service to service and from customer to customer. A clear understanding of these needs is necessary to design an appropriate service.
- *Previous experience*: many will have had service encounters before. Their previous experience will in part influence their future expectations of the service. This can include their past experience of the service in question, but also of other services – for public services, expectations will be influenced by experience of similar private services.
- *Word of mouth communications*: expectations will be shaped by communications from sources other than the service provider itself. This can include family, friends and colleagues, but more widely the media and other organisations, such as audit agencies.
- *Explicit service communications*: statements from staff or from leaflets or other publicity material can have a direct impact on expectations. Good examples are customer charters as we will present in part 4 of this publication.
- *Implicit service communication*: this includes factors such as the physical appearance of buildings e.g. renovation may lead the customer to expect other service aspects to be of higher quality.

The impact of brand image or service reputation (covered by word of mouth communications above) on expectations is seen as central in a number of public and private sector studies. This would seem to be a particularly important concern for public services, for two key reasons. Firstly, it is argued that in the absence of detailed information about competitor services or alternatives, the importance of image is increased. This is likely to make this factor a central aspect of views of many public services, given the generally more constrained choice and limited benchmarks available to customers.

Furthermore, the range of impacts on the image of public services is likely to be somewhat wider than for private services. In particular, it is argued that expectations of public services can be influenced by views of government and politicians. For example some contend that “...the distinction between politics, government and the public service may seem blurred in the eyes of many” (Dinsdale and Marsden, 1999) and therefore “the public’s perception of honesty and integrity in their government will affect their assessment of the services they receive from these institutions.” (Dinsdale and Marsden, 1999).

Expectations of public services are not only influenced by direct communications from the service, or even what the media says about service itself, but also the



reputation of the government as a whole.

It is generally thought that the impact of this factor may be relatively minor when asking about very specific service elements, but it is likely to have a major impact in more global ratings. This is reflected in a number of studies. Global assessments of public services were seen to result in stereotypical, critical responses – influenced by the negative connotations of big, inefficient governments. However, the more specific questions are, the more positive perceptions are seen to be (The Prime Minister’s Office of Public Service Reform, 2002). Similarly, in a Canadian study, when researchers compared overall ratings of public services with private services, views of public services were less positive. However, this was much less noticeable when respondents were asked to compare specific public and private services (Bachelet and Brookes, 1995). In part 4, the Belgian case of the Flemish public administration describes a model how they deal with this issue.

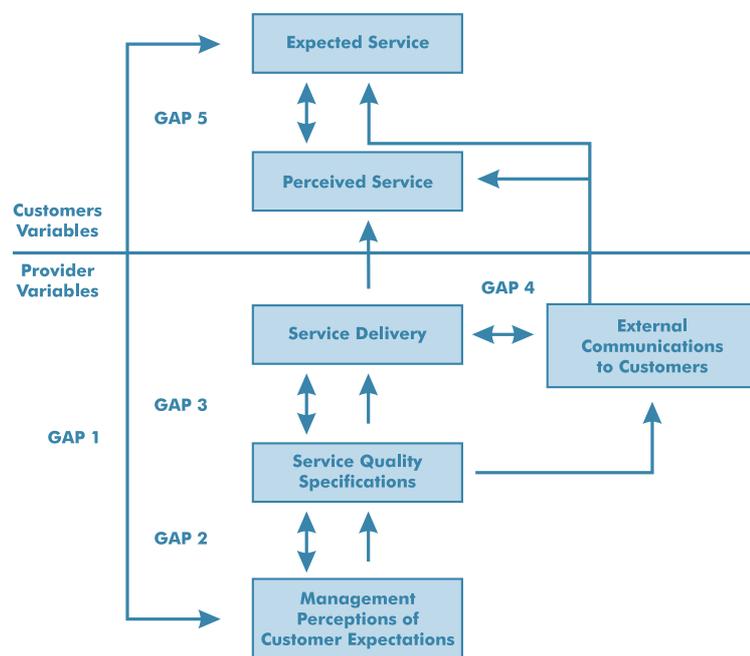
We would also argue that, in the context of public services in particular, there may be a case for including *personal values or beliefs* as an influence on expectations, independent of the other factors included in the model. This relates to what people view as the role of public services: reflecting their dual role as clients and citizens.

The overall model of key factors influencing expectations of public services (see above) is widely recognised that the nature and impact of each of these influences will vary for different customers and services. This is not an additional determinant of expectations in the same way as those outlined above, but it is critical to understand when making comparisons between public services: for some services, the greatest influence on the level of expectations is likely to be the nature of the customer group that is being served.

1.2. Perception and the Servqual model⁴

As described above, the Servqual (Service Quality) model starts from the basic gap between P(erceptions) – E(xpectations). Servqual is a service quality measurement tool that assesses both service perceptions and expectations across a range of different service characteristics. Using Servqual, the gap between expectations and perceptions can be analysed to help managers see where to target and prioritise improvement efforts for the best effect.

General satisfaction surveys tend to focus on customer perceptions of the services they are currently getting and not their expectations.



⁴ Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1985), "A conceptual model of service quality and its implication", *Journal of Marketing*, Vol. 49, Fall, pp. 41-50.

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1986), "SERVQUAL: a multiple-item scale for measuring customer perceptions of service quality", *Report No. 86-108*, Marketing Science Institute, Cambridge, MA.

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1988), "SERVQUAL: a multi-item scale for measuring consumer perceptions of the service quality", *Journal of Retailing*, Vol. 64, No. 1, pp. 12- 40

Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1991), "Refinement and reassessment of the SERVQUAL scale", *Journal of Retailing*, Vol. 67, pp. 420-450.

The extent to which services meet customers' needs or expectations is one measure of service quality. The fact that frequently little is known about customer expectations makes it difficult to interpret the ratings produced by satisfaction surveys. Servqual is designed as a measurement instrument. We will go into detail of this measuring part further on. What is interesting in this current context is the model that is behind the Servqual methodology. The Servqual-model is also known as the "gap-model", By analysing the four underlying gaps, insight is given into the final gap between perceptions and expectations (gap 5).

Gap 1: Customers' expectations versus management perceptions: as a result of the lack of a marketing research orientation, inadequate upward communication and too many layers of management.

Gap 2: Management perceptions versus service specifications: as a result of inadequate commitment to service quality, a perception of unfeasibility, inadequate task standardisation and an absence of goal setting.

Gap 3: Service specifications versus service delivery: as a result of role ambiguity and conflict, poor employee-job fit and poor technology-job fit, inappropriate supervisory control systems, lack of perceived control and lack of teamwork.

Gap 4: Service delivery versus external communication: as a result of inadequate horizontal communications and propensity to over-promise.

Gap 5: The discrepancy between customer expectations and their perceptions of the service delivered: as a result of the influences exerted from the customer side and the shortfalls (gaps) on the part of the service provider. In this case, customer expectations are influenced by the extent of personal needs, word of mouth recommendation and past service experiences.

Servqual is a survey tool that calculates "gap scores" to measure the difference between expectations and perceptions for different aspects of services. It provides a useful structure for thinking about which aspects of a service affect the quality. Elements of the SERVQUAL approach still appear in a large number of customer satisfaction studies in both the private and public sector, and when properly applied, can provide some useful insights.

An interesting illustration on working with perceptions and expectations in measuring satisfaction is shown in the case of the Swedish Police Force.

CASE: Quality Index in the Police Force (Sweden)

The Swedish Police Force has a long standing tradition in running and developing new forms of activity control and quality initiative, accumulating experience of the Balanced Scorecard, Swedish Quality Reward, citizen surveys, techniques for creating dialogue with the public, personnel motivation evaluations as results indicators, guidance and management through dialogue, developing the learning organisation and continuous improvement, the Swedish Quality Index, trials with e-learning, benchmarking, working targets in organisations with complex operations, international comparisons, trials with CAF (the Common Assessment Framework), as well as the council method for increased participation. Thereby, the police force has progressed very favourably.

One major challenge with this emphasis on the citizen's perspective is to increase public influence and to develop sophisticated, citizen-driven police activity within the sphere of safety.

Techniques for creating interactive dialogue can provide supplementary information, for example, by using panels and other forums. Another instrument is a tool based on the Swedish Quality Index and adapted for police forces.

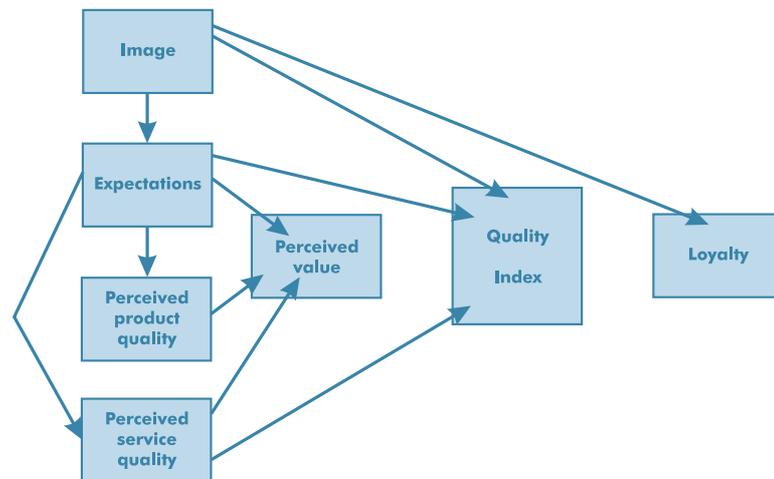
The Quality Index is a model-based analysis system to prepare, process and present information on quality, as perceived by actual users (plaintiffs). Accordingly, it is entirely based on these parties' assessments, on personal experience, and accordingly, on actual police actions. This model also implies

an ambition to produce statements on the causal link between simultaneous estimation techniques. The model can be used for comparisons over time, between police units, various geographical regions or societal groups, and also for concrete international comparisons.

High loyalty is one of the most important indicators of organisations performing strongly. Since customer satisfaction is linked directly to loyalty it is evident that measuring satisfaction without taking loyalty into account and vice versa would be misleading.

The questionnaire includes graded questions on the reputation of the police in society, expectations when crimes are reported, expectations of service levels and staff commitment, the perceived quality of processing the case, perceived quality of service and police commitment, general satisfaction, satisfaction in relation to expectations, cost-efficiency, loyalty and complaints. A scale of 1 – 10 is used consistently, with results transformed into an index, with zero equating to all respondents responding to all questions with a “1” and “100” implying all respondents grading all questions a “10”. Typical values, performed on thousands of studies, are of an index interval of 60 – 80.

Swedish Quality Index – SQI



2. Dimensions and determinants of service quality and satisfaction

As with the models for measuring satisfaction and identifying priorities outlined above, there are also a number of different constructions of the service factors that are most important in influencing perceptions of the service. We start with the factors that inform the SERVQUAL approach, before looking at refinements and alternative approaches.

2.1. Determinants of quality in Servqual

Service quality literature usually attempts to categorise the factors that influence attitudes towards the service at a number of different levels. At the highest level this involves a small number of service quality *dimensions*. These can be disaggregated into a larger set of service quality *factors* or *determinants*, which are then developed into questions for measuring through a structured questionnaire.

In the original concept of the Servqual instrument, 10 determinants of service quality were described. We present them and give examples (Accounts Commission, 1999).

Determinants of service quality	Examples
Access The ease and convenience of accessing the service	<i>Neighbourhood offices; one stop shops; convenient operating hours; 24 hour telephone; internet access</i>
Communication Keeping customers informed in a language they understand; listening to customers	<i>Plain language pamphlets and brochures; communication material tailored to the needs of individual groups (ethnic minorities, visually impaired etc); suggestions and complaints systems</i>
Competence Having the skills and knowledge to provide the service	<i>All staff knowing, and being able to do their job</i>
Courtesy Politeness, respect, consideration, friendliness of staff at all levels	<i>Staff behaving politely and pleasantly</i>
Credibility Trustworthiness, reputation and image	<i>The reputation of the service in the wider community; staff generating a feeling of trust with customers</i>
Reliability Providing consistent, accurate and dependable service; delivering the service that was promised	<i>Standards defined in local service charters; accuracy of records; accuracy of community charge bills; doing jobs right first time; keeping promises and deadlines</i>
Responsiveness Being willing and ready to provide service when needed	<i>Resolving problems quickly; providing appointment times</i>
Security Physical safety; financial security; confidentiality	<i>Providing services in a safe and secure manner</i>
Tangibles The physical aspects of the service such as equipment, facilities, staff appearance	<i>Up-to-date equipment and facilities; staff uniforms</i>
Understanding the customer Knowing individual customer needs; recognising the repeat customer	<i>Tailoring services where practical to meet individual needs</i>

After extensive research these ten were refined to five; following further analysis showed that some were very closely related. The five determinants are:

Dimension	Description
Tangibles	The physical facilities and equipment available, the appearance of staff, how easy it is to understand communication materials...
Reliability	Performing the promised service dependably and accurately
Responsiveness	Helping customers and providing a prompt service
Assurance	Inspiring trust and confidence
Empathy	Providing a caring and individual service to customers

These five dimensions are translated into 22 questions that measure both perceptions and expectations (Zeithaml et al., 1990: 175-186).

1. X has modern-looking equipment.
2. X's physical facilities are visually appealing.
3. X's employees are well presented.
4. Materials associated with the service (such as pamphlets or statements) are visually appealing at X.
5. When X promises to something by a certain time, it does so.
6. When you have a problem, X shows a sincere interest in solving it.
7. X performs the service right the first time.
8. X provides its services at the time it promises to do so.
9. X insists on error-free records.
10. Employees in X tell you exactly when services will be performed.
11. Employees in X give you prompt service.
12. Employees in X are always willing to help you.
13. Employees in X are never too busy to respond to your requests.
14. The behaviour of employees in X instils confidence in you.
15. You feel safe in your transactions with X.
16. Employees in X are consistently courteous with you.
17. Employees in X have the knowledge to answer your questions.
18. X gives you individual attention.
19. X has operating hours convenient to all its customers.
20. X has employees who give you personal attention.
21. X has your best interests at heart.
22. Employees of X understand your specific needs.

Items 1-4: *tangibles*
 Items 5-9: *reliability*
 Items 10-13: *responsiveness*
 Items 14-17: *assurance*
 Items 18-22: *empathy*

There has been a great deal of discussion on the comprehensiveness and appropriateness of these dimensions for different services. One particular addition is worth noting: the dimension of recovery (how services deal with putting things right when they have gone wrong). This is widely seen to be a particular gap in the list, and has since been added to a number of approaches.

2.2. Other dimensions and determinants

As noted above, service quality dimensions and factors have been researched widely for a range of public and private services – and just about all individual studies include some amendments or additions to reflect the particular service being researched. There is therefore little to be gained by attempting to summarise a comprehensive approach here. However, it is worth outlining a list of 18 quality determinants compiled by Johnston (1995), based on a study in the banking sector that is often seen to be more helpful and comprehensive than the SERVQUAL list:

- *Access*: the physical approachability of service location, including the ease of finding one's way around the service environment and the clarity of route.
- *Aesthetics*: extent to which the components of the service package are agreeable or pleasing to the customer, including both the appearance and the ambience of the service environment, the appearance and presentation of service facilities, goods and staff.
- *Attentiveness/helpfulness*: the extent to which the service, particularly of contact staff, either provides help to the customer or gives the impression of interest in the customer and shows a willingness to serve.
- *Availability*: the availability of service facilities, staff and goods to the customer. In the case of

contact staff, this means both the staff/customer ratio and the amount of time each staff member has available to spend with each customer. In the case of goods, availability includes both the quantity and the range of products made available to the customer.

- *Care*: the concern, consideration, sympathy and patience shown to the customer. This includes the extent to which the customer is put at ease by the service and made to feel emotionally (rather than physically) comfortable.
- *Cleanliness/tidiness*: cleanliness, and the neat and tidy appearance of the tangible components of the service package, including the service environment, facilities, goods and contact staff.
- *Comfort*: the physical comfort of the service environment and facilities.
- *Commitment*: staff's apparent commitment to their work, including the pride and satisfaction they apparently take in their job, their diligence and thoroughness.
- *Communication*: the ability of the service providers to communicate with the customer in a way he or she will understand. This includes the clarity, completeness and accuracy of both verbal and written information communicated to the customer and the ability of staff to listen to and understand the customer.
- *Competence*: the skill, expertise and professionalism with which the service is executed. This includes the carrying out of correct procedures, correct execution of customer instructions, degree of product or service knowledge exhibited by contact staff, the rendering of good, sound advice and the general ability to do a good job.
- *Courtesy*: the politeness, respect and propriety shown by the service, usually contact staff, in dealing with the customer and his or her property. This includes the ability of staff to be unobtrusive and non-interfering when appropriate.
- *Flexibility*: a willingness and ability on the part of the service worker to amend or alter the nature of the service or product to meet the needs of the customer.
- *Friendliness*: the warmth and personal approachability (rather than physical approachability) of the service providers, particularly of contact staff, including cheerful attitude and the ability to make the customer feel welcome.
- *Functionality*: the serviceability and fitness for purpose or "product quality" of service facilities and goods.
- *Integrity*: the honesty, justice, fairness and trust with which customers are treated by the service organisation.
- *Reliability*: the reliability and consistency of performance of service facilities, goods and staff. This includes punctual service delivery and an ability to keep to agreements made with the customer.
- *Responsiveness*: speed and timeliness of service delivery. This includes the speed of throughput and the ability of the service providers to respond promptly to customer requests, with minimal waiting and queuing time.
- *Security*: personal safety of the customer and his or her possessions while participating in or benefiting from the service process. This includes the maintenance of confidentiality.

2.3. The importance of factors

A great deal of useful work has been done to identify which factors of a service are the most important in determining overall satisfaction. This is probably as close as we can get to a "generic" set of factors. It is likely that the relative importance of each factor will broadly reflect the findings from other studies, where those factors that relate to reliability and responsiveness seem to most often emerge as key. The final list of determinants and questions for any individual service should build on these, and use a range of qualitative and other approaches to ensure the particular features of the individual service are accounted for. It is worth noting that for many public services, measuring the effort required by the customer in achieving their aims is likely to be central. It will also be important to include measures that ascertain the nature of the use of the services, as this is likely to modify the salience of factors.

The Austrian case of the tax offices shows the difference in importance of service quality factors between different customer groups.

CASE: an “INFOCENTER” for customers using the service of tax offices (AUSTRIA)

For the introduction of an infocenter helping users to correctly orientate themselves at the entrance to the office, the tax offices needed to know what the expectations towards the service and service delivery were. Not all the different customers come with the same questions and expectations. There the Austrian tax offices distinguished different target groups, to give them an insight in the elements of service quality:

- Accountants
- SME (small and medium enterprises) with direct contact to tax authorities
- Citizens with a certain kind of experience with tax authorities (one additional criterion is the frequency of contact)

These different groups were questioned in different ways: the accountants via an internet survey; the citizens and SME's were surveyed by exit surveys when leaving the building after having received a special service; via Face to face interviews; and by screening processes. The graphics for drivers of quality show that each target group regards different aspects of service quality to be more or less important.



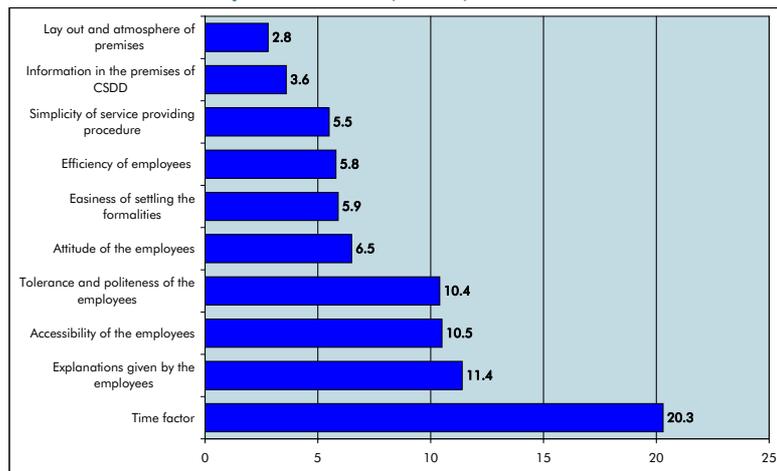
In general, the studies conducted by researchers using the SERVQUAL approach have found that *reliability* is the most important dimension, followed by responsiveness, assurance and empathy, with tangibles being the least important of all.

Using a different construction, a Canadian study on public sector services identified five dimensions as particularly important – timeliness, accessibility, reliability, responsiveness and cost. In particular, the two key factors identified are the *number of contacts* required and the *time required* to complete the service episode (Dinsdale and Marsden, 1999). The importance of these is reflected in a qualitative study among Benefit Agency customers in Britain, where the amount of contact with the service is seen to be one of the key determinants of satisfaction (Elam and Ritchie, 1997). Having minimal contact or “hassle” with the Benefits Agency is often equated to a good service. Contact involves cost, effort or challenge to the customer, and can be seen as a lack of effort or efficiency on the part of the service.

The Latvian case illustrates the measurement of different service quality determinants for the road traffic safety directorate.

CASE: measuring satisfaction in the road traffic safety directorate (Latvia)

The road traffic safety directorate deals with the registration of vehicles, the examination of drivers and the issuing of driver's licenses, periodic technical inspection, road safety audit and the maintaining of the State Register of Vehicles and Drivers. Satisfaction measurements are carried out at regular times and focus on different elements of the service delivery. Such parameters as business hours, time factor (consumption) of receiving given service, qualification of personnel, risks, etc.

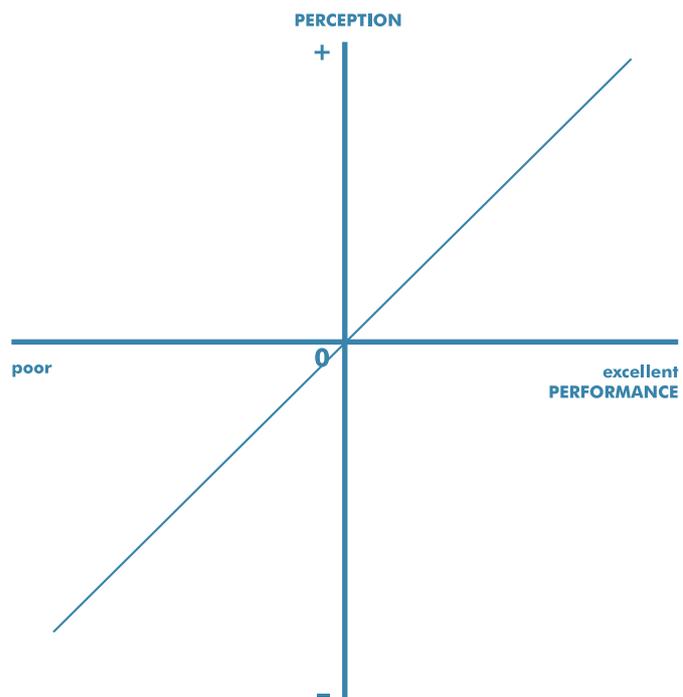


3. Impact of factors

The previous sections have outlined some of the main elements of key models of how satisfaction relates to performance and which factors are key priorities for improvement. When identifying priorities, it is also useful to consider in more detail how changes in performance on individual factors may impact on perceptions. Early models infer a simple linear relationship between performance and perception, where any increase in performance (on any of the factors identified) leads to an increase in perceptions of service quality and vice versa (Johnston and Heineke, 1998). The chart illustrates this.

However, this is clearly too simplistic, and a number of researchers suggest we should split factors into different types according to the nature of their impact. There are two main theories about how impacts vary (Johnston and Heineke, 1998).

Relationship between Perception and Performance



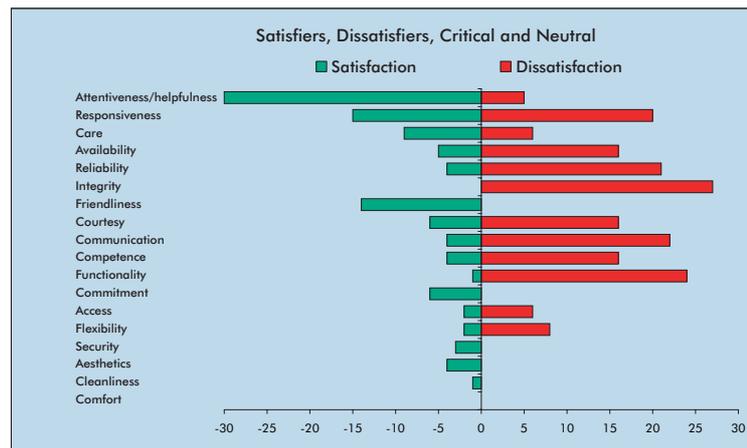
3.1. Types of quality factors

Quality factors have been split into four main categories:

- **Dissatisfiers (or hygiene factors):** these can be thought of as existing at two levels: inadequate and adequate. If such factors are perceived to be inadequate, then dissatisfaction will result; but any increase in performance above adequacy has little effect on perceptions. The example often given is of a fork in a restaurant with a small amount of food on it; the presence of a dirty fork is likely to make customers dissatisfied, but a very clean fork is unlikely to add to satisfaction.

- **Satisfiers (or enhancing factors):** those factors which, when improved beyond adequacy, have a positive effect on perceptions. However, when these factors are either not in evidence or poorly performed, they do not detract from impressions of service quality. The example given is that if a waiter does not remember you from your last visit to the restaurant you are unlikely to be dissatisfied, but if he does and also remembers your favourite wine, you are likely to be delighted.
- **Critical (or dual threshold factors):** these are factors that can be both satisfying and dissatisfying. For example, responsiveness is often seen as a critical factor; a speedy service from your waiter can delight, but a slow service can lead to dissatisfaction.
- **Neutral:** these are least sensitive to changes in performance.

The chart, from the study in the banking sector by Johnston mentioned earlier, illustrates how factors can be classified according to their impact. This shows the classification of responses from a Critical Incident Technique (CIT) study, where anecdotes from service users on particularly satisfying or dissatisfying service experiences are coded into the key determinant list. Attentiveness is clearly a satisfying factor, being mainly highlighted in incidents that have been particularly satisfying for respondents. On the other hand, integrity seems to be a clear dissatisfying factor. Responsiveness is a critical factor (as reflected in a number of other studies), while comfort is a neutral factor, not mentioned in any anecdotes.

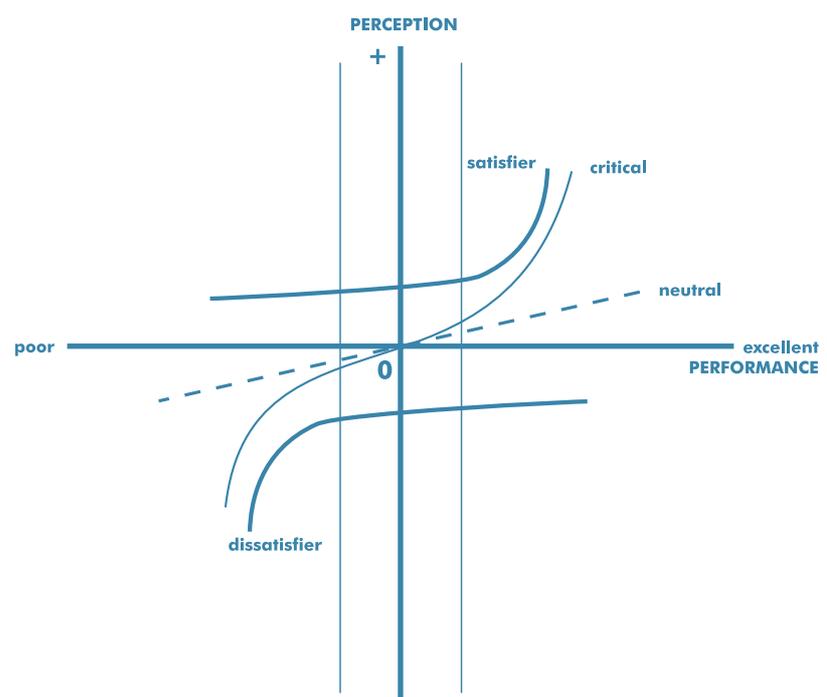


3.2. Sensitivity of factors

This still suggests a linear relationship between performance and perceptions, where improvement in each of the factors may impact on perceptions in different ways, but to the same extent in all circumstances. However, more recent work has shown that this is not the case.

In particular, it has been noted that customers are willing to absorb some positive or negative disconfirmation of expectations before expressing satisfaction or dissatisfaction. Other researchers suggest a similar model, but reason that this is because the customer does not notice these relatively small differences. Whatever the

Types of Impact and Zones of Tolerance



reason, this model suggests there is a “zone of tolerance” where changes in service provision have little impact on the perceptions of the service, as seen in the diagram.

The model suggests that once outside the zone of tolerance there could be a disproportionate impact on perceptions – that relatively small changes in performance could have a large impact on how the service is viewed. The nature and size of the zone of tolerance is therefore clearly important to attempt to understand.

CASE: European Customer Satisfaction Index – A pilot in public administration (Portugal)

The Portuguese Institute of Quality – the responsible national entity for the coordination, management and development of the Portuguese System of Quality (PSQ) – leads the implementation of the NCSI Portugal – National Customer Satisfaction Index. This index is a system for measuring the quality of the available products and services in the national market through the satisfaction of the customer. This index is developed in some sectors of activity, and currently encloses the following sectors: banking, communications, distribution, energy, insurance and passenger transport.

In 2006, a pilot project was launched to assess the provision of services in the following agencies/departments: social security, tax administration, register of births, marriages and deaths and vehicle registration. Three different channels were considered when assessing the delivery of services: traditional over-the-counter services, citizens’ shops (*Loja do Cidadão*) and web-based services. The system that was designed allows each agency/department of public administration to identify key areas for users’ satisfaction and to regularly monitor the delivery of services; identifying positive features and shortcomings, as well as opportunities for improvement.

In the Portuguese public administration there are some experiences of evaluation of the quality of the services based on customer satisfaction, for example in the financial, social security and health sectors. However, not only are they not extensible to all the sectors, but also, most of these evaluation processes are characterised by a low degree of regularity in its application. In this context:

- The challenge is the regular evaluation, on an intersectoral basis, of the quality based on key-factors for its customers, supported in a uniform methodology that allows for comparability;
- The opportunity is in using the experience developed in the private sector by the Portuguese Institute of Quality, for the development of this tool near the public services and for the implementation of the methodology in Portuguese public administration linked with the European administrations.

The method involved a two-staged approach. Firstly, a survey was undertaken amongst a sample of users of the four public agencies/departments under investigation. Then, the data was analysed and used to build user satisfaction models. Such models aim at identifying the determining factors in user satisfaction and the relative weight of each of those factors.

A total of 1926 users of public administration services were interviewed between November 2006 and January 2007 (reference year: 2006). Since the agencies/departments that were selected have a very different nature, any comparisons established between them must be treated with caution. Indeed, citizens will receive allowances or documents that they may require to certify certain aspects of their personal lives from some of the agencies/departments; whereas in others, they will be expected to fulfil their duties, namely to make payments to the State. It is therefore natural that citizens would be variously predisposed towards the different agencies/departments surveyed.

Conclusions

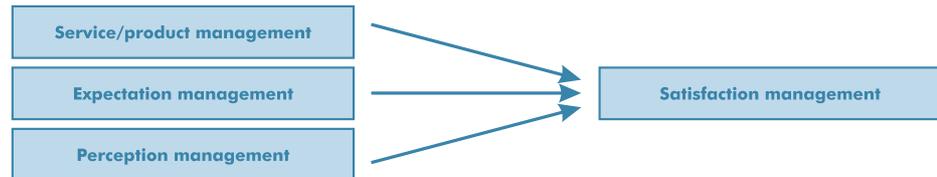
Organisations need to take into account both perceptions and expectations. Each organisation has to define the determinants that influence perception. Ideally managers need not only to identify priorities for improvement but also to understand the type of impact these factors have. Even if a factor is highlighted as a priority, we need to understand the level of improvement required to ensure we make the best use of available resources. These factors can be summarised as follows:

- *dissatisfying*: these are key only if performance is not adequate. Once the zone of tolerance is achieved there is no real benefit to improving further. The adequate level should be maintained as efficiently as possible.
- *satisfying*: these should be a high priority if the aim is to delight customers. Once beyond the

- zone of tolerance incremental improvement can lead to significant increases in satisfaction.
- *critical*: these have features of both satisfying and dissatisfying factors, and so will be key in all cases.
- *neutral*: a low priority as they will have little impact whatever the level of performance.

However, attempting to understand how improvements in particular service factors may affect satisfaction remains an important consideration, as it can help to focus resources on priorities for improvement that will have the greatest impact on perceptions. In practical terms this will be based on previous research and our understanding of the service, and could be further explored through qualitative techniques, examination of complaints and compliments and further analysis of existing survey data.

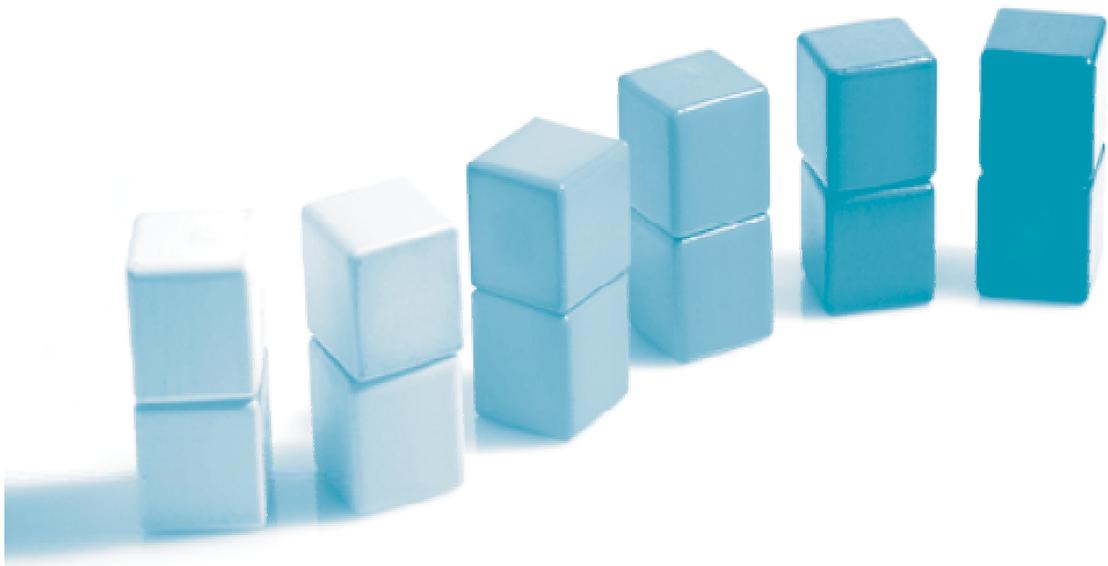
Successful organisations use customer needs and expectations as the starting point, developing propositions around their customers'



needs and expectations; this also answers other corporate imperatives. Managing satisfaction therefore has to do with managing services and/or products, but also important are the management of expectations and perceptions in the final satisfaction of the citizen/customer. Measuring satisfaction seems to be just one element in this overall satisfaction management approach. This final conclusion is also the start for part 3, where we shift from satisfaction measurement to satisfaction management.

Part 3:

From satisfaction measurement to satisfaction management



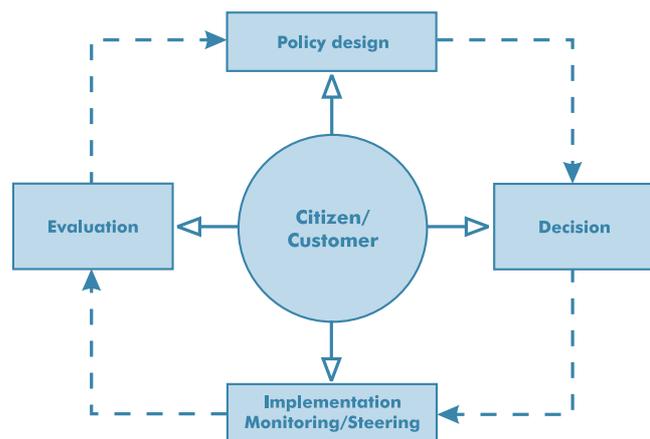
1. The changing place and role of the citizen/customer⁵

Traditionally, the political leaders determine what services are to be provided, on what terms and to whom; and bureaucrats and professionals subsequently organise and deliver the services. The role of the citizens is largely passive. In the new setting however, the range of actors involved – institutionally or on an *ad hoc* basis – in the production, delivery and evaluation of public services has grown and the role of the citizen has become more and more active. This changing role of citizen/customers of public services has an impact on the policy and management cycle as a whole. Traditionally, the policy and management cycle is dominated and controlled by politicians and administrators. Now, citizens-customers are increasingly involved in this policy and management cycle at different stages (design, decision, implementation and monitoring, and evaluation) as is shown in the figure below.

Successful organisations use customer needs and expectations as a starting point; developing proposals around their customers' needs and expectations, also meeting other corporate imperatives. Managing satisfaction therefore has to do with managing services and/or products, but also with managing expectations and perceptions of the citizen/customer, as described in part 2. Measuring satisfaction seems to be just one element in this overall satisfaction management approach.

The consultation of citizens forms a crucial input throughout the policy and management cycle.

The OECD defines consultation as a two-way relationship, where government talks to citizens/customers and citizens/customers provide feedback to government. It is based on the prior definition by government of the issue on which citizens'/customers' views are being sought and requires the provision of information (OECD, 2001b). The citizen/customer no longer comes in the picture only at the end but at all stages and steps of the policy and service delivery. Therefore, measuring citizen/customer satisfaction is only one stage, the final stage. The input of the citizens/customers in all their roles and at all stages of the cycle has to be taken into account. This is what can be defined as Customer Satisfaction Management.



Strategies of participation and knowledge on needs and performance are essential. This implies that public agencies evolve from a closed, self-centred service provider to an open networking organisation which the public can trust. This occurs through transparent processes and accountability; through democratic dialogue from an internal (resources and activities) focus to an external (output and outcome) focus; and from a classical-design-decision-production-evaluation cycle to an involvement of stakeholders in general, and citizens (as customers) in particular at each and every stage of this cycle. Citizens/customers become co-designers, co-deciders, co-producers and co-evaluators. Different ways, tools and techniques in doing this are presented, illustrated and discussed in part 4 of this publication.

The traditional orientation in the public sector is in principle very internal and supply driven. Public sector organisations are closed systems, or even "black boxes", where the design of policies and

⁵ This part is based upon:

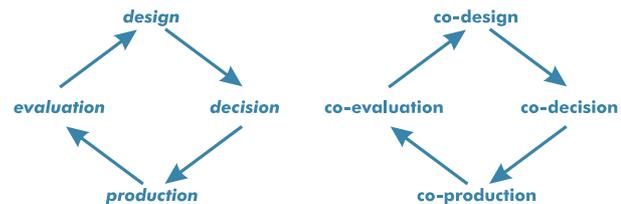
- van Dooren W., Thijs, N., & Bouckaert, G. (2004) Quality management, Thijs and management of quality in the European public administrations. In E. Löffler & M. Vintar (Eds.). *Improving the quality of East and West European public services* (pp. 91-106). UK, Hampshire: Ashgate.
- Bouckaert G., Löffler E. and Pollitt C. (2006), *Scientific report on the 4th European Quality Conference*, Finland: Tampere.

service delivery, the related decisions taken, the production and delivery of services, and the evaluation by definition, all depend upon internal relationships. There were several reasons why this appeared to be a good solution. Legal requirements emphasised equal, impartial treatment of citizens. Only a distant approach was supposed to guarantee this. Furthermore, professionals and experts/bureaucrats had the necessary expertise about needs, priorities, resources and policies that could remedy certain problems.

However, complex needs in an increasingly heterogeneous society, the demand for increased transparency, changing perceptions of the legitimacy of governments, and the need to get citizens involved resulted in an opening up of the “black box” to citizens.

Increasingly, public agencies turn into externally oriented and demand driven organisations, developing new types of interactions and relationships with a variety of stakeholders for different sets of tasks.

An issue of fundamental importance to the sustainability of quality improvement is the level of involvement of other stakeholders, particularly service users and citizens, during the entire cycle of service.



2. From Design to Co-design

The design of innovations and public services (delivery) in public administration is crucial. The design phase plots the course for crucial later decisions, for the operational “production” of services and for the evaluation (and evaluability) of the innovations and services themselves. Changes, if they come at all, are expected to come from the top, often in the form of an imposing sounding “comprehensive strategy”. Proposals for change from the middle or lower ranks are not expected, not welcomed, and, therefore, often not even attempted. Proposals from outside are even worse – outsiders trying to interfere in “our business”. A prime responsibility of management is therefore to create and communicate an open, supportive attitude towards suggestions for improvement, wherever they come from.

A second point is that the design process should itself model the way you will later implement and evaluate the innovation or service (delivery). The proposals or input may come from anywhere, anyhow, but once it is on the agenda it is important to include a wide spectrum of views and stakeholders in its early development. So the design phase is not one in which a chosen few inside the house work out all the plans, and then later seek consultation. “Start as you mean to go on” as the English saying goes – so if you want your service innovation to involve staff or user participation, begin to look for that participation even in the design phase.

CASE: involving stakeholders in the Ministry of the French speaking Community (Belgium)

The department of the Diploma Equivalence of the Ministry of the French speaking Community is responsible for validation of foreign diplomas in Belgium. The department launched several initiatives to improve service delivery and make communication and information more client-friendly. Each project set up within the Department for Diploma Equivalence has been submitted to an assessment by the citizen-customer: to that end,

- the internet site proposes an assessment form of its contents, utility, presentation and user-friendliness;
- the brochure, itself, is submitted for assessment in a paper form, also integrating questions regarding the quality of the reception of visitors on the premises.
- furthermore, the brochure has been repeatedly assessed and amended with the agreement of the partner associations.
- the phone line, “Head of schools”, has, for its part, been evaluated by the target audience during yearly meetings with the Heads of schools.
- the vademecum has also been assessed by civil servants prior to its publication.

Another point about the design stage is that it needs to design not only the decision and production stages, but also the eventual evaluation stage. Many evaluations are weakened because there is no baseline – no measure of what service quality was before the innovation. This is often because evaluation is not thought much about until the “show is already on the road”. So evaluations – and therefore learning – can be much improved if a) it is thought about early on and b) a wide spectrum of stakeholders are involved (a particular version of the second general point above). What does staff want to know from an evaluation? What do users want to know? What do sponsors want to know? Evaluation is not just a tool for management. One way of securing early evaluative information is to launch pilot projects, which can be monitored by committees containing all key stakeholders. Pilot projects do not suit all services or all situations, but they have already been extensively used and can probably be applied even more widely.

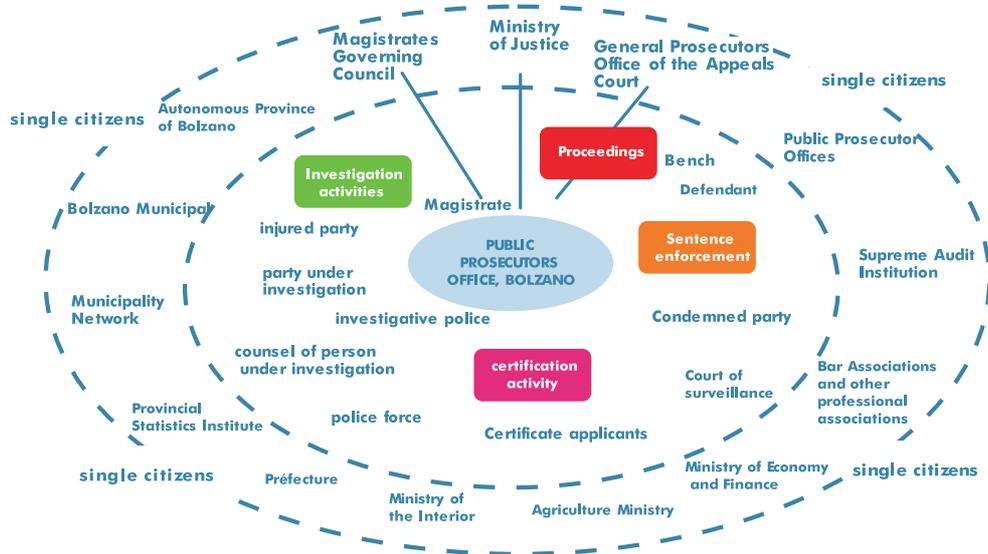
In the shift from design to co-design, organisations don’t pretend to be the only ones to know the world and possess the truth. Needs and expectations are captured in order to take them into account when designing services/products, knowing how to deliver them, designing the processes, giving information, etc...

3. From Decision to Co-decision

Co-decision supports sustainability of quality because citizens/customers come to see themselves as “owning” these decisions. Citizens/customers may also become more knowledgeable through the debate that precedes decisions, and this creates more legitimacy. It is clear that participation in itself may increase satisfaction.

CASE: The experience of the Bolzano Public Prosecutor's Office in user segmentation (Italy)

In 2004 the Bolzano Procura, started a “pilot project for the re-organisation and optimisation of the office”, in order to raise the administrative effectiveness and economic efficiency of the Procura, involving the personnel and stimulating their motivation in the life of the office.



Three main “tools” have been used within the project, plus a fourth, cross-functional tool supporting the other three:

1. the services charter,
2. an ISO-compliant quality system,
3. the social report,
4. the information systems.

The first step, at conceptual level, was to locate the Procura in a scenario, that is to build up a full picture of the dense network in which a Procura operates and the large number of stakeholders with which it is in daily contact.

The chart of the Bolzano Procura stakeholders aims at describing relationships, measuring the frequency of relations and identifying “key stakeholders” according to the degree of proximity with the Procura rather than to hierarchical criteria. Another distinguishing feature of the project was to consider the specific “values language” linking us to the individual stakeholder categories: each category has its own vested interest, which means we have to direct and measure dialogue with specific indicators for each activity we perform. A SWOT analysis to examine the relationship between each stakeholder and the Procura, identifying strengths, weaknesses, opportunities and threats, was also conducted.

Within the project great attention has been paid to the improvement of the web site, considering input and suggestion from the Office's stakeholders (lawyers, investigative police, the police and magistrates in other judicial offices). With regard to measurement and monitoring of the needs of the citizen/user, information is obtained through systematic collection and processing of complaints/suggestions (received via the web or presented directly in our offices) and regular surveys of user satisfaction submitted to a selected target of users: private citizens who come to the offices for administrative documents and people who interact with the Procura via the www.procura.bz.it web site.

One very obvious and famous example, mentioned by Bouckaert, Löffler and Pollitt (2006) is participatory budgeting, as in Porto Alegre; but also in European cities such as Saint Denis in France or Sevilla in Spain. In part 4 of this publication, the case of the city of Solingen (Germany) in creating a council with non-native representatives will be presented. While more complex, this form of co-decision may strengthen the quality of our democracies whilst ensuring responsive public services meet agreed priorities within the community. A second type of co-decision is devolving budget envelopes to neighbourhoods. Neighbourhood councils or platforms decide what to spend their envelopes on e.g. playgrounds for children, or public gardens, or street lights. It creates a higher level of responsibility and ownership of the neighbourhoods by those who live there. However, as public budgets are getting increasingly tighter, many local authorities have delegated the allocation of funds for particular associations or projects to umbrella organisations or community chests. A third example is referenda as an input for formal decisions. This has been traditional in Switzerland, but it is becoming increasingly common in other European countries for shaping co-decision.

4. From Production to Co-production

Once decisions are taken, production and implementation emerge. Co-producing services increases the sustainability of quality because the production becomes co-owned and because the way of producing becomes more visible and thus more understandable (there are fewer “black boxes”), and is therefore more legitimate. Co-production is a complex term since it implies a permanent or temporary involvement of different actors in different stages of a sometimes complex production cycle. Co-production is a *conditio sine qua non* for a sustainable public sector in general, and for specific service deliveries in particular.

The actors involved in co-production can include, of course, private sector firms or other external providers. Both PPPs and contracted-out services can involve either for-profit firms or non-profit associations, or a mixture of both. However, here we want to emphasise that it can also include citizens (as customers) individually (as a parent, as a guide, as a fire service volunteer) or collectively (e.g. faith based organisations for social services, not-for-profit associations for park maintenance) who play a role in the service (at some stage from its planning, through its delivery, to eventual monitoring and evaluation). Their input is time and expertise or perhaps their fundraising efforts or sometimes just their expression of preferences and priorities – vital information for public officials who are planning services. Their involvement could be active or passive. Time wise, this involvement could be permanent (recurrent service delivery e.g. assisting in a library) or temporary (during peak moments), or even “on call” (e.g. volunteers of fire services are also “on call” when

there is a fire or a calamity). This involvement could be from the back office or from the front office (desk and window service).

Swedish customs take the expectations of operators into account in service delivery and even work with them as co-producers in the custom chain.

CASE: Co-production in Customs chain (Sweden)

The challenges for both Customs and trade are increasing continuously. Every year a million vehicles, lorries, aircrafts, trains etc. pass through our borders. We can no longer control everything and what is even more important; we do not want to control everything. International trade is increasing and moving faster and faster and we are also moving more and more towards customs unions and trade agreements. We are in fact removing borders all over the world and that is naturally a problem for an authority like the customs that have been working on the borders for hundreds of years.

The Swedish Customs is the authority responsible for the customs system, the Stairway. This customs system was developed in close cooperation with other involved parties, such as several trade and industry organisations, to handle and manage the global supply chain. We realised that we had to change our organisation and our way of managing trade to be able to fulfil our tasks in the most efficient way. Therefore we developed the Stairway: our custom system for improved service, quality and efficiency. The Stairway is the Swedish customs system for handling all import and export.

The Stairway gives opportunities for simplifications and improved service to those operators who certify the quality of their customs routines and security. This makes it possible for us to use our resources in the best way. We facilitate legitimate trade and at the same time promote security to make sure that no illegal activities take place. The operator is responsible for the quality assurance of their customs routines and security if applicable. When the company is done it is time for the site call from the Swedish customs with the aim to certify the operator. We go through their routines and the criteria for being a certified operator to ensure for example that the company submits correct customs declarations; we call it "right from the beginning".

Today the business sector actively takes part in our prioritisations of both IT development and trade facilitation by participating in collaboration groups at different levels. One result from this dialogue is the creation of the Stairway. The result is that we reduce trade costs and at the same time we manage to use our resources in the best possible way. Since the launch of the Stairway we have certified almost 300 companies in Sweden, and this means that more than 60% of the flow of goods is now quality assured.

A significant difference is co-production as a kind of self-service or as another service. To a certain extent, electronic government requires people to download documents and submit information, and to be structurally involved in the production in a self-service mode. It is a different story when people assist others in delivering services. A special case of co-production is co-management. Here, there is an involvement in guidance and control of an organisation. Managerial participation requires a special type of involvement and has an impact on the distribution of responsibilities e.g. citizens in neighbourhood park maintenance, or parent governors in schools. However, there are some challenges in co-production. The real challenge is the relationship between professionals and volunteers since professionals do not always take them seriously and tend to be patronising causing volunteers to get frustrated and give up. It is also necessary to consider a possible and deliberate trade-off between professionalism and representation of staff in the organisation. Finally, there is a need to make explicit arrangements on responsibility and accountability – citizens/customers quickly become disillusioned or frustrated unless they have a clear understanding of their roles and responsibilities. There are also dangers in co-production: delivery capture by one of the citizen/customer groups is a possibility.

5. From Evaluation to Co-evaluation

The final stage in the evolution towards overall satisfaction management is involving the citizen/customer in the evaluation stage.

It is encouraging that public sector organisations are now seeking to assess the results of quality initiatives not only through objective performance data but also through the perceptions of service users.

CASE: A plan for measuring customer satisfaction (Lithuania)

The Ministry of the Interior of the Republic of Lithuania is implementing the Plan of Implementation Measures from the strategy for public administration development until 2010. According to this plan, the methodology to calculate the customer (of public services) satisfaction index is on the development stage. The prepared methodology will be approved by the Minister of the Interior at the end of 2008 and will assist state or municipal institutions by acting as a guideline for measuring customer satisfaction in the public services. Public service refers to activities of legal persons controlled by the state or municipalities when providing social services for persons, as well as services in the spheres of education, science, culture, sports and other services provided for by laws. The measurement of the customer satisfaction index will be focused on identifying the gaps between customers' expectations and perceived quality of public services.

The pilot project in the selected medium-sized municipality will be done in order to check the prepared methodology and to measure the customer satisfaction index in the field of municipal economy services. The results of the customer satisfaction survey will be presented in order to promote the methodology as a modern tool for Customer Satisfaction Management in the public sector.

Specificity of the methodology:

1. Practically applicable. Institutions will be able to use it independently and to adapt it considering the sector of public services (i.e. social, education, health, culture, sport etc).
2. Public services identified and grouped according to their specificity, thus survey methods and techniques to each special group of public services individually developed.
3. Target groups, sample size, survey methods and techniques, periodicity of the survey determined and described; typical questionnaire forms for each special group of public services individually developed.
4. Recommendations for survey data analysis (correlation analysis as well) and reporting, calculation of customer satisfaction index, interpretation of results, monitoring of change of the index value during the estimated time presented; typical forms of survey reports developed.

Typically, such qualitative approaches are based on opinion surveys and explore the level of user satisfaction. Of course, some important issues remain, e.g. user surveys do not gauge the views and opinions of current non-users and likely future users.

More generally, when it comes to vulnerable and disadvantaged users, it is becoming recognised that more active forms of dialogue are often more effective than surveys. This can take the form of user panels, focus groups or quality action groups as will be described in chapter 4 of this publication. Bouckaert, Loffler and Pollitt (2006) give the example of the Dutch Ministry of Finance (presented at the 4th European Quality Conference). It showed how a focus group with disabled people helped them to simplify benefit claim forms. The case of Luxembourg also describes this practice of reaching an often difficult population of long-term care insurance beneficiaries.

CASE: Satisfaction survey of the long-term care insurance beneficiaries (Luxembourg)

The CEO (Evaluation and Orientation Unit) is the public service that ascertains whether the person is dependent (meaning that they are in need of another person to carry out the essential acts of life) and determines the degree of help and care they can be entitled to. It also has other functions such as informing and advising on topics that are linked to matters of dependency.

It was the ambition of the CEO to have an insight into the opinion of the beneficiaries, the dependant people, to give them the opportunity to express themselves on the quality of services received. The survey was conducted from 1 October until 30 November, 2006. The CEO was supported by the experts from « Centre d'Études de Populations, de Pauvreté et de Politiques Socio-Economiques » (CEPS, Research Centre on Populations, Poverty and Socio-Economical Policies).

The survey had to cover a very particular population of beneficiaries. The population is characterised by a certain degree of vulnerability as it is composed of dependant people, who often are not responsive and cannot express their needs. In order to take this element into account and to guarantee at the same time the reliability of results, it was then decided to adopt an approach in cascade: if the person was addressable, he/she was questioned alone by the interviewer; but if he/she was only partly approachable or even not at all, the help of a second person from the near environment of the dependent person was asked.

Another characteristic of the population is that it is very heterogeneous, as people composing it vary in terms of: age; cause(s) of dependency; going from congenital to acquired handicaps and from physical to mental and psychical diseases; places where the dependant people are living, either at home (majority) or in a health and care institution; degrees of vulnerability.

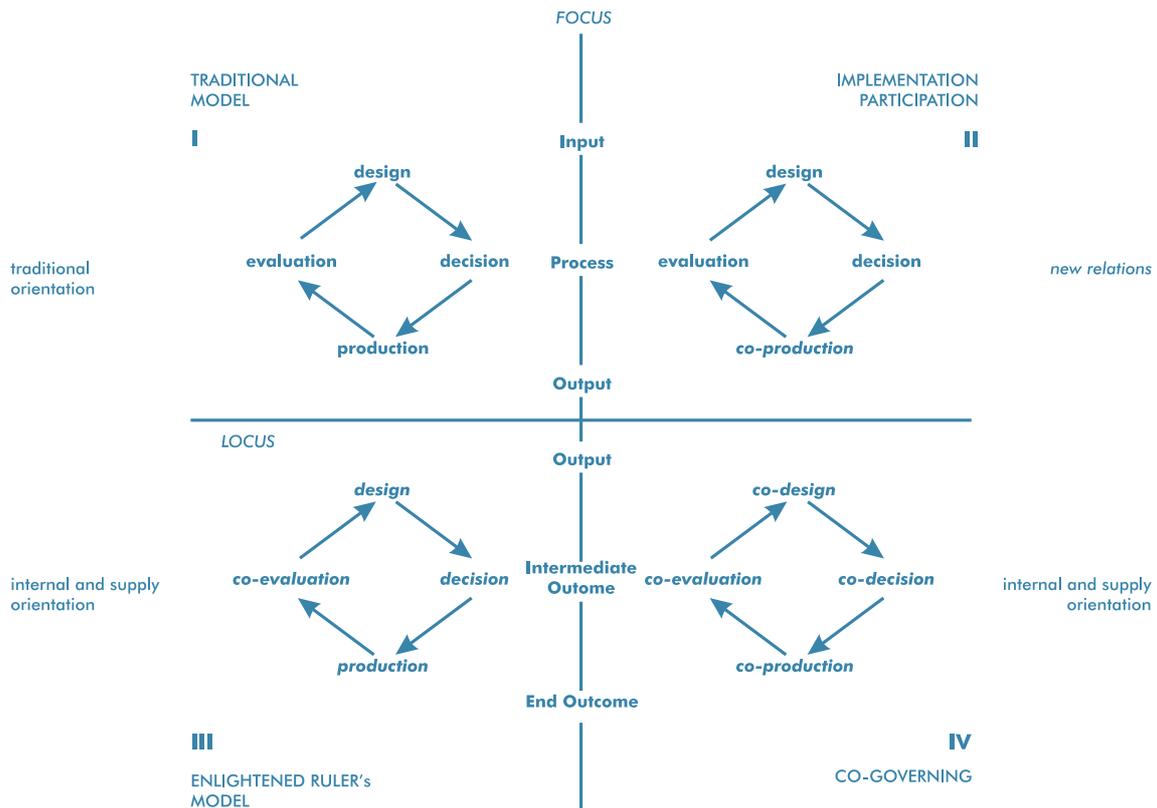
It was decided to limit in a first step the satisfaction survey to beneficiaries who are living in their own home; they represent 65% of the whole population and as this approach matches with the political willingness to reinforce structures that allows people to stay at home for as long as possible. Taking into account the specificities of beneficiaries' population, a face-to-face survey seemed the most appropriate tool. The questionnaire comprised about 100 questions. The survey was conducted by a group of 53 interviewers, who were all trained and informed in regards of the long term care insurance system and the difficulties in life and health state of the persons they will interview. A sampling plan of 1500 persons was extracted with the objective to obtain 1000 responses. At the end the response rate was 82.6%.

There are already many case studies in Europe of citizens being involved in the evaluation of services. An example of a real bottom up initiative is the citizen panel in Bobigny in France which audits the local authority and publishes an annual report which is presented to the mayor in a public meeting. In the UK, tenants of social housing are recruited to work as "tenant inspection advisors", joining the inspection teams which assess the quality of social housing providers, in order to ensure that inspection remains clearly focused on the customer's experience of housing services. A famous example comes from Seoul, where the City Government involves citizens in inspections of bars and restaurants. Honorary food and sanitation monitors are selected from people working in 10 consumer organisations and 5 NGO organisations after their credentials are reviewed. Training to upgrade the skills of honorary food and sanitation monitors is carried out once a year and on the job instruction is often given during checks of food and sanitation premises. As citizens become more educated and want to be better informed there will be increasing pressure on public agencies to admit citizens and interest groups as co-evaluators. Clearly, the availability of performance information on its own cannot improve quality. Performance measurement "needs to be part of a policy and culture that welcomes and uses the results of measurement to assess and develop the level and type of quality required by the organisation's values and objectives" (Gaster and Squires, 2003: 91). In part 4 we describe and illustrate other tools and techniques in this evolution of co-evaluation.

6. Where are we now and where do we want to go?

In a traditional model (Quadrant I), there is a dominance of internal activities which are supply driven and with a focus on inputs and processes. Citizens as consumers are not involved at all. There is a focus on the quality of resource spending, due process, and activities. It is assumed that this will lead to a well performing public sector, especially since legality of interventions is central. Ultimately, this appears to be necessary but insufficient for a recognised, visible and sustainable level of quality and satisfaction. Quadrant II gets citizens (as customers) on board for implementation, as co-producers. There is an outward looking orientation of the public sector organisations. However, there remains a focus on resources and activities. Taking volunteers on board is predominantly for cost reasons, to remedy peaks of delivery, or to deliver supplementary elements. Museums, schools, social services, but also fire brigades often happen to be in this corner of the service map.

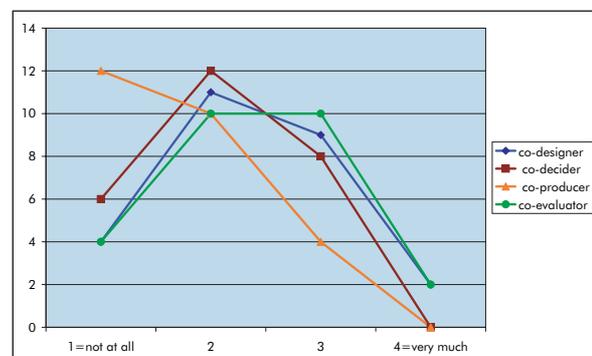
Quadrant III remains in the closed shop for design, decision and production. There is, however,



an awareness that citizens (as customers) have something to tell. This is the satisfaction measurement stage. Surveys are being organised by the administration, also on issues of quality of output, satisfaction, perceived effects, sometimes even about expectations of delivery and standards, or willingness to pay for services. This information is judged and evaluated and may be taken on board by those designing, deciding, and producing. Quadrant IV is the most developed part. It integrates co-production and co-evaluation, but also adds co-design and co-decision. These two crucial participative steps are only possible if there is a combined external and open orientation with a focus on outputs and outcomes. This results in co-governing and the shift is made from satisfaction measurement towards satisfaction management (Van Dooren, Thijs and Bouckaert, 2004: 99).

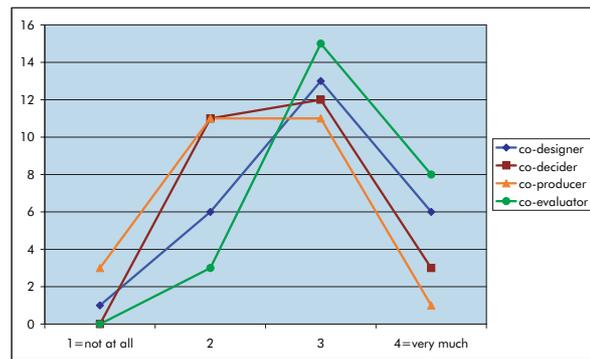
This evolution in the role of the citizen/customer was also part of the European survey under the Portuguese Presidency (EIPA, 2007: 6-8). Member States were asked, on the one hand, to what extent citizen/customer are *actually (as is)* playing these different roles and, on the other hand, to what extent the citizen/customer should be able to play the different roles in *the future (to be)*.

The actual picture of the citizen/customer playing any of the following roles in public sector affairs is relatively low. In most countries the different roles get a low score (1 or 2). Almost none of the countries gave the highest score. If we look at the different roles, the Co-designer role and the Co-evaluator role get the highest scores on level 3, respectively 8 (33%) and 10 countries (41%). Although these scores are not particularly high, the other roles (Co-decider and Co-producer) actually played by the citizen/customer are evaluated (much) lower. Some methodological remarks can probably be made, but nevertheless these results give an interesting overview of the current state of affairs.

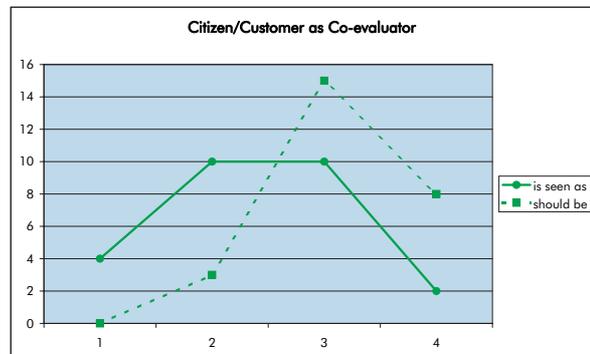
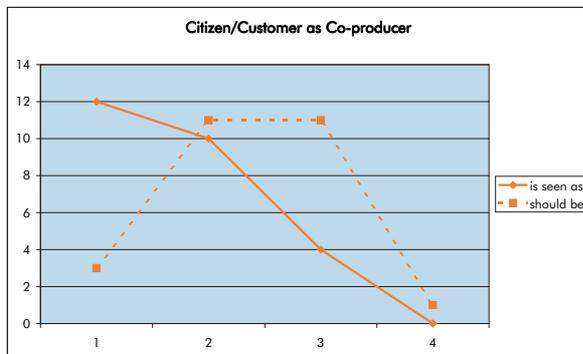
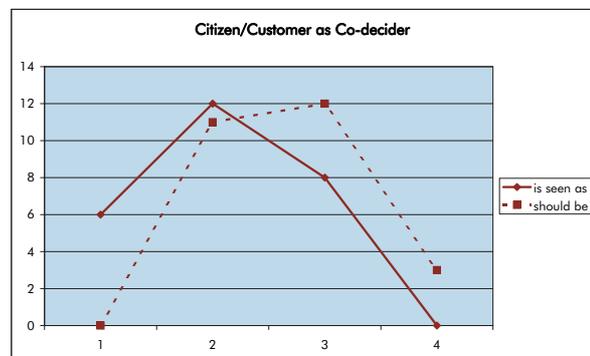
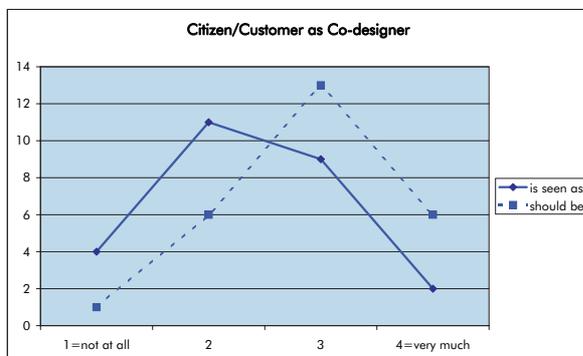


It even becomes more interesting when comparing with the future status (to be), to what extent the citizen /customer should be able to play the following roles in public sector affairs in your country?

In at least half of the time the roles that the citizen/customer should play in the future are rated at level 3.

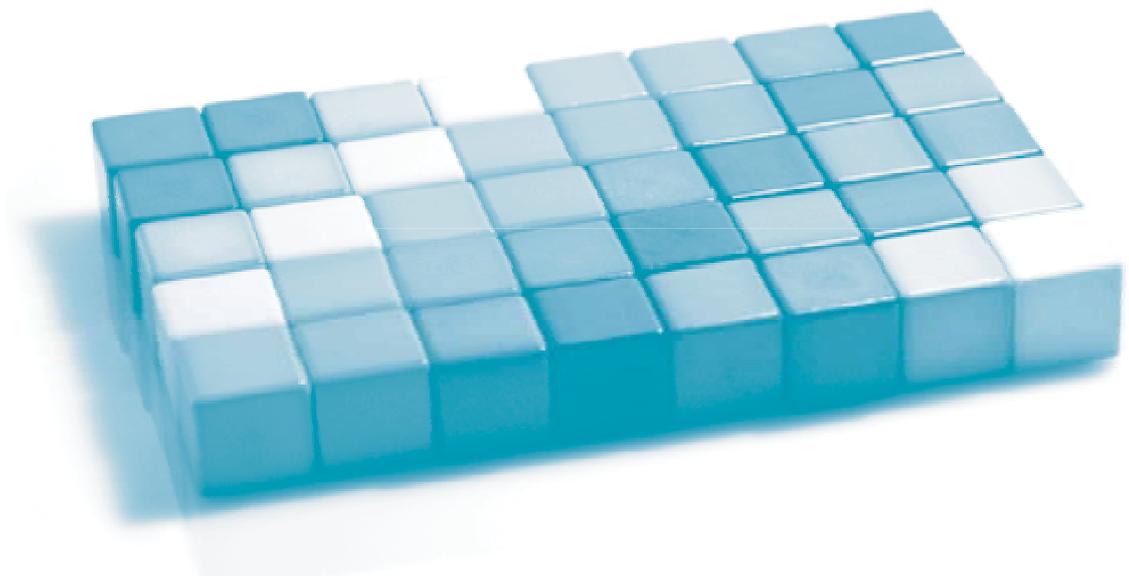


Interesting to see is the difference for all the different roles between the actual situation ("as is") and the future situation ("to be"). For all the different roles, level 3 and 4 score higher in the "to be" situation. Where in all the different roles there is some room for the evolution towards co-governing, the ambition is still there.



Part 4:

How to measure and manage customer satisfaction



Introduction

Having an insight into the needs and expectations of the citizen/customer within the overall satisfaction management, has in the previous chapters been described as indispensable. In getting this insight, measuring satisfaction at the end of the process of the service delivery seems to be just one of the aspects of interaction with the citizen/customer (the citizen/customer as "co-evaluator"). At this stage some lessons can certainly be drawn from measurement (re-active), whereas pro-active actions are not possible. Therefore, having insight into and an impact on the needs and expectations of citizens/customers at the start or at a much earlier stage (the citizen/customer as "co-designer", "co-decider" or "co-producer") is very important.

Using the right instrument for the right needs of the organisation – as far as Customer Satisfaction Management in all its aspects is concerned – can provide a great deal of input for organisational improvement and better service delivery. Nevertheless, thinking well in advance about what the organisation wants to do is also important. Therefore before presenting tools and techniques, some general remarks have to be made.

1. Develop a strategic framework for service user consultation

To improve services, organisations need to make the best use of information they already have on quality of services, and they need to regularly collect and use feedback from service users. To achieve this, it is essential for organisations to develop a clearly articulated research and consultation strategy. This should underpin a programme of service user feedback that serves organisational objectives and priorities and delivers high quality, useful and timely information that can be acted upon by the organisation. It should engage service users in the process of developing the framework (Communities Scotland, 2006: 5-6).

A strategic framework for service user consultation

	Key requirements
Operating environment	<ul style="list-style-type: none"> • An understanding of the broader operating and regulatory environment and any statutory obligations or more informal expectations. • An overview of the wider organisational operating climate and any linkages or synergies between different departmental needs or those of peer organisations.
Purpose & use	<ul style="list-style-type: none"> • A clear vision of what is expected to be achieved through research and consultation with service users. • Clear links between research and consultation and action planning and implementation. • Clear links between the organisation’s strategic objectives and individual research and consultation exercises. • A long-term perspective and clear rationale for identifying and prioritising needs for research and consultation. • Collection of feedback on a routine, regular basis, as well as more occasional specific research and consultation exercises. • The ability to identify specific gaps in knowledge, prior to gathering new information. • A utilisation-focused research approach; an applied and practical use for individual research and consultation exercises.

Resources	<ul style="list-style-type: none"> • A full assessment of resources required to deliver the research and consultation strategy. • Full use of existing management information. • Awareness of other relevant strategies, standards and frameworks. • Full use of existing contacts with service users or user groups and opportunities to gather information from staff. • Appropriate IT systems available to capture and analyse data. • Recognition of realistic timescales for individual research and consultation exercises.
Conduct	<ul style="list-style-type: none"> • Awareness of alternative feasible options for research design and use of diversity of approaches to reach different groups of service users. • Awareness of the potential burden of participation in research and consultation exercises and avoidance of “over-researching” a particular topic or group. • Adoption of key principles of quality in the conduct of the research and consultation.
Communication	<ul style="list-style-type: none"> • Good quality communication about the purpose and intended use of the information sought. • Feedback to service users, members of staff, committee members or councillors about what has happened as a result of the research and consultation.

In 2007, the Luxembourg Ministry for Civil Service and Administrative Reform, in partnership with the Public Research Centre Henri Tudor, developed a global methodology on Customer Satisfaction Management which intends to support administrations that are willing to evaluate their customer satisfaction by offering them special guidelines giving them the opportunity to ask themselves the appropriate questions at the right moment and providing them tailor-made support actions.

Before carrying out the assessment, a preliminary phase tries to analyse the administration in its environment in terms of customers, stakeholders and processes. It is being assisted during this phase by experts from the Public Research Centre Henri Tudor.

Case: A strategic framework on Customer Satisfaction Management (Luxembourg)

1. What is the goal of the administration? What are its legal missions?

As the whole assessment depends on the missions of the administrations, the identification and description of missions should be an important part of the analysis.

As an example, the mission of the “Occupational Health Service”, an administration which acts in the domain of employee protection, is to guarantee this protection by guaranteeing medical supervision and prevention of accidents and professional diseases.

2. What are the objectives of the assessment (specific needs?)

What is the context in which administrations operate? What is the precise finality of the measurement? For the Occupational Health Service, the aim of the assessment is to get more detailed information about the satisfiers/dissatisfiers of their customers who are generally affiliated companies (employers) from the private sector, in order to maximize the number of subscriptions. Therefore, the assessment will focus on the affiliated members.

3. Who are the stakeholders, customers, users?

Each administration has a panel of stakeholders. What are the relevant ones for the assessment? Considering the example of an administration that provides training for civil servants both at the central and local level, it decides to limit the measurement in a first step to only central administrations.

4. What are the different service/customer couples?

Generally, an administration offers different kinds of services to different groups of customers. For example, to fulfil its mission, the Occupational Health Service offers multiple services: medical examination, safety training, risk identification....

5. Customer relation mapping: what are the current relations between the administration and its customers?

The training administration discovered, during the customer relation mapping, that, in order to measure the efficiency of training, it had to take into account a group of customers that was not directly concerned by the training activities

6. Process mapping: what are the key processes and what are the main steps of these processes?

This stage intends to identify the different processes and which of them are really relevant for measurement purposes.

For the Occupational Health Service for example, the affiliation of employers had been identified as a key process.

7. Customer segmentation: what are the different groups of customers?

Since expectations vary among different customer groups, there will be different levels of satisfaction. For the training administration, a diagram showed that 80% of the activities were caused by a segment of customers which represents 10% of total customers.

8. Complaints causes: what are the main causes of complaints?

The Occupational Health Service discovered that 50% of complaints were explained by a problem of appointment. This element was taken into consideration in the assessment.

9. Is there a competitive environment?

Not many administrations act in a competitive environment. Yet, for those which do, it is important for them to ask themselves what are, compared to other competitors, their elements of strength and weakness.

After the preliminary assessment phase, the administration chooses the appropriate tool(s) for measuring the satisfaction of its customers. The global approach suggests mixing the use of the following tools in order to get different angles of view of satisfaction:

- Examples of quantitative tools: Face-to-face survey; postal survey; web survey; telephone survey.
- Examples of qualitative tools: Focus group; usability testing; staff consultation; behaviour study; mystery shopping; blog; complaint management.

Thereafter, the administration will be assisted with the following steps:

- Definition of criteria,
- Working-out of questionnaire,
- Realisation of tests and validation
- Selection of samples,
- Definition of periodicity,
- Allocation of budget,
- Allocation of material and technical resources,
- Internal and external communication.

2. Use appropriate methods

The purposes and uses of the research will determine the choice of appropriate methods. There is no one "best" research method, although some techniques are better suited for some types of research than others. Quantitative methods lend themselves more readily to summary assessments

of experience or establishing benchmarks. Qualitative and participatory techniques are more suited to developing deeper understanding of perspectives and expectations and may promote dialogue with and between service users.

Organisations may be more familiar with quantitative methods such as surveys that emphasise that samples of service users should be statistically representative so that conclusions can be drawn about the views or attributes of all service users. If appropriate samples are selected, statistical analysis can isolate the influence of different factors, which may influence views and allow comparisons to be made between the views of different service users and between the views of members of a particular group and a wider population.

Qualitative methods provide an equally valid, but different form of information about service user opinions. They can provide a depth of understanding about what drives those opinions as well as rich, useful data that can illuminate reasons for levels of satisfaction or dissatisfaction. Stories of service successes or failure gathered in this way may unlock apparent paradoxes or explain the persistence of dissatisfaction or complaints, even if among a relatively small number of customers. Qualitative methods are particularly useful to give voice to groups of customers who may be numerically small amongst the wider population, but whose views are important in shaping services that meet their particular needs.

It may be appropriate to use a mixture of methods to provide information that is both broad and deep. Combining methods to investigate the same problem may enhance the validity of the findings and strengthen the conclusions which may be drawn from them, particularly if the findings from one method are corroborated by findings from other methods. Use of a range of methods is also good practice in that it recognises diversity among service users and that not all groups will wish to or be able to engage with standard methods.

3. Ensure methods used are fit for purpose

It may be tempting to use “off-the-shelf” research packages that produce standardised questionnaires, to use existing surveys produced for an earlier research exercise or to use approaches marketed by contractors. All of these may have a superficial appeal of a readily available methodology. However, by definition they are prescriptive. Off-the-shelf surveys marketed by contractors are unlikely to have a focus on use as they are not designed for use in a specific, local context. Surveys are often designed to provide standardised information to measure comparative performance and change over time and they may be difficult to adapt for other research exercises. For example, it may be difficult to make changes to a questionnaire or to the wording of individual questions and this will reduce the quality and relevance of data collected in this way. As a result, they offer few advantages over a bespoke survey design. This does not mean that organisations cannot learn from the experiences, practical examples and approaches from others. Yet care must be taken with blind copying.

4. Rethink representation

A lot of research and consultation pursues the goal of achieving “representativeness”. This is often a democratic goal which aims to include a range of people’s views. It also has a statistical meaning. The different ideas about representativeness tend to get mixed up and organisations feel that poor response rates undermine the basis of the research findings or that the views of numerically small or dispersed groups of service users are overlooked.

It may be more important to ensure that all service users have opportunities to make their views known through a diversity of approaches, rather than pursuing a goal of strict statistical representativeness that is very difficult to achieve in practice and may not be necessary.

The quality and usefulness of research may be enhanced by rethinking what is meant by representativeness in each research context.

The focus of this guidance is to present approaches to gather customer or service user views largely on an individual basis, undertaken within a strategic approach to service user feedback. This is likely to be in addition to or as part of a broader citizen/customer participation strategy. However, the distinction between the two approaches is often blurred. With clear planning and purpose, many methods commonly associated with participation, such as public meetings, workshops and conferences can be used to provide feedback on service quality. There is certainly scope to make better use of existing groups (whether formal organisations or not) for research and consultation purposes, in order to make research and consultation as inclusive as possible. Many methods outlined here can be adapted for use in a more or less participatory way, depending on the broader purposes of the exercise. In this way, how these exercises are conducted may contribute to the quality of life, community regeneration and capacity building goals of organisations.

There are sound reasons for adopting a more participatory approach to research and consultation on service quality. Greater participation draws on a wider pool of knowledge and diversity of experiences. It makes it more difficult to overlook the perhaps small in number, but important group of people, who have some valuable insight and experience that gets lost in the overall statistics.

By using methods that engage directly with people and draw on the diversity of experience in a collaborative way, greater understanding of different perspectives, needs and expectations can be gleaned. Research and consultation that has greater input from service users themselves may have greater credibility amongst the wider group of service users. In this way, the validity and “participatory representativeness” of the research process is enhanced.

5. Different methods for gaining insight

Customer satisfaction measurement is certainly a possible method and a very popular instrument. Besides surveys however, other techniques can also be used to deal with other elements of overall satisfaction management and focus more on the citizen/customer as co-designer, co-decider and co-producer. Other techniques that we will highlight are:

1. Consultation of front line staff
2. Satisfaction Surveys
3. Customer journey mapping
4. Usability testing and website analysis
5. Ethnography
6. Consultation
7. Formal and informal contact with representative bodies
8. Analysis Complaint and suggestions
9. Focus groups
10. Citizen/customer panels
11. Citizen charters
12. Mystery shopping
13. ...

The techniques will be described and illustrated by practical examples from different EU countries.

5.1. Front line staff information on citizen/customer insight

The front line is a rich vein of customer insight which is often overlooked. Public sector staff working in call centres, contact centres and walk-in centres as well as front line staff in hospitals, schools and police stations, are in contact with the public on a daily basis. Typically they have an excellent idea of what is important to their customers, what customers would like to have more of, what frustrates them and what they would change.

Organisations in the public and private sectors that are customer-centric have formal processes in place to ensure that front line customer information – including complaints – is fed back into the organisation. These processes support a cycle of continuous improvement and tailoring of the services around customer needs. In this part we will further describe in depth the method of managing complaints and suggestions.

Many research and consultation exercises can be conducted by in-house staff. Front line or operational staff can be involved at all stages of the research and consultation process in much the same way as service users themselves. The case for doing so is much the same in terms of building on their unique knowledge and enhancing the credibility and use of the findings. Not all approaches will require detailed knowledge of research techniques and there are a number of options for providing specialist input where this is necessary.

It will be valuable for all organisations to consider how to make more systematic use of existing contacts between staff and service users and feedback from staff. Of course, the views of staff are important because they will be expected to implement any changes to service delivery; but they are also an important and underused source of intelligence about day to day service delivery and customer attitudes. The most common form of research amongst staff is some kind of staff satisfaction survey which looks at their perceptions of the organisation and the customer. Such surveys share the limitations and drawbacks of all surveys.

An example from Holloway Prison, cited by COI Strategic Consultancy, illustrates the value of involving front line staff directly in the design of services (Cabinet Office, 2006: 11).

CASE: Involving staff in Holloway Prison (UK)

Women prisoners usually arrived at HMP Holloway in a distressed state, either because of their arrest, drug use or other circumstances. Many of them presented with multiple needs – separation from their family, housing and health difficulties and a high risk of self-harm.

There was a general consensus among prison staff that the induction and resettlement briefing procedures for new prisoners were ineffective: far from offering helpful information, the very large induction pack and set of processes were actually counter-productive and stress inducing, particularly for those with literacy problems. In these circumstances information about drugs was not going to be absorbed or acted upon.

A project team was formed to review the reception communications for new arrivals. Key members of staff were interviewed and detailed journey mapping was completed with prisoners themselves so that a systematic understanding could be gained regarding which information was critical to the induction process.

The overall conclusion was that an entirely new approach was needed for more effective internal communication with women prisoners. The women all agreed that talking to someone was their preferred choice. Talking to each other also helped to relieve the fear and uncertainty surrounding the first night in prison and was an important positive influence on morale. The learning gained proved to be invaluable in producing a simple information pack with inserts written by the women themselves – official information in simple words.

The end results of the initiative will not just be seen in the prison, but will rather be demonstrated by the women's behaviour when they are released. The products resulting from the research have been regarded as groundbreaking and are being considered as part of new communications plans for other prisons.

Staff is an underused resource in reviewing the quality of services. There is scope for more active and creative approaches to gathering staff feedback that go beyond occasional staff surveys. The use of existing staff-service users' contacts is likely to be relatively simple and less resource intensive than many other approaches to research and consultation. This may mean more systematic recording, analysis and discussion of contacts between front-line staff and service users and then feeding this into decision making. An action-research approach to service quality would seek to engage both with service users and staff. There may be scope for joint training provision. Research amongst staff – particularly where they are able to share stories about their work – may highlight critical incidents or significant events that illustrate what it is about the service that works well or particular difficulties that they face. There are a number of key issues in relation to using staff feedback in this way.

- The purpose and use of staff feedback should be conveyed to staff. Clear demonstration of its use will be important to encourage this process.
- Approaches that are used should complement other methods that engage directly with service users.
- A range of approaches to gather the views and experience of staff should be used and all staff should have a chance to participate in some way and have an opportunity to validate the conclusions.
- There may be scope for joint staff and service user research, consultation or training.
- The implications of the feedback for service delivery should be identified, reported to all key audiences and acted upon.
- It is important to identify any further research and consultative needs.

5.2. Satisfaction surveys

5.2.1. Quantitative methods

Quantitative methods include a range of approaches including surveys. These approaches use highly structured techniques of data collection that allow for quantification, hypothesis testing, statistical analysis and the ability to generalise from the data.

One of the criticisms of quantitative techniques is that in attempting to measure and compare attitudes and behaviours, much of the depth of understanding and meaning is lost. Survey questionnaires are a widely used tool and whilst they allow for relatively simple administration of some form of feedback, they often fail to address the issues of concern, or support the development of a real understanding of the diversity of experience. They rely on the ability to articulate or write responses to questions in the way that they are presented within the survey.

Quantitative methods are useful where statistical representativeness and the ability to generalise to a larger population is a goal of the research or consultation. They offer the ability to gather views on service quality from across a large number of respondents, in order to compare views within groups of a larger population and track change over time. In practice they are often combined with qualitative methods.

Surveys are a significant activity across government and can help to inform customer insight. The data from quantitative surveys is often useful for providing robust evidence to support a business case for change. The case of Slovenia shows the approach of customer satisfaction measurement in 58 administrative units all over the country.

CASE: satisfaction measurement in 58 administrative units (Slovenia)

Administrative Units in Slovenia are part of the state administration where administrative procedures at local level are being performed. A total of 58 Administrative Units (AU) cover the whole territory of Slovenia and are all organisations of the same kind. As the majority of contact that citizens in Slovenia have with the state is realised through Administrative Units, it was important to initialise deliberate efforts to improve the quality of public administrations in this environment. Measuring satisfaction of their customers is being performed on a regular – obligatory annual – basis since 2002.

Results of the customer survey are mainly used as a basis for each Administrative Unit to identify areas for improvement and develop its action plan and, at the state level, for identifying Administrative Units for benchmarking. They provide valuable information for the management of each AU.

The Ministry responsible for public administration provides support to the whole process: the questionnaire and the methodology were developed on a pilot-basis by the ministry as well as a computer application for processing the data from the completed questionnaires and producing reports for Administrative Units.

Customer satisfaction measurement in Administrative Units is focused on identifying gaps between expected and perceived quality on characteristics of the service and components of the quality, as shown here (the full questionnaire is included in annex of this publication).

lower ← → higher		worse ← → better	
EXPECTATIONS	Quality Components	ACTUAL STATE	
1 2 3 4 5	Arrangement of premises, equipment and environment	1 2 3 4 5	
1 2 3 4 5	Accessibility and clarity of information needed	1 2 3 4 5	
1 2 3 4 5	Proper speed of dealing with matters	1 2 3 4 5	
1 2 3 4 5	Service delivery in line with promises	1 2 3 4 5	

This is just one part of the list of quality components. All these measurements are reported in comparison for the 58 AUs.

5.2.2. General satisfaction surveys and opinion polls

A survey is a systematic gathering of data that uses a questionnaire to gather the same information from each individual service user usually based on a sample drawn from a wider population which may be all service users or a smaller sub-group. General surveys are useful to get a broad picture of the views of service users on a range of issues.

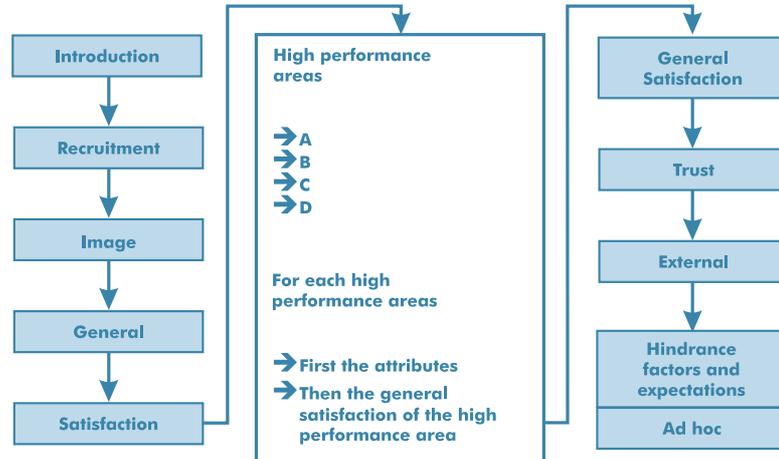
General satisfaction surveys or opinion polls that take place every three to five years are the most common method used to assess the views of service users. The measurement of satisfaction brings a number of conceptual and practical difficulties. Satisfaction surveys are often done largely to meet perceived regulatory expectations. Whilst this does not necessarily mean that the data is not useful, the focus may be less on ensuring surveys provide practical, useful local information than on meeting requirements. Often surveys are an attempt to assess general satisfaction, to measure change over time and to build an up-to-date profile of the client base. It will not usually be necessary to conduct a major annual survey of all users unless there has been a substantial change to key aspects of service delivery.

The case of the Flemish administration describes the integration of measuring overall satisfaction and satisfaction on specific services and aspects of services or service delivery.

CASE: A “standardised” framework in the Flemish Government (Belgium)⁶

The Flemish ministries want to measure satisfaction in a more standardised way. Therefore a framework for standardisation was developed, helping organisations to draw up a questionnaire. The introduction of a common approach to questionnaires also corresponds to a broader strategy with regard to examining the attitude of citizens, businesses and organisations to government services in general.

The uniform questionnaire is not a “take or leave it” instrument. The questionnaire consists of different modules and within every module there are different possible choices. In this way every organisation can use the questions that correspond with their specific operations and zoom in on particular aspects of client satisfaction. Obviously there is always also the possibility of personalising the questions and of adding questions, preferably following the philosophy of the questionnaire. Standardisation is obviously not the opposite of flexibility.



So the overall approach, levels of satisfaction and order of the questions, is standardised. The specific content of the questions is adaptable. This is presented in the diagram.

Satisfaction is measured on three different levels: first there is the general satisfaction with the service; the whole service of the department is concerned. Secondly, is the satisfaction with areas of performance (sub departments) e.g. communication, information, contact persons...and finally satisfaction with processes within the performance areas, different detailed aspects e.g. friendliness, courtesy, prompt response. Questions about general satisfaction are asked after the detailed ones, in order to give the respondent a clear framework to situate the service and service delivery.

5.2.3. Different types of surveys; the pros and cons

Different types of surveys are possible. A choice has to be made between face-to-face, with interviewers asking direct to respondents; via post; telephone; mail; or web-based. We describe here some advantages and disadvantages of the different types (Communities Scotland, 2006: 72).

Face-to-face surveys

- Surveys conducted face-to-face are able to collect fuller, more complex data.
- The use of an interviewer gives more control over who actually answers the questions. This will be important with strict statistically representative sampling designs.
- Designed with care and administered well they will generally have better response rates than other types of survey.
- They are likely to be more expensive than other options.

Postal or self-completion surveys

- These are less reliable, need to be shorter than face-to-face surveys and use simple, “tick boxes” types of questions.
- They can be cost effective and provide anonymity which may prompt a better response rate for more sensitive topics.
- Whilst many organisations may prefer postal surveys on cost grounds, it may not always be the most appropriate approach.

⁶ Flemish Government, 2007, *Guideline for the creation of a client satisfaction questionnaire*, p. 12.

- There is a higher risk that some groups will be over or under-represented, such as those with language, literacy difficulties or with support needs.

Telephone surveys

- These need to be relatively short and straightforward.
- Some categories of people will be systematically under-represented.
- Telephone surveys may be useful for some service-specific surveys where there is a contact number for each person from which to draw a sample.

Web surveys

- At present, web-based or email surveys are of limited value in customer research in public service contexts because the distribution of access to the web is not evenly spread across all sections of the population.

The Belgian National Social Security Office uses a combination of different types in order to have a rich overview and high response rate.

CASE: Satisfaction measurement in the National Social Security Office (Belgium)

In the Belgian social security system the National Social Security Office holds a central position. Nearly all contributions paid by the employers and workers of the private sector and the public services, i.e. more than 24,79 billion euros, pass through our office. Almost anyone in Belgium has to deal with it directly or indirectly.

The notion of satisfaction has been measured throughout the whole process of the client passing through the National Social Security Office. The first stage the client has to complete concerns his orientation. Once he has made his way to our office, the client gets in touch with the reception and the front office. The next stage is related to the actual handling of the file at our office, i.e. the finalising of the file. The last stage concerns the follow-up.

For all of these stages three quality criteria are being measured on the basis of different questions: the client orientation, the effectiveness and the efficiency. The general degree of satisfaction constitutes the average of the result of the three quality criteria throughout the whole process.

The National Social Security Office has five types of clients. For each target group a representative sample was worked out. They were invited by phone to take part in the survey. If the presupposed quota of participants (for each linguistic register) had not been attained, the sample was extended. The voluntary participants received an electronic survey form. The major part of the survey was focused on the different client groups, which allowed for the comparison of the results with each other. Moreover every survey has been completed by questions targeted specifically at the group aimed at. The questions have been structured in the canvas: for each question, we have examined to which stage of the client process and to which quality criterion it was related.

5.2.4. Questions before starting a survey

Customer satisfaction measurement through surveys seems to be just one in a range of different instruments. Some key questions need to be answered before deciding what the best way is to measure the satisfaction of the customers and whether a survey needs to be carried out, such as:

- **What do we intend to do with the information gathered?** (Improve the service delivery process of a certain unit, compare units to find benchmarks, use it as an image builder for the public sector, etc.)
- **What do we want to know?** (Their satisfaction with the existing services in general, their ideas about designing new services, their opinions about a certain part of the service delivery, etc.)
- **Who do we ask?** (The general public, the people who have actually used the services in question, people representing a certain segment of the customers, etc.)
- **How do we involve the stakeholders?** (The role of management and staff in using the information, the commitment of decision makers, the role of partner organisations and the motivation of customers, etc.)
- **Do we need a new tool for getting the information we want?** (Is it possible to get the same knowledge by using the existing information, e.g. by interviewing front-line staff, analysing

- media coverage, etc.?)
- **Which is more important; comparing results with others, or having specified information for the organisation's own unique development purposes?** (The pros and cons of standardised and tailored approaches need to be considered).
- **Who is the commissioner of the measurement and who owns the results?** (It is important that the commissioner has full rights to the results of the survey and shares them with the relevant stakeholders).
- **Is the method used for measurement transparent?** (The tool needs to be transparent enough for the commissioner and the users of the results to see how the measures are developed).
- **Is the service in question transparent?** (To be able to use the results of CSM for improvements, the content of the service needs to be visible; black boxes cannot be improved).
- **Is the measurement worth it?** (Input-output-outcome analysis prior to the measurement. Are the benefits gained from the measurement worth the time and money spent on it?)

An easy model to work with in raising the right questions is the 5D-methodology.

- **D1: Definition of the "problem".** What do we want to know from the following study?
- **D2: Design.** How do we design and plan what questions we pose and how, to whom?
- **D3: Data collection.** Whom do we ask? What kind of sample can we reach in which way in which time and is it really the group we need to question to get the valid results?
- **D4: Data-analyses.** What do we do with the collected data? In which way should it be analysed. Is there just descriptive analysis achieved or can more elaborated methods or special models lead to more valid and useful results; or can we use data already provided and re-analyse them from a new point of view?
- **D5: Documentation – consequences, communication.** To whom, which groups are we communicating the results? What do we use the results for?

5.3. Customer journey mapping/process analysis

A customer journey map is a way to describe the experiences of a customer during their interaction with a service or set of services and the emotional responses these provoke – from their first consideration of a related need, to receiving the service outcome.

In government, customer journeys are often complex, with multiple interactions taking place over extended timeframes. Customer journey mapping is a particularly useful tool to help describe the customer's experience of a series of services, their thought processes and reactions. It can help to ensure a consistently good service experience, optimising outcomes for all customer groups, increasing efficiency and ensuring the services, which often span organisational boundaries, are designed correctly the first time.

The following Swedish case shows the advantages of process designing and customer journey mapping, resulting in simpler processes for the customer (companies) and efficiency in the work of several public administrations.

CASE: Simplifying and improving the process of starting a company (Sweden)

For a long time the process of starting a business and setting up a company have had an image of being a very complicated process and also being a process that's quite difficult to get a grip of. The new entrepreneur did ask himself; where do I start? What do I have to do? In what order should I do it? A large cloud full of different government actors and stakeholders was facing the new entrepreneur, all with information, services and advice. However, the complete picture was not there. There was no clear overview of the path to follow for starting a business enterprise. In the worst case, the different stakeholders could give contradicting information, and in many cases important information never reached the new entrepreneur. The problem was that the actors involved did not cooperate in a sufficient

way. In 2005 a cooperation started between agencies at a federal level in the administrative areas of social security, employment, tax, customs, finance and general services for companies, so as to simplify and improve the process of starting a company and to join efforts

The implementation strategy was to set up a joint action group and to begin with a focus on the start-up process. The strategy was also to make incremental and very concrete improvements that could be delivered to the customer quite rapidly, with no long inquiries and no big and complicated projects. Also in the strategy was to map the process from the customers' views and to identify problem areas that could be solved with joint action and by improved information and services.

Some workshops were first held where ideas of improvements were discussed; at the same time a process mapping activity was carried out to find out the path to starting a business from the entrepreneur's perspective. This was done by in-depth interviews of twenty new entrepreneurs. This gave the quality assessed picture of where the needs of improvements were. With these two inputs, ideas of solutions and improvements were discussed, and with the use of the adopted strategy, the ideas were chosen and prioritised by the joint action group and the Directors-General.

The key element was the design of a process description of company start-ups. The description, made from the entrepreneur's perspective, was both an improvement in itself and also the source material for the development of different services within the process. The description helps the entrepreneur to understand the process and by that makes it easier to make right decisions and search for information and contacts in a more effective and efficient way. The description also helps the involved government authorities to coordinate and integrate their services with the customer in focus.

The improvements that have been made cover many different forms of interaction between the entrepreneurs and the government authorities, including technical-, written- and face to face meetings. The path to starting a business has clarified the muddle for all new entrepreneurs. In less than one year more than 500 000 contacts have been made based on the new information and services. Besides the increased quality and value of the information and service in these contacts, the volume has increased several times. Each contact could have a significant effect for each potential start-up. Evaluations show that the information and services are much appreciated and the customer values it as something that makes a difference to them.

System mapping is a way of looking at what really happens in public service delivery, rather than what is supposed to happen. It is primarily about trying to see where you can improve your service delivery and involves all the people who are part of service delivery processes, including the service users themselves. Whilst it is similar to process mapping which produces flow charts of procedures or stages in service delivery, system mapping works slightly differently in that it will also involve service users. Where there is an identified issue, such as the allocation process or decanting due to major works, system mapping can be used. The process should be used with a group of people who all have some experience of the issue under question. It would start with a facilitator describing to the group an archetypal situation based on what is supposed to happen in these circumstances. All participants who have experience of this process are asked to contribute their real-life experience of what actually happens in these types of situations.

The many different possibilities are "mapped" in some way, perhaps through a flow chart or spider diagram. In this way, the realities of what actually happens when the procedures are implemented are illuminated for all parties. The numbers of crucial links in a chain of tasks or events will be shown and assumptions highlighted about who will do what and when. Problems of coordination and failure to deliver at the right time in the process reveal the links between different bits of the system. By working with all parties within the system, the connections, communication links, delays and the many uncertainties involved are revealed to all.

This process can raise a number of challenging questions. Participants in the process are likely to begin to question why things are done in the way that they are and whether they can be done differently. These approaches can lead to real breakthroughs in perspectives and the use of language. It is possible to shift from a focus on "solving a problem" (such as reducing time) to generating the possibility that this could be a positive experience for the service user. This reframes the issue from a problem to be solved – where blame for difficulties can be shifted to someone else

in the system. Instead, the issue can be turned on its head and the focus shifted to the service user experience or those of other departmental staff. System mapping can help to create an understanding of the need for organisations, staff and service users to work together to achieve a desired outcome.

5.4. Usability testing and website analysis

Usability testing should always be employed when designing new services, particularly within the online environment. It is a means for measuring how well people can use something (such as a web page, a computer interface, a document, or a device) for its intended purpose. During usability testing, the aim is to observe people using the product in as realistic a situation as possible. It involves users navigating their way through a system and set of processes and tackling tasks in a controlled environment. It can offer valuable information about how a customer is likely to respond to a service and practical ideas for service improvement as is shown in the Latvian case of Jekabpils City Council.

CASE: Implementing and sustaining eServices in Jekabpils City Council (Latvia)

Jekabpils is one of the eight largest towns in Latvia, with a population of 26 100. It is clear that the use of electronic services makes the management system less complicated, contributing also to better and more efficient communication, and eliminating the flow of hard copy paperwork and review time of such documents; thus allowing the initiation of swift decisions and achieving better results. Inventing e-services in a local municipality allowed not only dealing with capability and efficiency problems, but also improving citizen participation and decision-making transparency. The next step after the implementation of e-services was to ensure their usability by analysing the usage of the webpage and gathering the opinions of citizens.

After successful implementation of e-services, document exchange system, portal and One-Stop-Agency, the city council, with the support from the Minister for Electronic Government Affairs and the EU, had to monitor and evaluate the success of the initiatives. Most frequently used e-services have to be tested against too many users and server capability. The reasons for some services not being used often, had to be found out and, for example, necessary training had to be held. Future trends and demands for other e-services had to be considered. In attempt to achieve ongoing improvements, the City Council is already doing that kind of analysis. For example, data about different channels used to access the municipality allows for the evaluation of the project results, namely the economy of paper that can also be observed in Jekabpils.

Different parts of the website www.jekabpils.lv have been upgraded according to the needs of the visitors, including additional information, the option to leave a comment, additional links to make the navigation through the page more convenient.

On the basis of the website, a new group of young leaders have begun to develop their own section, thus enabling a sort of “decentralisation” of the management of the website.

All these novelties are carried out based on the surveys directly in the website, as well as on the individual letters, suggestions and complaints from the citizens.

The improvement work is gradually moving towards other e-services. One of them is the first interinstitutional e-service, which has already been launched and another is in its final stages – namely “Personified workplace for communication with administrative bodies”. This e-service labels a new direction towards even more personal approach to the needs of customers.

For many organisations, websites themselves can be a valuable source of insight, provided that adequate tracking and management information systems are in place. Website analysis can provide information on the following:

- what search terms are the most popular,
- how and from where users access the site,
- the points in their journeys where users leave,
- which areas and pages are the most frequently visited,
- how much time users spend looking at pages.

Again, analysis and interpretation of such information can provide useful insight into customer interests and behaviour, as well as concrete data to support online service enhancement. The Swedish National Guidelines for Public Sector Websites give some guidelines for organisations to take into account when designing websites and e-gov tools.

CASE: National Guidelines for Public Sector Websites (Sweden)

Expectations for service from the public sector are increasing at the same rate that information technology is being developed and disseminated. The aim is to simplify life for citizens and companies. The public sector must offer adequate and efficient service. More and more government uses ICT tools to do this. In order to guarantee the quality of these tools for the citizen/customer, the Swedish National Guidelines for Public Sector Websites were developed.

These guidelines help Swedish authorities to utilise the Internet as a channel for making their tasks and processes more efficient. Adhering to the guidelines ensures that authorities work in line with the demands that exist in the public sector and improve return of investment in web-based service to citizens and companies through the intended user groups having the possibilities and the will to use web-based service.

The purpose of the Swedish National Guidelines for Public Sector Websites is to support public administrations in their development and design of websites that offer equal opportunity usage for all citizens and companies. The following are its main goals:

- All Swedish public sector web sites should comply with national and international regulations and goals on web accessibility.
- All Swedish government agencies should develop systems with a user-centred approach.
- Through increased usability, improve the efficiency, effectiveness and user satisfaction web-based public sector service.

The guidelines give public sector organisations practical advice and examples on how to procure, create and evaluate websites in order to improve accessibility, usability, searchability and comply with the international standards and EU goals. The general aim with the guidelines is to guide the public sector to work in a user-centric manner, i.e. analyse user needs, develop prototypes and regularly evaluate with end-users.

An assessment of the awareness and usage of the guidelines among staff members who are responsible for Swedish governmental agency websites indicates that the guidelines are widely used. Over 90% of staff members reported that they are aware of the guidelines, and approximately 80% reported that they are active users of the guidelines. The assessment was performed in February 2007. Swedish public sector organisations' websites are regularly tested on the basic accessibility according to web standards and whether they are correctly coded.

The guidelines are primarily intended for all government agencies within the Swedish public sector. However, the guidelines are also used by municipalities, county councils, and the ICT industry.

The full guidelines can be found at: <http://www.verva.se/english/guidelines/public-sector-web-sites>

5.5. Consultation

Consultation exercises can be a useful way of engaging with a wide range of stakeholders. An inclusive approach should consult those responsible for service delivery (as discussed in the section on front line staff) and a representative sample of those people who could benefit from the outcome of the government service in question. Consultation covers a variety of techniques from more targeted and direct consultation with key stakeholders and customers to more traditional types of written consultation. It can provide insights that are otherwise difficult to obtain, such as differing cultural perspectives, hidden costs and risks, likely winners and losers and the factors shaping entrenched positions on particular initiatives. It can strengthen the legitimacy of final decisions. It can increase the responsiveness of citizens and build the confidence of communities or interest

groups dealing with specific issues. The case of Latvia shows the in-depth consultation with NGO's in decision making.

CASE: Fostering NGO participation in policy-making decisions (Latvia)

In 2000, analysis of the situation shows that there was a lack of coordination at the centre of government. Draft decisions are coming to the Government meetings without having been consulted with social partners and NGOs. Consultation is insufficient even between sectoral ministries. Draft documents are not available publicly, there are no procedures defining the conditions of participation in elaboration of public policies and new regulation for NGOs. Consultations are carried out by line ministries in a decentralised way and depending on the good will of the ministries.

The key main developments in the implementation of the reform were:

- Defining the **legal framework** and incorporating the ideas into policy planning documents, for example: Rules of Procedure of the Cabinet of Ministers (14 March 2002), established the system of policy planning documents, impact assessment template and procedures for consultation with involvement of NGO's.
- **Institutional change.** New institution – weekly meeting of State secretaries (higher civil servants in Latvian administration) was introduced and rights for the association of NGOs defined to participate in this meeting. All the drafts prepared by line ministries are announced in this meeting at which moment time for consultation starts.
- **Information and training.** The implementation was supported by different regular and tailor made training events (both for public servants and NGO's), regular seminars, conferences and publications on the issues related to particular directions of the reform.

The Memorandum was signed on 15 June 2005 by the Prime Minister, and representatives of 57 NGOs. Evaluation surveys show that participation in policy development and decision making significantly improved during the period of implementation of reform. On average there are 7 -8 cases per year when NGOs are participating in the Government sessions to present their opinion on new initiatives. This number shows that main disagreements are solved in preliminary stages of consultation, and government decisions are better prepared and consulted

Consultation is a powerful tool if used well. This implies using the consultation phase as an integral part of the service design process, rather than an "add on" to review a fully worked up proposal. The consultation should be as inclusive as possible, ensuring that all the different groups affected are actively engaged, while being mindful of any political sensitivities involving outside organisations. It is also important to be clear with customers about how their views will be taken into account, to avoid raising expectations too high. The case of the Swedish customs, taking the expectations of operators into account in service delivery and even work with them as co-producers in the custom chain was presented in part 3.

5.6. Using ICT to gather service user feedback

There is growing use of ICT in the public sector. Most ICT initiatives are concerned with improving service delivery. There is some use of ICT to promote participation and limited use for the purposes of gathering service user feedback. Organisations have, for example, provided service users with internet access via computers to enable their use of email, websites, discussion forums, bulletin boards, chat rooms and other web-based activities. Whilst this situation is likely to evolve over time, effective and successful use of ICT to gather feedback from service users is unlikely to be a clear-cut task.

CASE: The use of weblog at the EU Commission

The European Commission has been involved in the Internet since an early stage. The EUROPA website was launched in February 1995 and quickly became the main reference point for information on the EU and on its activities and policies. In 2001, the Commission adopted the EUROPA II Communication, which gave the Internet a central place in communication activities under the e-Commission programme. Recently DG COMMUNICATION launched a new strategic approach “communicating about Europe via the internet – engaging the citizen”.

Among other initiatives, the blogs and you tube initiatives of the Commissioners are a remarkable initiative. One of them is the blog of Ms Margot Wallström (<http://blogs.ec.europa.eu/wallstrom/>), Vice President of the European Commission in charge of Institutional Relations and Communication. This was posted in order to improve the way we communicate “Europe” to citizens. Ms Wallström was the first Commissioner to blog; the blog was the first discussion forum taking place in 23 languages, and the Commission was the first Institution to appear on YouTube. In the following weeks and months, 1.5 million hits were counted on the blog, 1.5 million hits in the discussion forum as well as thousands of posts and 9 million videos viewed on YouTube. The large number of comments posted is a clear indication that citizens are not indifferent to the policies implemented by the Commission and that they expect the Commission to take their opinions into consideration. This gives the Commission useful information on the rate of satisfaction of the citizens regarding the Commission’s policies and indications of the citizen’s expectations.

Although web access may be limited, ICT offers scope for reaching hard-to-reach groups, for example the use of text messaging with young people. With permission, this might be useful as a reminder to attend an appointment or respond to a postal survey, but it is unlikely to be an appropriate medium to gather user views in its own right. There may be scope to use ICT as a way of administering surveys or receiving complaints. Online customer feedback forms can be used to gather feedback from service users, but to use this data appropriately, a rigorous administrative system is needed to ensure that multiple online responses by the same person are detected and that online responses and paper-based responses are not double counted.

Research fatigue leading to low response rates to paper-based satisfaction surveys and other data gathering techniques is unlikely to be countered by attempts to gather data online. Many of the inherent difficulties of questionnaire-based research such as the use of structured questions and the inability to control who exactly completes the questionnaire are not addressed by the use of ICT. Some service users, particularly those with little experience of using computers, may feel that responding to an online questionnaire is too difficult or time consuming or may be concerned about data protection and confidentiality. Some people may simply have a preference not to use ICT at all.

Online surveys have the appeal of administrative convenience, but it is difficult to control the sample selection and they are likely to be a very limited use with probability samples.

Some qualitative techniques, such as in-depth interviews and focus groups, do not easily lend themselves to administration in this way. It is likely to be worthwhile for an organisation to know about access to the web and email amongst its service users and to consult on attitudes to its use in service delivery and gathering service users’ feedback.

5.7. Citizen/customer panels

A panel is essentially a group of citizen/customers or service users who have consented to be part of a pool of people that will be used to select samples to take part in periodic research and consultation exercises. They are sometimes referred to as user groups. A variety of methods may be used to collect data from panels; for example, panels can be used as a basis for sampling for a survey or a source of people to recruit to focus groups or other qualitative approaches. Panels need to be actively monitored and refreshed to maintain the desired level of “representativeness” and are not immune from all the common problems of research fatigue that are evident in other approaches. The German case of the Municipality of Solingen describes the participation on the political level of inhabitants from foreign origin.

CASE: Intercultural participation in the Municipality of Solingen (Germany)

Solingen is a city independent from a district administration, has approximately 163 000 inhabitants and is situated in the "Bergisches Land" in North Rhine-Westphalia. For a long time its economy was coined by the knife industry; metal and synthetic working industries followed. People from more than 140 countries and most different cultures live in Solingen. Today's percentage of foreign inhabitants is roughly 14 percent. Yet the percentage of non-native people living in Solingen is far higher: considering resettlers and acclimated people, this rate is over 20 percent. More than 40 percent of the population under the age of three has a background of migration.

To guarantee that all people of Solingen can live peacefully side-by-side via a stronger participation and the integration of the foreign population, the concept of intercultural openness as a part of the corporate culture of all active institutions of the city has to be stimulated.

Many different initiatives have been taken: one of these is the installation of an "Immigrant-and-Integration-Council". Instead of a usual Advisory Council for Alien Affairs, Solingen has gathered an "Immigrant-and-Integration-Council", whose approval was granted by the Interior Ministry on application by the city of Solingen.

Ten representatives from among the foreign percentage of Solingen who have been openly elected discuss and decide about important topics concerning integration politics along with nine members of the council. The Immigrant-and-Integration-Council can be occupied with all municipal matters, address applications to the council and other boards and agree to grants for project of migrant-self-organisations, foreign societies, groups concerned with developing political affairs and initiatives for refugees. Its aim is ensuring the qualified political participation of migrants in Solingen via a close interweaving of migrant representatives and members of the council.

Recapitulating, we can see that a multitude of most various matters is being developed and attuned in the municipality. This leads to the conclusion that the whole thing is more than the mere sum of two separate parts. Those measures are complementary and lead to a climate of mutual acceptance and the appreciation of the people involved.

Establishing a panel is a convenient and visible way to recruit people willing to provide feedback on their experience of services. As with any sample, a key issue is to decide how important strict statistical representativeness is given the purposes for which the panel will be used. To be statistically representative, panels should be selected in the same way as samples for general surveys. Basing a panel on a non-probability sample may be acceptable given the purpose and use to be made of the data. In practice, panels tend to be based on self selection; willing people are recruited through targeted mailings and publicity. However, quota sampling can be used to ensure that the membership reflects the demographic profile of the wider population of service users. Panel members may differ from the wider population by the fact that they agreed to take part and over time may become conditioned and more knowledgeable than the population that they are supposed to "represent".

Loss of panel members over time means that the panel needs to be continually refreshed. It may be difficult to recruit members from lower socio-economic groups, ethnic minorities and young people. Downward trends in response rates over time may highlight research saturation or disillusionment amongst panel members. Panels require active management; the composition of the panel should be reviewed regularly and new members recruited. Despite their convenience, panels may not be the best way to seek feedback from certain groups who may be missed out by traditional recruitment methods. Research focusing on the views of certain groups, such as young people, minority ethnic communities and people with disabilities may require separate, targeted recruitment to ensure sufficient numbers and the participation of these key groups. Recruitment through voluntary and community groups or through snowball sampling is likely to produce more informed feedback. As with other approaches, panels should be part of a wider research and consultation strategy rather than seen as the answer to all consultation requirements.

5.8. Group interviews and focus groups

In-depth qualitative interviews can be conducted with groups as well as individuals. Some groups may already be in existence. These can be used for qualitative research and consultation purposes. Organisations could make better use of existing groups for deliberate research and consultation purposes; while other groups may be specially convened for the purposes of the research. Depending on the purpose of the research and consultation, the research topic and related themes may be quite specifically defined by the organisation. At other times, the topic and themes will be more open and flexible to enable the organisation to freely adapt questions in response to the issues brought up by the service users themselves. The technique of focus group was used in France to review the standards of the Charter Marianne and its standards.

CASE: Improving the Marianne service standards through focus groups (France)

At the request of the Directorate-General for the State (DGME), focus groups were conducted by organising a national study, in order to validate the contents of the Marianne service standards and to evaluate the relevance of a State-wide deployment. A qualitative study on the perception of the Marianne service standards by the users of the administrations and the front-line staff in these administrations was therefore launched.

This survey was carried out by meetings and individual talks:

- Two meetings of four hours took place with users of the administration. They were managed by a facilitator used to the technique of focus groups, and especially trained to the Marianne service standard reference frame.
 - A group of workmen and employees, used to dealing with the administrative matters at home and having had several contacts with administrations during the past year.
 - A group of intermediate professions, middle management and senior management, used to dealing with the administrative matters at home and having had several contacts with administrations during the past year.
- Some 20 telephone conversations of one and a half hours by state employees in charge of the reception in their administration.

The results of the focus groups were as follows:

1. Users

The users expressed a relatively mixed perception of the Marianne service standards. They are however at first rather favourable, appreciating the awareness shown by this program and a visible will to improve the situation.

Workmen/employees wish for even more ambitious service standards; its various commitments appear timid in relation to what one considers entitled to expect.

The middle and upper categories are more satisfied, and wish to be optimistic. They welcome in these standards as a first step, heading in the right direction. They therefore appreciate the intention, more than the contents of the Marianne service standards

2. Staff

The front line staff members are in favour of the principle of the Marianne service standards, which they consider as an improvement of the service delivered to the users and of reception environment in public administrations.

Moreover, they appreciate the revalorisation of their work involved by this process (recognition of the importance of their role by their hierarchy). It can therefore constitute a motivation factor, since it gives more importance to those who make efforts and carry out their work as much as possible.

However, just as users, they wonder about the concrete effectiveness of the mechanism, in particular since there are no means of incentives or sanction. In addition, they express concerns on the method used, fearing that the label results in accentuated control; a supervision aiming to increase the agents' productivity in a pure economic logic, or even involve a form of selection between the agents.

3. The effects of this x-ray on the Marianne label

It was decided to deploy of the Marianne service standards within all the public administrations of the State

- The commitments of the standards were revised; some were given an increased standard level (e.g. the deadline for replying to the mail was decreased from one month to 15 days, following the users' request)
- More importance was given to listening to and satisfying the users.

To improve its impact, it was decided:

- To communicate more on the intention, the principle of the service Standards, and the underlying will to improve the relation between user and administration, which appear more demonstrative than the detail of the commitments.
- Not to consider the reception as a separate subject, disconnected from the service delivered, but to explain rather than the improvement of the reception is the visible part, the result of an overall upstream improvement.

Regarding the staff, it was decided to:

- Make use of the service standards to develop, internally, the role of the front line staff. It can be a driver to facilitate their appropriation and implementation.
- Also strongly involve their hierarchy, and in particular the middle management, so that the programme is truly supported at local level.

In conclusion

This process associating the users and the staff made it possible to identify very operational ways of improvement of the service delivered. This step of management of the users' satisfaction registers itself consequently as a permanent step resting on all the listening mechanisms in particular cooperation and involving users.

A focus group is an in-depth interview with a small group of people (perhaps 6-10) specially convened for the purpose of discussing a particular topic. Group members are specially selected and invited by the organisation on the basis that they have specific experience or knowledge about the topic. In a focus group, the emphasis is on ensuring that all parties have the opportunity to contribute to the discussion.

A group interview is more likely to be conducted with pre-existing groups and arranged to fit in with the normal meeting circumstances of the group. It is likely to be conducted in a more open and flexible way than a focus group and this has the advantage that the topic is likely to be more engaging because it can be shaped more readily by the concerns of the group members. In a group interview, although the organisation is also concerned to ensure that all members of the group have the opportunity to speak, the researcher has more freedom to pursue a relevant or interesting theme with one or two group members.

Group interviews and focus groups are particularly useful for researching the views of numerically small groups whose views may be under-represented in general surveys, such as minority ethnic communities or young people. These approaches can be used to enhance the quality of other research approaches, for example by assisting in the development of survey questionnaires, or they can be used to gather more detailed information about particular aspects that emerged as important during a survey.

However, in-depth group interviews may not be the most appropriate method if the research issues are sensitive and inappropriate for group discussions, if convening a focus group presents practical difficulties or if there are no suitable existing groups. In these circumstances individual in-depth interviews are likely to be more useful.

5.9. Mystery shopping

Mystery shopping is the use of individuals trained to observe, experience and measure any customer service process, by acting as service users or customers and reporting back on their experiences in a detailed and objective way. This procedure can be used over the telephone, in face

to face situations or by email. The idea is to test out the actual customer experience of services. It might be used as a free-standing exercise, to follow up an issue identified through other methods such as a satisfaction survey or after analysing recent complaints. Telephone based mystery shopping may be well suited to covering any large, dispersed population. There may be scope to undertake this kind of approach on an on-going basis to get more regular feedback. The exercise involves deciding on suitable scenarios – typical situations or issues that service users may present; rather like “frequently asked questions”. The whole quality and value of the mystery shopping process depends on the design and execution of the scenarios used to test service delivery. Experience suggests that this approach should not be too ambitious. Planned but simple approaches are likely to be most effective. This approach raises a number of issues of ethical research practice. It is important that staff and other appropriate parties such as trade unions know that mystery shopping is planned. They should not be told exactly when and where it is to happen as this may undermine the process. As with the use of complaints as feedback, the critical issue is the culture of the organisation and an attitude that is not about allocating blame for poor performance but to draw out wider lessons. This means that the identity of the parties is not really the point. There should also be feedback to staff on the findings and the intended follow up actions based on using this technique.

The scenarios to be used in mystery shopping exercises should be:

- Relevant: designed to test the specific service on which data is required?
- Credible: not too ambitious, but mimicking natural service user behaviour and able to be enacted convincingly? The use of jargon or technical language will jeopardise the exercise.
- Practical: simple, brief and appropriate? Complex or unrealistic scenarios will compromise the quality of the data and the exercise and will place an undue burden on staff time.
- Safe: not risking the personal safety of the mystery shoppers themselves?
- Objective: focusing on factual information? Recording what happened, rather than how the shopper feels about it in order to be consistent across all assessments made by different shoppers. However, more subjective assessments may be used to assist in interpretation of data. These may include perceived confidence of staff or overall satisfaction with the service, for example.

The technique of mystery shopping is used in the Warsaw City Hall in order to assure the best quality of service delivery.

CASE: Warsaw City Hall. Mystery shopping for assessment of service delivery quality (Poland)

The Warsaw City Hall is monitoring service delivery quality on regular basis. One of the methods they use is *mystery shopping*. This method is being used in Warsaw City Hall since the beginning of 2004.

The most common citizen’s requests are selected to create the scenarios for the mystery shopping procedure, i.e. ID or driving license delivery, vehicle registration, new business registration etc. Sometimes the most sophisticated case is used to examine the employee dealing with a non-standard and new situation. Such cases are analysed separately.

The Mystery Shopping procedure is carried out in cooperation with research companies who are experienced in that kind of methodology. The company is responsible for choosing the actors-researchers who will play the role of customers and is delivered by scenarios in the City Hall. The scenarios, so-called “customers lives”, describe in detail the context of examined service and customer profile – for example a young, 18-year old woman asks for her first ID card; or a 34-year old man, an IT specialist, is about to start up his own IT business. After analysis of scenarios the company proposes the most appropriate people to play the customer roles. Then a meeting is organised to get together the researchers-actors and the City Hall representatives. During the meeting the scenarios are discussed and adjusted to the actors if needed, to assure they feel comfortable with their new “customer lives”.

This is the crucial stage of preparation. Any mistake can affect the result of the research or even spoil it completely.

The generalised results of the research are published on the City Hall website <http://www.wom.warszawa.pl/wynikibadan.php>. The results are used to identify the areas of improvement. Improvement projects issued from mentioned areas of improvement are subject to the *Contest for the best Residents' Service Office* (see *Case in part 5*).

Mystery shopping: checklist

- The scenarios used should be relevant, credible, practical and safe.
- The sample size and selection should be appropriate for the kind of analysis required and should reflect the usual pattern of inquiries across the service.
- The objectivity of the exercise should be safeguarded by careful selection of mystery shoppers and thorough training.
- Data should be recorded consistently and analysed objectively and appropriately.
- Data should be reported only at an aggregate level and the anonymity of staff protected.
- Staff and trade unions should be told that mystery shopping is planned and that they may be involved in the decision-making process.
- The findings should be written up in an appropriate and accessible way and reported to all key audiences, including staff.
- The implications of the research for service delivery should be identified.

5.10. Citizen/customer charters⁷

A citizen charter is a unilateral declaration by a public sector service whereby the service, within the tasks stipulated for it by legislation and regulations, commits to a number of standards for its services and subsequently publishes these standards. This allows members of the public to address the service in question as directly as possible. The core of a citizen charter is the promise of expected quality of the service. The essence is formed by the 3 C's:

- Client-oriented standards
- Communication
- Commitment

CASE: Quality Service Charter initiative (Malta)

In 1999 the Maltese Public Service launched a Quality Service Charter initiative. Under this initiative, which falls under the remit of the Charter Support Unit within the Office of the Prime Minister, government departments and offices began to launch charters in which they committed themselves to meeting specific standards of service in their dealings with members of the public or other government organisations. By way of preparation for the launch of their charters, the departments and offices concerned conducted a process of consultation with both staff and customers and they carried out changes to their business processes in order to improve service quality.

The Charter Support Unit's role is to manage the Quality Service Charter initiative and to assist government departments that provide services either to the general public or to other government organisations to develop Quality Service Charters. The Charter Support Unit is also responsible for liaising with government departments to manage and maintain individual Charters.



In order to provide added support to government organisations, a practical guide (Quality Service Charter handbook) was developed. This handbook explains what a charter is and what should be included in the charter document. It also takes organisations through the steps to follow when developing and maintaining a charter. Examples are taken from other departments that have already launched their charters. This practical guide can be found on www.servicecharters.gov.mt. On the same website, 59 departments/services from different fields and areas have published their full Service Charters.

⁷ This part is based upon the work "Guidelines for Citizen Charters" which has been carried out by the Netherlands in the context of IPSCG.

The radical idea behind the citizen charter is to give rights to the clients of public services. The rights are not statutory, but the “pressure” of the promise is such that the organisation will do a great deal to fulfil the promises. With this approach, the citizen charter helps the client switch from a relatively passive role of waiting for what the organisation has in mind for him or her. The offered rights stimulate the idea that the organisation treats him with respect. This gives the client a certain dignity.

The service standards indicate what the client can expect. The most important standards are concrete and measurable. Therefore: *you will be helped within 15 minutes* (“hard”) and not *ready while you wait* (“not concrete”). The client him/herself can then determine whether or not the standards are met.

The charter can also comprise a “soft” standard, such as: *We will treat you with friendliness and respect*.

A standard is formulated on the basis of the individual client’s perspective. Therefore: *you can expect to receive an answer from us within two weeks*, and not *95 percent of the letters are processed within two weeks*.

The standards can concern the entire spectrum of service. They can say something about a service/product in itself (*the street lighting will be repaired within two working days*); about the process (*you will receive a digital report confirmation*) and as regards content (*on your request, we will speak with you in a closed consultation room*).

Friendly treatment is an intrinsic standard. In various surveys, the importance of good treatment is repeatedly emphasised, in view of the great many complaints in this regard. An important underlying goal of citizen charters is to improve the relationship with the client. Then a citizen charter can also make an explicit report concerning treatment (*if you do not consider our treatment to be friendly, we kindly request that you immediately call us to account*).

Research shows that time is important in the evaluation of the quality of service. So keep in mind the time aspect when drawing up the standards. This can involve the time that the client must wait before he/she is helped, but also, for example, the time in which the client can expect to receive an answer to a request/question/etc.

It is important that the standards in the charter are aimed at the relevant aspects of the service. For example, if a citizen lodges a complaint with your organisation, then it is important that the charter not only lists the complaints procedure, but also how quickly the complaint is dealt with. So: *You will receive a message within 5 working days regarding how we will deal with your complaint within 4 weeks*.

It is important that the charter is not too long. Keep it short by only indicating the standards that are the most important for the client.

The case below presents the citizen charter of the Dutch municipality of Sevenum.

CASE: The citizen charter of the municipality of Sevenum (The Netherlands)

The municipality of Sevenum considers the provision of services to be of paramount importance. We have done a great deal to improve our services, but we’re not there yet. You, as a resident of Sevenum, have the right to expect us to do well, but if nothing has been laid down in that respect, you cannot call us to account for anything. This citizen charter serves to explain how we want to treat you as a customer, while it also offers you some support. If we can’t keep our promises, we will listen to your wishes. This is the first citizen charter. A new charter will be published each year, listing all the standards set by the municipality at that time. As the charter is subject to changes, I recommend you check our website for the latest version. Stay up-to-date and hold the municipality to account for the agreements it makes with you. The municipality of Sevenum is here for you! (P. Mengde, Mayor of the Municipality of Sevenum)

⇒ What can you expect from us:

General

- Each citizen and entrepreneur has a right to services provided by our staff. These services are characterised by empathy, helpfulness, solution-oriented thinking, respect and “a promise is a promise”.
- Our members of staff are easy to contact. If you disagree, please contact our staff or our ombudsman so as to come to a solution together. After all, our members of staff are there to assist you!

Visits to the town hall

- We are open from 09.00-12.00 hrs, Monday to Friday. On Tuesdays, the Population Registry is open until 19.00 hrs. This enables students and people who work to visit the town hall too.
- The maximum waiting time at the desk is 15 minutes. If you want to avoid the queue, you can make an appointment for all of our services. In that case, the maximum waiting time is 5 minutes.
- If you are unable to visit the town hall for physical or other personal reasons, we will look for a solution together. This could mean we will come and visit you.

After all, we want to be a low threshold municipality

Telephone

- During opening hours, you can reach us on the general number, 077-4677555.
- In 100% of the cases, the telephone is answered by one of our members of staff. If the person you are looking for is not available, we will take a message and he or she will call you back within the time agreed upon.

Website

The municipality of Sevenum has a user-friendly and comprehensive website that offers you a host of information.

You can download forms, and request a number of products digitally (such as extracts).

Service & complaints line (077-4677550), emergency line

You can call this number 24 hours a day to report your complaints.

Within a maximum of 24 hours, we will inform you of the measures taken or to be taken. For the emergency line that period is 2 hours.

Account management

- Each entrepreneur in the municipality has an account manager who deals with any questions the entrepreneur may have. The account manager is the entrepreneur’s central point of contact.

An insight into processes

- For a number of complex processes (such as planning application, welfare, special welfare, exemption from municipal taxes, and Services for the Disabled Act [Wet Voorzieningen Gehandicapten]), we have drawn up clear schedules so you know in advance exactly which steps we will take together and when.
- Again: a promise is a promise.

Planning permission

- The municipality has abolished the buildings aesthetics committee. If you stay within the stipulated frameworks, you can submit your planning application immediately. Our members of staff will then help you to process this application as quickly and smoothly as possible, and to realise your building requirements (within the legal frameworks).
- Your application will be dealt with by one contact person who ensures that you will receive your planning permission within no more than 6 weeks (3 weeks for light regime planning permission). In the event of an exemption procedure, these deadlines do not apply.

Passport/ID card/driving licence

- After having applied for your document at the town hall, you will receive it within no more than 5 working days.
- If it is an emergency, you will receive it within 1 day, subject to a surcharge.

Welfare payments

- Following your application, you will have a decision within no more than 10 working days. In close cooperation with the CWI (Central Organisation for Work and Income), we will do everything to make the process as easy as possible for you and to avoid you having to submit all kinds of information more than once.

Special welfare, exemption from municipal taxes

- Our website and a special brochure enable you to find out for yourself if you qualify for any of the above.

- Following your application, you will receive the result within no more than 4 weeks. The maximum term for exemption from municipal taxes is 6 weeks.

Social Support Act [Wet Maatschappelijke Ondersteuning]

- The municipality and its partners (incl. CIZ (Care Assessment Centre)) will do everything within their powers to ensure a fast and smooth application and supply of aids.
- Following your request, we will notify you of the outcome within no more than 4 weeks.

Customer satisfaction survey

- We are interested in the views of each customer once they have made use of one of our products. That is why we ask customers about their level of satisfaction throughout the year.
- We use the results to further improve our services, 365 days a year. After all, it is all about you, our customer!

What we do in return

This citizen charter lists the things you can expect from us. We give you a “guarantee” as it were, for many aspects of our service provision. If we give a guarantee, we of course also have to do something in return should we fail to offer you what we promised. After all, promise is debt. That is why we give you a €10.00 flower gift voucher in the unlikely event that we are unable to keep our promises. We feel flowers are the perfect way to offer our apologies.

Nevertheless, we assume these occasions will be few and far between, because we have faith in our services. The municipality of Sevenum is here for you!

H. de Bekker (Municipal clerk for the Municipality of Sevenum)

These service standards have been published/announced to the customers via the municipal website, the local door-to-door magazine, leaflets, posters and the municipal guide.

The above-presented citizen charter is a result of a survey, held by the municipality of Sevenum, into the customer’s wishes. The purpose of this survey was to gain a better insight into the services provided by the municipality of Sevenum. This time it wasn’t satisfaction that was the subject of the survey, but the wishes and expectations of the customers. We can measure satisfaction only when those wishes and expectations have been identified. The expectations and experiences of four different panels (three comprising residents, one comprising entrepreneurs) were identified, which ultimately led to a top 10 of measures. This top 10 of measures formed the input for ten internal taskforces who have started working on the measures.

The top 10 of customer’s wishes that was the result of the survey was assessed for its feasibility by taskforces comprising two to three members of staff. These taskforces tested the feasibility of the service standards proposed by the customers and what it requires to realise these standards. As such, the citizen charter was created by the customer and subsequently tested for feasibility by the members of staff. In practice, 90% of the standards as put forward by the customers have been incorporated in the final charter.

Communicating

When the citizen charter is drawn up, it must also be made public. The fact is, the client must know what he/she can expect and what he/she can claim. Good information concerning the service that the client may expect contributes toward satisfaction regarding the service. Therefore it is recommended that clients be informed in an understandable and easy manner and at the moment that this applies to them.

In any case, the service standards are communicated on the spot, such as at the counter. See to it that the standards are available to clients at the moment that they will most likely need them.

In addition, the charter must be made public via as many relevant contact channels as possible (counter, print work, Internet, city bus). When placing these standards on the website, devote attention to clear navigation. Not only the number of steps in the charter is important, but the designation as well. A link to the “charter guideline”, or “guarantee” is not as appealing to the client as, for example, “What type of service can you expect from us”.

With the communication of a charter, it is recommended that an administrative sender/person, mentioned by name, be linked to the charter, who assumes responsibility for realising the standards him/herself. This sender can be the head of the department, the Mayor or the Council. With this approach, an organisation can show that it takes its own service seriously. An added advantage is that the administrative involvement in the citizen charter increases.

Commitment

The whole idea behind a charter is that the organisation is committed to realising the standards. Clearly indicate the consequences if a promise is not kept. The possible actions differ per country. It could be solved internally within the organisation. In practice there are countries that do not provide some kind of exchange, while others do. In the latter case, options are letters of apology to clients, or small compensations. The latter are primarily symbolic, but since they have a financial component, the signal to the budget makers will be clear.

Providing some kind of exchange (letter of apology or compensation) convinces clients that the organisation takes them seriously. This gives the formerly “powerless” client a convenient tool to seek immediate rectification from the organisation.

Providing a kind of exchange also stimulates the organisation. It impresses the gravity of the situation upon every employee and manager. So if for example a compensation is awarded too often, this will act as a catalyst for improving (or guaranteeing) the quality of the service. Of course, the goal of standards with some kind of exchange is to rarely give it.

Who needs a citizen charter?

The citizen charter is suitable for all organisational elements with client contacts. Clients include citizens, entrepreneurs, students, patients and non-governmental organisations.

The most important users of the charter are of course the *clients who apply to your service*. With the charter, they will have more insight into your service and will attune their expectations on the basis of the service standards that are included in the charter.

Together with the *clients*, the *employees of the front office* are an important user group of the citizen charter. If all goes well, having a charter leads to a change of attitude, working method and performance.

And last, but not least, improving the methods and performance cannot be achieved without the involvement and commitment of the management.

CASE: Charter for fishing permit applicants in the Pelhrimov Municipal Authority, Environmental Dept. (Czech Republic)⁸

Aim of the Charter

This Charter tells you how to apply for a fishing permit and how we will process your application. Our aim is to speed up the processing of fishing permit applications for both residents and visitors and to increase your satisfaction with our services.

How to apply for a fishing permit

Any person who meets the legal requirements may apply for a fishing permit. The legal requirements are as follows:

1. A completed form, which can be downloaded from the internet (www.mupe.cz) or obtained at the Environmental Department, Pelhrimov Municipal Authority, Prazská 127, Pelhrimov (building no. 1, 3rd floor, door no. 401), during public opening hours: Monday and Wednesday 08.00– 17.00. The responsible official is Mrs Nn., tel.: Nn., email: Nn. We are also happy to send you a form by post.
2. A certificate of payment of the administrative fee of CZK 500 for a permit duration of 10 years (children under 15 years of age CZK 250), CZK 200 for 3 years (children under 15 years of age CZK 100) and CZK 100 for 1 year. The fee can be paid at the Environmental Department or at the cashier's office at Pelhrimov Municipal Authority. Fishery students and persons responsible for fisheries as part of their profession or function are entitled to a 50% discount on the administrative fee.

⁸ Case mentioned in Loffler, E., Parrado, S., and Zmeskal, T., 2006, Improving customer orientation through customer charters, pp. 104-106.

3. Submission of an identity card or passport (passport in the case of foreign nationals).
4. A certificate of qualification from the Czech Fishing Union in the case of new applicants, or a previous fishing permit (in the case of foreign nationals a certificate of qualification, a fishing permit issued in the Czech Republic or a fishing permit, licence or analogous document issued in the home country).
5. Children under 15 years of age should submit a Czech Fishing Union licence together with a photograph (passport-sized).

How we will process your application at the Environmental Department at Pelhrimov Municipal Authority

1. If all the requirements have been met, we will process your application while you wait during our two office days (Mondays and Wednesdays). On other days, the application will be accepted and processed by the following office day.
2. We will process applications submitted by foreign nationals immediately on any working day from Monday to Friday (applications from foreigners make up 1% of total applications and such people want to go fishing while on holiday in the Czech Republic).
3. Our staff will treat you courteously and professionally.
4. German-speaking applicants can communicate with our officials in German.
5. By the end of 2007 we will set up a reservation system allowing you to make an appointment by telephone or e-mail (without queuing).

If the Environmental Department fails to comply with this Charter:

If we do not meet the promises in this Charter, we will inform the applicant about the reasons for the delay and take measures to comply with the Charter.

If clients are dissatisfied with our service:

If you feel that we have failed to comply with the service standards set out in this Charter, you can write to or call: Mr Nn., Head of Department

T: Nn.

E: Nn.

You will receive an acknowledgement within two working days of submitting your complaint and a full reply within ten working days of this acknowledgement. If you have gone through the above process and are unhappy with the result or with the way in which we have dealt with your complaint, you can write to: Mr Nn., Secretary,

How we monitor our performance:

Information on our service targets and the development of the reservation system will be published in good time and updated regularly on the Pelhrimov website, on the town's official electronic notice board, on the official notice boards of the municipalities of the administrative district of Pelhrimov, in the local media and via the local organisations of the Czech Fishing Union. We will regularly compare the quality of our services and the level of client satisfaction by conducting surveys of the opinions of our clients, and we will publish the results of these surveys and other information on performance on our website (www.mupe.cz).

5.11. Using comments, compliments and complaints as feedback

Complaints schemes should be used as a valuable source of service user feedback on service quality. Complaint schemes tend to record formal complaints in which the service user is seeking explicit redress and of course, it is vital to regularly monitor and act on such complaints. However, many "complaints" may go unrecorded, yet both formal and informal complaints and suggestions can be a valuable source of information about service users' views of service provision. They can be used alongside other data collection techniques to help assess performance, highlight areas of good practice and to help improve service quality and delivery. More detailed information can be collected to help identify patterns or causes of complaints in relation to geographical areas or service user characteristics. It may be necessary to train staff to see informal "complaints" as a valued source of learning and to record them consistently. It may also be necessary to allow time to investigate the substance of a "complaint" (beyond the formal need to establish if redress is

warranted) in order to understand what happened and to draw out the wider lessons. If complaints are to be useful as a source of feedback it is likely that complaints systems will need to be reviewed to ensure clarity and consistency in recording and analysis. All complaints including informal ones should be recorded and classified appropriately across the organisation, although it will be important to ensure that this does not become too bureaucratic or burdensome for staff. It may be helpful to consider what is actually meant by a complaint. For example, if service users request information but these requests can only be recorded as complaints, statistics reflecting the number of complaints received may be misleading.

To clarify and expand the value of these kinds of feedback systems it may be more accurate and helpful to consider three broad categories:

1. comments: suggestions and ideas about services and service delivery; requests for information;
2. compliments: comments expressing appreciation or acknowledging that something has been done well; and
3. complaints: comments expressing dissatisfaction or informing that something has gone wrong and needs to be put right.

CASE: Complaint systems/Viewpoint systems in the Companies Registration Office (Sweden)

The office registers new enterprises and associations as well as changes in established enterprises and associations, receives annual accounts, registers corporate mortgages, makes decisions regarding liquidations and makes the information in the registers publicly available.

Since 2004 the office started using the viewpoint system. We receive the customers' viewpoints by phone, e-mail, letter, fax and by our website and then journalise them in our viewpoint system. On our website, the link "Let's have your opinion about us" enables the customers to express their viewpoints. Regardless in which way the viewpoints reach us, the customers who so wish will receive an answer within 10 days.

Observing our policy regarding viewpoints we work by taking care of and paying attention to our customers' viewpoints on our services and our exercise of public authority. We answer swiftly to viewpoints and complaints. The customers' viewpoints and proposals help us to improve our service. Therefore, we encourage the customers to help us by submitting viewpoints.

The reasons for dissatisfaction or the need of leaving viewpoints differ from person to person/individually. It is the customer's experience that determines this. The viewpoints/complaints may e.g. be about:

- Our waiting time – how long do I have to wait for my case to be processed?
- Availability – accessibility, telephone hours
- Registration – routines, development
- Electronic services – contents, technique
- Our website bolagsverket.se – contents, user-friendliness
- Products – changes, developments
- Forms – contents, user-friendliness
- Reception – negative or positive
- Information – verbally or in writing
- Operations and working routines – organisation, competence

As an example of the improvements, which we have made as a result of the customers' viewpoints and proposals, we can mention our application forms and our information material. We have also been able to improve our web services thanks to the customers.

A system that also welcomes and records "compliments" can be highly valuable. It is linked to the idea of being appreciative and finding what is working and why, as well as what is not. Compliments and acknowledgements of efforts can have a positive impact on staff morale and performance so it is important to consider how these comments can be fed back to staff.

Appropriate recording and classification enables analysis of the number of complaints and other types of comments and also enables trends or patterns to be monitored. Analysis of outcomes will also be valuable. Once such systems are in place, organisations should be able to gain useful

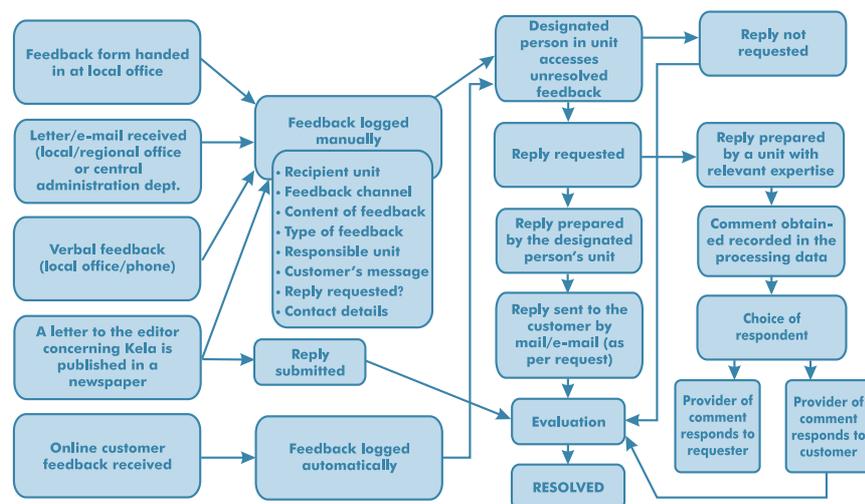
intelligence about particular experiences of service delivery – either service failure or success – which may have wider implications for service design or contain valuable insights into the user experience.

It is important that service users are provided with accessible ways to put forward their feedback and there should also be appropriate access for speakers of other languages, people with disabilities and members of groups that are excluded, hard-to-reach or isolated.

CASE: Direct customer feedback system in The Social Insurance Institution (Finland)

The Social Insurance Institution has five regional offices all over Finland, 45 insurance districts, 119 one-stop client service points and a large number of ranches and sub-branches. In order to receive feedback from customers an in-house system and reporting tool was developed allowing all feedback received from customers to be recorded directly. Different types of feedback can be entered: written messages received on a feedback form, feedback sent in by mail or e-mail, verbal feedback, letters to the editor, feedback collected on our website (online feedback form).

Each organisational unit has a liaison, whose responsibilities include monitoring the content and processing of feedback and making sure that feedback and requests for comment are responded to by compiling a regular summary of the feedback received which examines the amount, content, feasibility and type of feedback received and the feedback channels used telling co-workers about current developments. Feedback is used on different levels. Feedback from customers is reported as part of our results-based management system. An analysis of all feedback received is performed yearly. It shows various statistical distributions and sums up the content of the feedback. With a view to improving performance, individual organisational units can compile summaries and analyses of the feedback entered into the system. Reports and statistics are produced by means of the reporting and register functions. In this way the system makes it possible to utilise feedback at all organisational levels.



5.12. Open Space Technology (OST)/World Café

Open Space Technology is an engaging and enjoyable way to run large group meetings on complex and important issues where there is likely to be diversity of opinions. Open Space can be used at a one day workshop, a longer conference or in a regular meeting. Every issue of concern to anyone that attends will at least be on the table for discussion. A parallel series of workshops may occur on issues identified as being priorities by those present. Participants decide which sessions they wish to attend and are able to host their own session and invite others to attend. Workshops develop a list of actions required which are all reported in an overall document of the event.

Although the overall event requires facilitation, this is not about imposing a structure and control over what happens. This can be quite challenging for some organisations and sponsors. Once the initial principles have been outlined and the practical arrangements made, the event is largely self-managing.

Open Space works on four principles.

- Whoever comes are the right people – the people with the energy and commitment are the ones who will give up their time to work on an idea. Focus on who is there, rather than who is not.
- Whatever happens is the only thing that could have – this is about letting go of control, allowing for surprise and opening up to real learning, drawing on those “experts” who are present.
- When it starts is the right time – don’t wait for some specific person to arrive; begin with whoever is drawn to the discussion.
- When it’s over, it’s over – if the task takes less time than you thought, move onto something else. Otherwise, if it is deeply absorbing, continue until it is finished.

Open Space also has one law, “the law of two feet”, which says that if you feel you are neither learning from nor contributing to a discussion, you are required to get up and move to another discussion, without waiting for the group to complete its conversation, so that your fresh insights and creative thoughts can be used elsewhere. Open Space is one of a number of large group processes some of which may be more applicable.

5.13. Ethnography

Ethnography describes any scientific method used to understand human behaviour and culture. In the private sector it is widely accepted as a research technique for better understanding customers. The following example illustrates how ethnography was used by a government organisation to generate powerful customer insight:

CASE: Ethnographic work in the HMRC (UK)⁹

HMRC (*Her Majesty’s Revenue and Customs*) undertook a small piece of ethnographic work in conjunction with the Royal Mail and Henley Headlight to understand how post travelled around the home and how HMRC post was dealt with when it arrived in conjunction with other mail. Henley Headlight found that customers often have established “postal systems” with post tending to stay in a holding place for some time until dealt with via a system of “sort”, “engage” and “clear”. The sorting process was often very quick with the envelope providing the first clue for prioritisation. Government post tended to stick out, often due to the brown envelopes.

The study also revealed that Self Assessment Tax Returns and Child Tax Credit post moves through the home in different ways, Child Tax Credits post being kept visible in the kitchen or living room “holding area”. However, “hibernation” was found to be a problem in dealing with Self Assessment Tax Returns: the return was filed and forgotten about until a much later date. Reasons for this included “not enough information available when the tax return arrived to complete it”, awareness that the deadline is not imminent and “delaying the pain of filling it in”.

Although a small piece of work, the insight generated, especially around the “hibernation” of Self Assessment Tax Returns, informed HMRC’s Product and Process teams why sending HMRC post with a long lead time before customers have to act on it, can result in them putting off the task until the last minute. Self Assessment paper return filing dates are now being revised so that there is a shorter period from the return being sent to the customer to when HMRC require completed returns back.

5.14. Segmentation

Segmentation in the public sector is a topic in its own right. However, this section would be incomplete without a word on the subject. Often widely misunderstood, segmentation is a powerful tool that can help managers and workers throughout an organisation to visualise their customers and to identify groups of customers who have common needs.

⁹ Case mentioned in UK Primer on Customer Insight (Cabinet Office, 2006: 14).

Government Communications Network's Engage Programme¹⁰ defines customer segmentation as:

"Subdividing a target audience into homogeneous and reachable groups based on shared needs and characteristics such as:

- who they are (socio-demographics)
- what they do (their behaviour)
- how they think and feel (their attitudes and needs)".

Segmentation can be used as a strategic or operational tool. How you define your segmentation will depend on the objective you are trying to achieve. If applied well, it can give an organisation a common framework and language to talk about customers in the context of strategies and plans.

CASE: Segmentation towards different customer groups in Road Administration (Sweden)

Since 2000, the Swedish Road Administration has systematically captured and analysed the needs of the customers, individuals and business community, who use the Swedish transport system.

To manage this work (mainly for internal use in the organisation) they have decided to divide our customers in two groups: individuals and business community. The groups are also divided into subgroups:

Individuals (citizens)

- Children 0-17 year
- Youths 18-24 years
- Professionals
- Senior citizens
- Disabled people

Business community

- Purchaser of transports
 - Basic- and process industry (basic industry, process industry, heavy manufacturing industry, building)
 - Consumer- and food industry (light manufacturing industry, food industry, commercial shops)
 - Private services
 - Public services
- Sellers of transport/transport operators
 - Goods transport operators
 - Public transport operators

By considering how each segment will be best served, the organisation begins to take a customer-based approach to strategy, rather than a service or product-based approach. This approach can pay dividends not only in more satisfied and engaged customers, but also in greater levels of efficiency.

The following is a useful checklist for successful segmentation:

- **Accountability:** Plan how the segmentation will be used – by whom and for what – up front so it's relevant
- **Leverage:** Use existing knowledge and data first to help design a segmentation questionnaire
- **Ownership:** Have it owned by the department and stakeholders
- **Deployment:** Present segments in a way that captures the imagination

The resulting segmentation scheme should be actionable. This means segments that are measurable, identifiable and definable, that can be reached via delivery, media and communications channels and that are substantial enough to be worth targeting separately. The scheme should also

¹⁰ <http://engage.comms.gov.uk/>

recognise that customers' needs, preferences and attitudes change and no segmentation scheme should remain unchanged for long, but should be updated accordingly.

As this paper has set out, government needs to serve the whole community and cannot personalise for everyone, but nor should we offer a single uniform service. Segmentation provides a cost-effective solution and helps us to understand how best to allocate resources. At the end of the day though, the success of any customer segmentation scheme will depend on the stakeholders' ability to describe the needs of customers with great vividness. Therefore, no scheme should be over-complex.

6. Using existing information

The focus of this guidance is the collection of new information about the expectations and the perception of the quality of services from service users. However, make full use of the existing information that is already available. This includes existing information collected for administrative and management purposes and information collected through previous research and consultation exercises. It should also include use of pre-existing groups where appropriate for research and consultation purposes. New data collection is expensive and time consuming and may not always be necessary.

As an example, it may be possible to use data collected for administrative and management purposes to produce aggregated information about service use. It is important to acknowledge data protection issues; this means that you should be aware of where the data was generated from and that its reuse does not compromise the original undertaking given about its use.

There is great scope to make better use of information that already exists (that may have been collected for other purposes) before embarking on the collection of new information. Whilst there may be concerns that information can soon become out of date or may not relate directly to the purpose of the research and consultation exercise, information collected for monitoring purposes is not always analysed as fully as it could be.

Know what is already known

When considering research and consultation on any issue it is important to first consider what is already known, before designing new data collection procedures. This is linked to the need to take a planned, strategic approach to research and consultation. Such a strategy would review the availability and use of existing information and identify gaps in knowledge which new research is needed to fill. Small changes to the way that existing data systems work may well yield more useful data for service improvement.

Measure what matters

It is common to measure the aspects of work processes that are easiest to measure, usually those things that can be counted. The measures used tend to define what is meaningful rather than the larger purpose of the work defining which measures are used. Performance measurement systems tend to focus on outputs. Many measures rarely provide much useful information about critical capacities and behaviours that influence service quality outcomes, such as commitment, learning, teamwork, quality and innovation.

Use existing information on service standards in a consultative way

There are a range of performance management tools that will help organisations to develop appropriate measures. Most organisations do report performance information against key targets in their annual reports; however, few go beyond this rather limited approach.

Qualitative aspects of work are best defined and used through a participatory process involving staff and service users, so that they identify what is important to track and which measures are critical to success. Management information systems designed in this way are more likely to provide useful feedback which provides critical information in real time, is more open to new and surprising

information and which can adapt to changing circumstances.

If the appropriate information about performance against standards is available there is likely to be scope to use this information in a deliberately consultative and more proactive way in order to seek questioning and be challenged by service users.

The next part will develop this aspect of communication of the results of involving citizen/customers further and elaborate on the aspect of using this information for improvement.

A comprehensive approach, integrating different sources of gaining insight against a standard and communicating achievement by a label can be found in the UK Customer Service Excellence initiative.

Case: The Customer Service Excellence initiative (UK)

In 2008 the Customer Service Excellence initiative was launched. The Government wants public services for all that are efficient, effective, excellent, equitable and empowering – with the citizen always and everywhere at the heart of public service provision. With this in mind Customer Service Excellence was developed to offer public services a practical tool for driving customer-focused change within their organisation.

The foundation of this tool is the *Customer Service Excellence* standard which tests in great depth those areas that research has indicated are a priority for customers. In order for organisations to be recognised as achieving Customer Service Excellence they must be successfully assessed against the criteria of the standard by one of the licensed certification bodies. The five criteria of Customer Service Excellence include:

1. Customer Insight

Effectively identifying your customers, consulting with them in a meaningful way and efficiently measuring the outcomes of your service are a vital part of this approach. It's not just about being able to collect information; it's about having the ability to use that information.

2. The Culture of the Organisation

It is challenging for an organisation to build and foster a truly customer-focused culture. To cultivate and embed this there must be a commitment to it throughout an organisation, from the strategic leader to the front line staff.

3. Information and Access

Customers value accurate and comprehensive information that is delivered or available through the most appropriate channel for them. Putting your customer first can be an important step towards providing effective communication.

4. Delivery

How you carry out your business, the outcomes for your customer, and how you manage any problems that arise can determine your organisation's success. Customers' views about the outcomes of your services are just as important as achieving the main indicators your organisation uses to measure its performance. Listening to, and asking for comments, feedback and complaints can be a great way to make small adjustments to the way your organisation runs.

5. Timeliness and Quality of Service

The promptness of initial contact and keeping to agreed timescales is crucial to your customers satisfaction. However speed can be achieved at the expense of quality, therefore the issue of timeliness has to be combined with quality of service to ensure the best possible result for customers.

The detailed criteria, and their relevant elements, can be found in the Customer Service Excellence standard which is available to download from the website www.cse.cabinetoffice.gov.uk. On this website a lot of other useful information on the standard, best practices, and a hub with explanation on tools and techniques, can also be found.

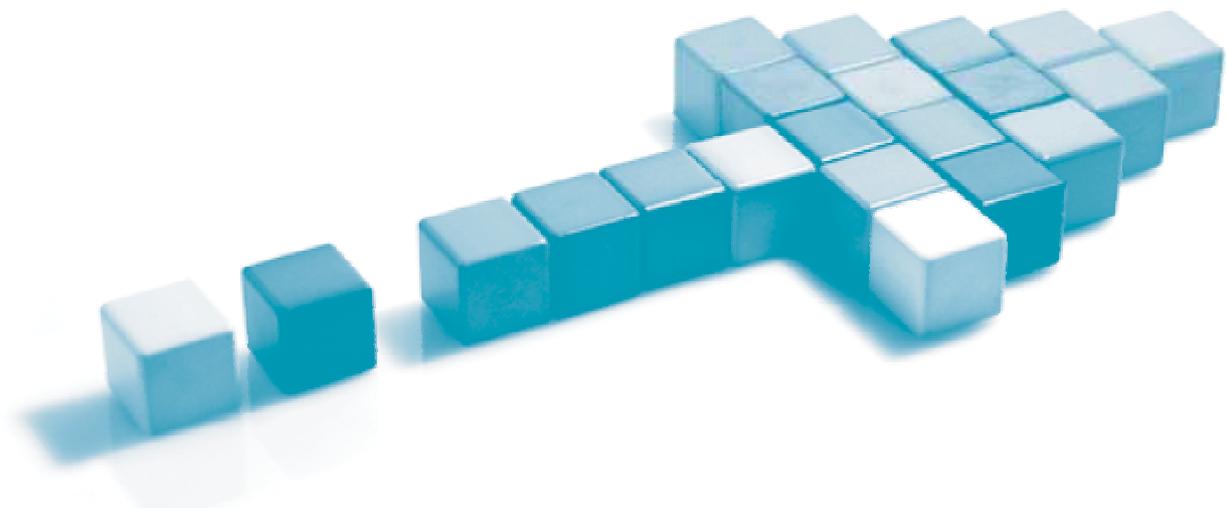
The Customer Service Excellence is designed to operate on three distinct levels:

- **As a driver of continuous improvement.** By allowing organisations to self assess their capability, using the online self-assessment tool, in relation to customer focused service delivery, identifying areas and methods for improvement;

- **As a skills development tool.** By allowing individuals and teams within the organisation to explore and acquire new skills in the area of customer focus and customer engagement, thus building their capacity for delivering improved services;
- **As an independent validation of achievement.** By allowing organisations to seek formal accreditation to the Customer Service Excellence standard, demonstrate their competence, identify key areas for improvement and celebrate their success.

Part 5:

Customer Satisfaction Management and improvement



Introduction: How is Customer Satisfaction Management used for improvements?

Knowing the needs and expectations of the customers, and meeting these, does not only lead to more satisfied customers, but, very importantly, results in a more efficient and effective provision of public services. It helps by concentrating on the most important elements of the service delivery and in managing the expectations towards the services provided. Seeing these elements is clearly essential in streamlining the processes and in translating them to the customers (through e.g. citizen charters).

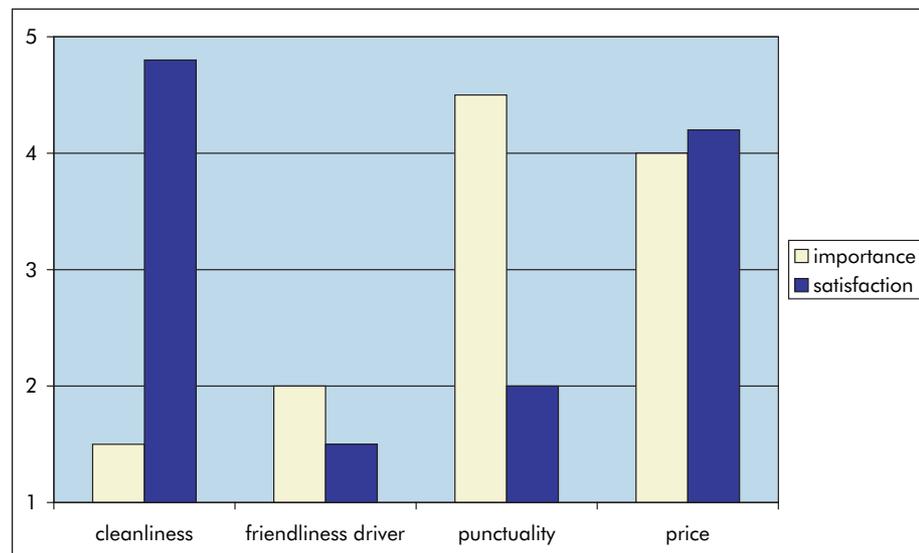
To illustrate how Customer Satisfaction Management can be used for service improvements, different approaches can be considered. First of all, it is important to place the management in a wider perspective of customer-oriented service delivery. Getting an insight into expectations and needs and afterwards finding out how you cope with these are used for direct improvement of the service and service delivery. Secondly, this improvement of service and service delivery is one aspect of the overall management and improvement of the organisation. This refers to the adoption of total quality management methods for steering and assessing the organisation's functions. For this, tools such as the Common Assessment Framework (CAF) can be useful.

After dealing with these two aspects; direct service (delivery) improvements on the one hand and organisational improvements on the other hand, the aspect of communicating the findings of consulting the citizen/customer is briefly mentioned.

1. Improving service and service delivery

A final consideration when interpreting customer insights is to look at the importance certain aspects of service delivery have for the customer. If a customer is dissatisfied about something he or she considers as very important, then there is a problem. If however the same customer is also dissatisfied with an element he or she considers as unimportant, then this is not an urgent problem for an organisation.

We illustrate this with a fictional example. The figure shows satisfaction scores for public transport users, as well as the importance that every aspect has for them, scored on a 1 to 5 scale. The figure shows that customers consider timeliness and ticket



prices very important, while cleanliness of buses and the friendliness of drivers are considered much less important. Satisfaction scores for each of these elements are very different. Customers are very satisfied with the height of ticket prices, which is an aspect they consider as very important. They are also satisfied with the cleanliness of buses, something they nevertheless do not consider as an important element. Satisfaction is however low with timeliness of buses and the friendliness of drivers. Customers consider the first aspect very important, but not the second. Combining

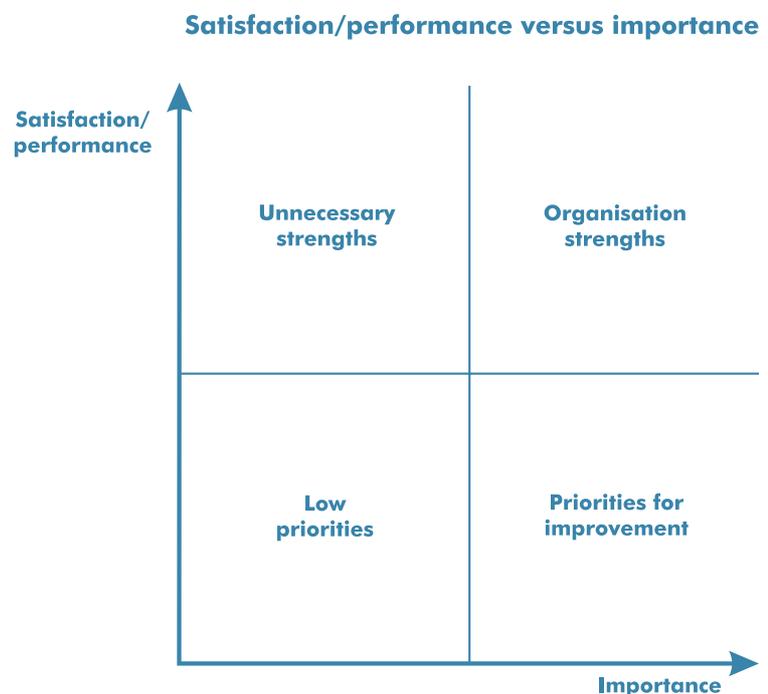
importance and satisfaction scores clearly reveals what the quality improvement priorities for the bus company should be.¹¹

Different groups of customers may consider different aspects as important. The interpretation of satisfaction scores should therefore distinguish between these different groups.

Comparing satisfaction scores to the importance certain quality elements and services have for customers allows an organisation to rank its quality improvement priorities. Elements or services that are important to customers, and with which they are not satisfied, should be the first priority. Elements which citizens do not really see as very important, and where satisfaction is high could temporarily get less attention if resources are scarce. It is however important to check whether all customer groups think about a public service in the same way, or whether there is considerable disagreement. The table shows the different combinations and resulting priorities for organisations, with critical factors in the top left corner. These are variously called quadrant, matrix and performance-importance grid approaches, and give rise to the following types of charts. This divides the factors into four types, with those that fall into the priorities for improvement quadrant being the focus for action.

The SERVQUAL approach mentioned in part 2 takes this part of importance into account. A similar approach we would like to mention here is the Common Measurements Tool (CMT)¹² approach developed in Canada, which combines elements from a number of models.

The basic gap analysis model used in SERVQUAL has distinct elements. We mentioned earlier (1) rating what an ideal or excellent service should have; (2) rating how an individual service provider performs on this; but also (3) assigning a weight to how important the top-level dimensions are in determining overall satisfaction.



The Common Measurements Tool

(CMT) is the result of an extensive study by researchers at the Canadian Centre for Management Development and others, which examined a number of approaches to standardising measurement of customer satisfaction with public services. The model they have developed provides a useful example of how elements of different approaches can be combined to improve our understanding of satisfaction and highlight priorities for improvement; a model questionnaire is included in the appendices. It incorporates five main questioning approaches, measuring:

- expectations of a number of service factors;
- perceptions of the service experience on these factors;
- level of importance attached to each of a number of service elements;
- level of satisfaction with these elements;
- respondents' own priorities for improvement.

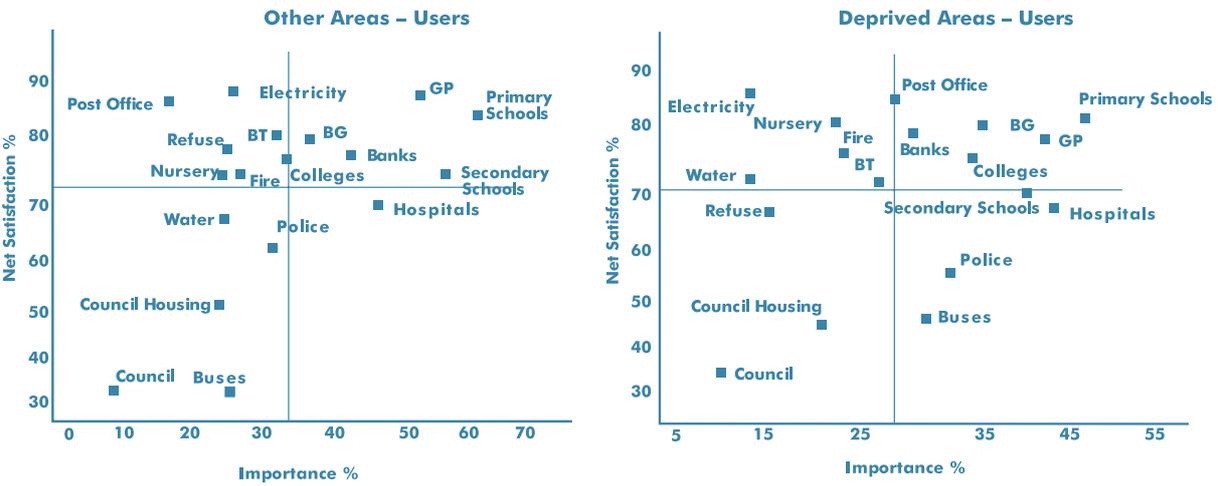
¹¹ Example mentioned in Van de Walle, S. (2007) "Measuring customer satisfaction in the public sector: a short introductory guide, pp. 46-47.

¹² For more information on CMT, please see http://www.ccmd-ccg.gc.ca/pdfs/tool_e.pdf

The approach is therefore made up of three distinct strands. The measures of expectations and perceptions of the service experience tend to focus on a relatively small number of very specific factors, such as how long customers wait to be served etc. This allows the gap analysis approach through comparing expected service quality with experience.

The second strand involves questioning levels of satisfaction with a more extensive list of elements, followed by asking how important each of these aspects are to respondents. This allows the comparison of satisfaction and importance, resulting in the quadrants discussed above. In fact, in applications of the model, the analysis also involves modelling of covert importance outlined above and comparison with stated importance. This shows, for example, that follow-through is a high priority for improvement both when we compare stated importance with satisfaction and when we model importance against satisfaction, but the level of bureaucracy is only highlighted when we look at modelled importance. In addition, respondents are asked to directly identify priorities for action. This also provides useful comparisons with factors identified by the quadrant approaches. An example of this type of analysis is shown in the charts, from a project using People’s Panel data for the Social Exclusion Unit. This looks across a range of services, rather than focusing on relative priorities within a particular service, but the approach is nonetheless similar.

The charts plot the importance of the 16 most important services to users against a measure of their satisfaction with each. The average satisfaction and importance scores are shown as lines that split the charts into four quadrants.



The two left hand quadrants contain services that are considered relatively less important from these services. The top right hand quadrant contains those services that are considered important and which users are also relatively satisfied with. This is where services aim to be, and this is where both post offices and, more surprisingly, banks are in deprived areas. The bottom right shows those services users are less satisfied with but which are also relatively important – these can be seen as the priorities for improvement. In deprived areas for example, hospitals, the police, buses and secondary schools are highlighted as relative priorities for improvement. Importance is different for different (groups of) people.¹³

¹³ Example mentioned in The Prime Ministers’ Office of Public Service Reform (2002), *Public Service Reform*, MORI report for the Cabinet Office Satisfaction with Public Services, p. 69.

CASE: Warsaw City Hall. Contest for the best Residents' Service Office (Poland)

In 2002 the law on the organisation of the city of Warsaw entered into force, joining the association of independent communities into one city divided into 18 units called districts. The reform resulted in unification of separately functioning bodies that further lead to the necessity of unification of management systems, including service towards residents by opening Residents' Service Offices (RSO) in the districts. Within the tasks aiming at the improvement of the work of the City Hall of Warsaw, as far as the direct service to the residents is concerned, the Citizens' Affairs Office has been periodically organising the Contest for the best Residents' Service Office since 2005. The aim of the contest is the evaluation of the performance and achievements of the RSOs as far as the improvement of service, exchange of experience and dissemination of the best practices is concerned. In order to evaluate the above mentioned actions the following methods are used:

- **questionnaire** for the participants of the Contest (Heads of RSOs). The aim of the questionnaire is to receive the description of practices, initiatives and innovations implemented in individual RSOs which result in service quality improvement and streamlining of administrative process as well as prevention of situations that might result in corruption;
- **visits to RSOs** made by the employees of the Citizens' Affairs Office. Their aim is to verify the information indicated in the questionnaires filled in by Heads of RSOs;
- **customer insights:**
 - mini questionnaire on customer satisfaction to be filled in at RSOs or via City Hall web site,
 - survey (interview) of the residents settling their cases at the City Hall, made by a specialised survey agency with cooperation of the Centre for Consultation and Social Dialogue. The aim of the survey is to gather by experienced pollsters, the opinions of customers on the competences, behaviour, friendliness of the staff as well as the office infrastructure.

2. Organisational improvement

Using citizen/customer information is of course useful for the direct improvement of service and service delivery. However these aspects are part of the overall improvement of an organisation, in all its aspects. This organisational improvement or organisational development has been translated into different (quality) management models. In this context we would like to present the CAF model (Common Assessment Framework) as a product of collaboration on a European level within IPSPG. We describe the model, aiming at improving the overall performance of an organisation and put special focus upon the many links with the tools and techniques presented in part 4 and with the shift towards satisfaction management and co-governing, taking the citizen/customer into account in many different stages of the policy and management cycle.

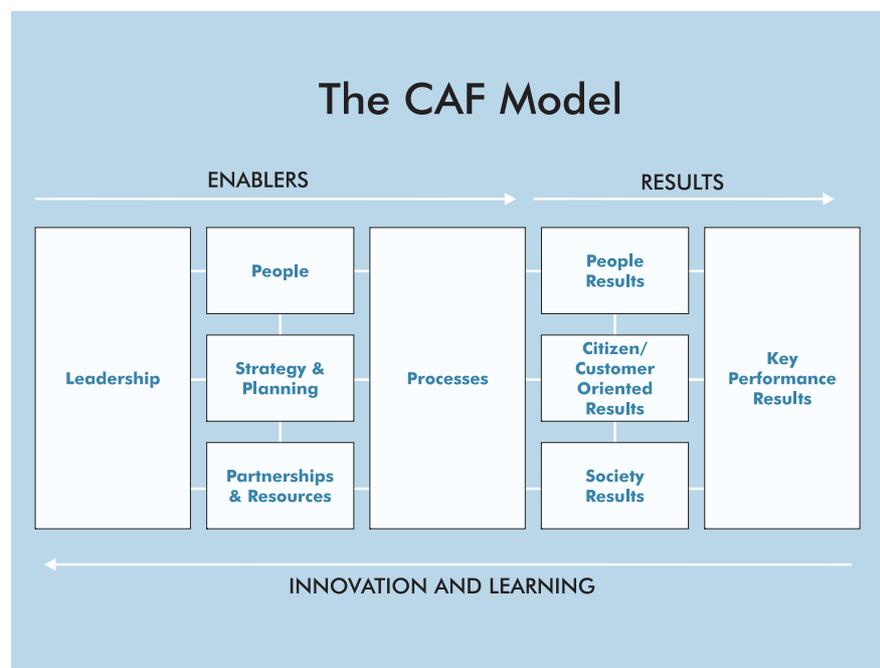
2.1. History and context of the CAF

Following years of informal consultations, there was an increasing need within the European Union for a more intensive and formal response in order to optimise cooperation with respect to the modernisation of government services. During the Austrian EU Presidency in the second half of 1998, the decision was taken to establish a common European quality framework that could be used across the public sector as a tool for organisational self assessment (Engel, 2002). The discussions revealed that what was lacking in the realm of quality management, was an easy to use and free entry tool for self-assessment in the public sector that could help public administrations across the EU to understand and employ modern management techniques, and could be of particular relevance for those public sector organisations that are interested in trying out the use of a quality management system, are just embarking on their "journey to excellence" or those that wish to compare themselves with similar organisations in Europe (Staes, 2002). The Common Assessment Framework (CAF) was jointly developed under the aegis of the

Innovative Public Services Group (IPSG), an informal working group of national experts (civil servants). The basic design of the CAF was developed in 1998 and 1999 on the basis of joint analysis undertaken by the EFQM, the Speyer Academy and the European Institute of Public Administration (Staes, 2001). First pilot tests were conducted in a number of public sector organisations and the “final” version of the CAF was presented during the First Quality Conference for Public Administration in the EU in Lisbon in May 2000. The CAF differs from the EFQM model on a number of dimensions (sub criteria) and explicitly takes account of the specificities of the public sector. This characteristic of the CAF has been reinforced with the second and improved version of the CAF officially presented during the second Quality conference for public administrations in the EU held in Copenhagen in 2002 under the Danish EU Presidency. In 2006 the second revision of the CAF model and especially the scorings system was presented at the fourth quality conference in Finland.¹⁴ All information of CAF can be found at www.eipa.eu/caf .

2.2. The theoretical model

“The main purpose of the CAF is to provide a fairly simple, free and easy to use framework which is suitable for self-assessment of public sector organisations across Europe and which would also allow for the sharing of best practices and benchmarking activities” (Engel, 2002: 35). The CAF constitutes a blueprint of the organisation. It is a representation of all aspects that must be present in the proper management of an organisation in order to achieve satisfactory results. All these elements



are translated into nine criteria. Five of these are “Enablers” and four are “Results”. The “Enabler” criteria cover what an organisation does. The “Results” criteria cover what an organisation achieves on performance measures of output and outcome, but also measures satisfaction of clients/ customers and employees. “Results” are caused by “Enablers” and feedback from “Results” helps to improve “Enablers”. Criteria are further operationalised and given concrete form in sub criteria. On the basis of these sub criteria, a group from within the organisation performs a self-evaluation..

The CAF has been designed for use in all parts of the public sector and is applicable to public organisations at a national/federal, regional and local level. It may also be used under a wide variety of circumstances, e.g. as part of a systematic programme of reform or as a basis for targeting improvement efforts in public service organisations. In some cases, and especially in very large organisations, a self-assessment may also be undertaken in part of an organisation, e.g. a selected section or department. The CAF provides:

- an assessment against a set of criteria which has become widely accepted across Europe, based on evidence;

¹⁴ www.4Qconference.org

- opportunities to identify progress and outstanding levels of achievement;
- a means to achieve consistency of direction and consensus on what needs to be done to improve an organisation;
- a link between goals and supportive strategies and processes;
- a means to create enthusiasm among employees by involving them in the improvement process
- opportunities to promote and share good practice within different areas of an organisation and with other organisations;
- a means to integrate various quality initiatives into normal business operations.
- a means of measuring progress over time through periodic self-assessment;

2.3. How to apply the CAF model?

CAF provides a self-assessment framework under which an ad hoc group of employees in an organisation (a self assessment group) can conduct a critical assessment of their organisation guided by the CAF structure, namely the translation of the overall 9 criteria into 28 sub criteria. The result is an overview of strong points, fields of improvement and proposed actions for improvement. These can then be used to come up with an action plan in order to cope with the things that have to be improved.

Enablers
Criterion 1. Leadership Consider evidence of what the organisation's leadership is doing to:
Sub criterion 1.1. Provide direction for the organisation by developing its mission, vision and values.
Sub criterion 1.2. Develop and implement a system for the management of organisation, performance and change.
Sub criterion 1.3. Motivate and support the people in the organisation and act as a role model
Sub criterion 1.4. Manage the relations with politicians and other stakeholders in order to ensure shared responsibility
Criterion 2. Strategy and Planning Consider evidence of what the organisation is doing to:
Sub criterion 2.1. Gather information relating to the present and future needs of stakeholders
Sub criterion 2.2. Develop, review and update strategy and planning taking into account the needs of stakeholders and available resources
Sub criterion 2.3. Implement strategy and planning in the whole organisation
Sub criterion 2.4. Plan, implement and review modernisation and innovation
Criterion 3. People Consider evidence of what the organisation is doing to:
Sub criterion 3.1. Plan, manage and improve human resources transparently with regard to strategy and planning
Sub criterion 3.2. Identify, develop and use competencies of the employees aligning individual and organisational goals
Sub criterion 3.3. Involve employees by developing open dialogue and empowerment

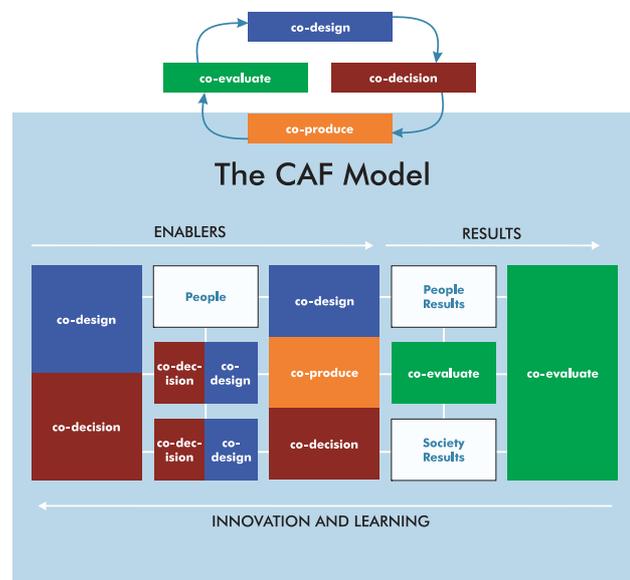
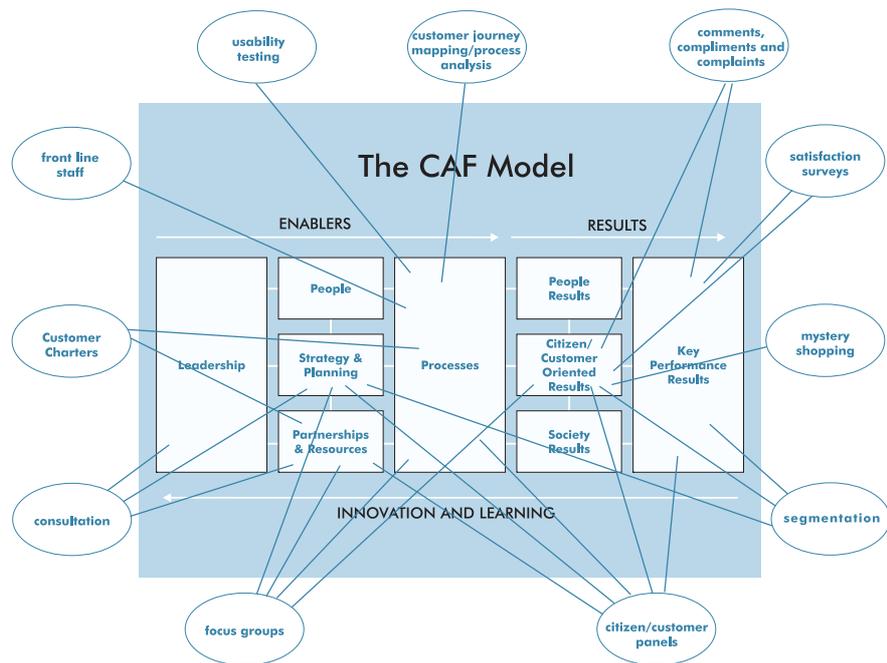
Criterion 4. Partnerships and Resources Consider evidence of what the organisation is doing to:
Sub criterion 4.1. Develop and implement key partnership relations
Sub criterion 4.2. Develop and implement partnerships with the citizens/customers
Sub criterion 4.3. Manage finances
Sub criterion 4.4. Manage information and knowledge
Sub criterion 4.5. Manage technology
Sub criterion 4.6. Manage facilities
Criterion 5. Processes Consider evidence of what the organisation is doing to:
Sub criterion 5.1. Identify, design, manage and improve processes on an ongoing basis
Sub criterion 5.2. Develop and deliver citizen/customer-oriented services and products
Sub criterion 5.3. Innovate processes involving citizens/customers
Results
Criterion 6. Citizen/Customer-oriented Results Consider what results the organisation has achieved to meet the needs and expectations of citizens and customers through:
Sub criterion 6.1. Results of citizen/customer satisfaction measurements
Sub criterion 6.2. Indicators of citizen/customer-oriented measurements
Criterion 7. People Results Consider what results the organisation has achieved to meet the needs and expectations of its people through:
Sub criterion 7.1. Results of people satisfaction and motivation measurements
Sub criterion 7.2. Indicators of people results
Criterion 8. Society results Consider what results the organisation has achieved in respect of impact on society, with reference to:
Sub criterion 8.1. Results of societal measurements perceived by the stakeholders
Sub criterion 8.2. Indicators of societal performance established by the organisation
Criterion 9. Key performance results Consider the evidence of defined goals achieved by the organisation in relation to:
Sub criterion 9.1. External results: outputs and outcomes to goals
Sub criterion 9.2. Internal results

The citizen/customer has a very prominent place throughout the model and is mentioned in a lot of the sub criteria. The most obvious one is of course criterion 6, where we look at the results on citizen/customer satisfaction measurements. However, also in the enablers there are numerous criteria and sub criteria where the citizen/customer has an impact. We mention the most important ones.

Sub criterion 1.4 deals with how leaders manage the relations with politicians and other stakeholders in order to ensure shared responsibility. The focus here is on the management's role. Citizens/customers are also involved in the strategy and planning. Sub criterion 2.1 gathers information relating to

the present and future needs of stakeholders. These needs have to be translated in the concrete planning and strategy. In sub criterion 2.2. the self assessment group(s) looks if and how the organisation develops, reviews and updates strategy and planning taking into account the needs of stakeholders and available resources. Criterion 4 puts a special focus on the partnerships with the citizen/client and with the other stakeholders, i.e. sub criterion 4.1. Develop and implement key partnership relations and sub criterion 4.2. Develop and implement partnerships with the citizens/customers. All this has to be translated into the core processes of the organisation, i.e. sub criterion 5.2. Develop and deliver citizen/customer-oriented services and products and sub criterion 5.3. Innovate processes involving citizens/customers.

The tools and techniques of part 4 can be put into one or more criteria of the CAF model. In the same logic, all the elements of Customer Satisfaction Management, as presented in part 3 in the four co's of the co-governing model, can be found in the CAF model.



3. Communicating findings and actions

Findings from research and consultation should be reported to service users, staff, and other stakeholders. Some organisations wish to communicate them to the wider public and other audiences.

The type of feedback and how it is provided will vary depending on the nature of the project and

the audience and it is likely that most findings will be communicated in some written form, although this need not be a full research report. Consideration of audience is key. All audiences will appreciate targeted reporting. Whilst some audiences appreciate brevity, others may wish to know more detailed information about the basis of the evidence, interpretation and priorities for action. A full technical report is likely to be of most interest to specialist staff and those with an interest in appraising the quality of the research and consultation process itself.

Where service users themselves are the audience the messages need to be short and to the point:

- they should be told what action is proposed;
- when the change will be implemented;
- why the change is happening, that is, what evidence the decision is based on;
- how they can give their comments on the proposed changes; and
- how they can obtain more detailed information if required.

Many organisations use newsletters or inserts into regular bulletins to communicate service user feedback. For extensive exercises, it may be worth producing a special edition or a separate report focused on feedback. Different media will be suitable for different audiences. Options for communication of research and consultation findings include:

- research report
- findings or a short summary of the key findings
- executive summaries
- digests/abstracts
- newsletters and inserts into other publications
- web publication
- videos
- DVDs/CD-roms
- posters/exhibitions
- presentations to specific audiences such as staff, council members
- other events – tie-in launch of research
- emailed alerts with hyperlinks to reports on the web
- press releases.

Conclusion

The main challenge in this respect is often more cultural than managerial. The real challenge is not the capability to use measurement and assessment tools, but to be able to turn the information gathered through these methods into action. This means that the organisation is both entitled and willing to act on this information. Therefore, before choosing the best possible tool(s) for measuring customer satisfaction, the rationale for the measurement needs to be carefully considered and incorporated into the broader concept of satisfaction management.

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"Guidelines for Citizen Charters" which has been carried out by the Netherlands in the context of IPSCG.

Annexes

ANNEX 1: SERVQUAL Model Questionnaire

Directions: Based on your experiences as a consumer of services, please think about the kind of company that would deliver an excellent quality of service. Think about the kind of company with which you would be pleased to do business. Please show the extent to which you think such a company would possess the feature described by each statement. If you feel a feature is not at all essential for excellent companies such as the one you have in mind, circle the number **1**. If you feel a feature is absolutely essential for excellent companies, circle **7**. If your feelings are less strong, circle one of the numbers in the middle. There are no right or wrong answers – all we are interested in is a number that truly reflects your feelings regarding companies that would deliver excellent quality of service.

		Strongly Disagree					Strongly Agree	
1	Excellent . . . companies will have modern-looking equipment	1	2	3	4	5	6	7
2	The physical facilities at excellent . . . companies will be visually appealing	1	2	3	4	5	6	7
3	Employees at excellent . . .companies will be neat-appearing	1	2	3	4	5	6	7
4	Materials associated with the service (such as pamphlets or statements) will be visually appealing in an excellent . . .company	1	2	3	4	5	6	7
5	When excellent . . . companies promise to do something by a certain time, they will do so.	1	2	3	4	5	6	7
6	When a customer has a problem, excellent . . . companies will show a sincere interest in solving it	1	2	3	4	5	6	7
7	Excellent . . . companies will perform the service right the first time	1	2	3	4	5	6	7
8	Excellent . . . companies will provide their services at the time they promise to do so.	1	2	3	4	5	6	7
9	Excellent . . . companies will insist on error-free records	1	2	3	4	5	6	7
10	Employees in excellent . . .companies will tell customers exactly when services will be performed	1	2	3	4	5	6	7
11	Employees in excellent . . . companies will give prompt service to customers	1	2	3	4	5	6	7
12	Employees in excellent . . .companies will always be willing to help customers	1	2	3	4	5	6	7
13	Employees in excellent . . .companies will never be too busy to respond to customer's requests	1	2	3	4	5	6	7
14	The behaviour of employees in excellent . . . companies will instil confidence in customers	1	2	3	4	5	6	7
15	Customers of excellent . . .companies will feel safe in their transactions	1	2	3	4	5	6	7

16	Employees in excellent . . .companies will be consistently courteous with customers	1	2	3	4	5	6	7
17	Employees in excellent . . .companies will have the knowledge to answer customers' questions	1	2	3	4	5	6	7
18	Excellent . . . companies will give customers individual attention	1	2	3	4	5	6	7
19	Excellent . . . companies will have operating hours convenient to all their customers	1	2	3	4	5	6	7
20	Excellent . . . companies will have employees who give customers personal attention	1	2	3	4	5	6	7
21	Excellent . . . companies will have customer's best interests at heart	1	2	3	4	5	6	7
22	The employees of excellent . . .companies will understand the specific needs of their customers	1	2	3	4	5	6	7

Directions: Listed below are five features pertaining to companies and the services they offer. We would like to know how important each of these features is to you when you evaluate a . . . company's quality of service. Please allocate a total of 100 points among the five features according to how important each feature is to you – the more important a feature is to you, the more points you should allocate to it. Please ensure that the points you allocate to the five features add up to 100.

1	The appearance of the . . . company's physical facilities, equipment, personnel, and communication materials		points
2	The . . . company's ability to perform the promised service dependably and accurately		points
3	The . . . company's willingness to help customers and provide prompt service		points
4	The knowledge and courtesy of the . . . company's employees and their ability to convey trust and confidence		points
5	The caring, individualised attention the . . . company provides its customers		points
Total points allocated		100 points	
Which one feature among the above five is most important to you? (PLEASE ENTER THE FEATURE'S NUMBER)			
Which feature is second most important to you?			
Which feature is least important to you?			

Directions: The following set of statements relate to your feelings about XYZ Company. For each statement, please show the extent to which you believe XYZ Company has the feature described by the statement. Once again, circling a **1** means that you strongly disagree that XYZ Company has that feature, and circling a **7** means that you strongly agree. You may circle any of the numbers in the middle that show how strong your feelings are. There are no right or wrong answers – all we are interested in is a number that best shows your perceptions about XYZ Company.

		Strongly Disagree				Strongly Agree		
1	XYZ company has modern looking equipment	1	2	3	4	5	6	7
2	XYZ companies physical facilities are visually appealing	1	2	3	4	5	6	7
3	XYZ companies employees are neat-appearing	1	2	3	4	5	6	7

4	Materials associated with the service (such as pamphlets or statements) are visually appealing at XYZ company	1	2	3	4	5	6	7
5	When XYZ company promises to do something by a certain time, it does so	1	2	3	4	5	6	7
6	When you have a problem, XYZ company shows a sincere interest in solving it	1	2	3	4	5	6	7
7	XYZ company performs the service right the first time	1	2	3	4	5	6	7
8	XYZ company provides its services at the time it promises to do so	1	2	3	4	5	6	7
9	XYZ company insists on error free records	1	2	3	4	5	6	7
10	Employees in XYZ company tell you exactly when services will be performed	1	2	3	4	5	6	7
11	Employees in XYZ company give you prompt service	1	2	3	4	5	6	7
12	Employees in XYZ company are always willing to help you	1	2	3	4	5	6	7
13	Employees in XYZ company are never too busy to respond to your requests	1	2	3	4	5	6	7
14	The behaviour of employees in XYZ company instils confidence in you	1	2	3	4	5	6	7
15	You feel safe in your transactions with XYZ company	1	2	3	4	5	6	7
16	Employees in XYZ company are consistently courteous with you	1	2	3	4	5	6	7
17	Employees in XYZ company have the knowledge to answer your questions	1	2	3	4	5	6	7
18	XYZ company gives you individual attention	1	2	3	4	5	6	7
19	XYZ company has operating hours convenient to all its customers	1	2	3	4	5	6	7
20	XYZ company has employees who give you personal attention	1	2	3	4	5	6	7
21	XYZ company has your best interests at heart	1	2	3	4	5	6	7
22	Employees of XYZ company understand your specific needs	1	2	3	4	5	6	7

ANNEX 2: QUESTIONNAIRE (SLOVENIA)

1. You have come with certain expectations to this department, and you are leaving it with your impressions and your perception of the actual state. You are kindly asked to entrust to us your expectations and your perceptions for each of quality components listed below.

On the left side of the table please indicate your expectations before coming to this department, from 1 (the least) to 5 (the most) and on the right side of the table indicate how you perceived the actual state.

lower ← → higher

worse ← → better

EXPECTATIONS	Quality Components	ACTUAL STATE
1 2 3 4 5	Arrangement of premises, equipment and environment	1 2 3 4 5
1 2 3 4 5	Accessibility and clarity of information needed	1 2 3 4 5
1 2 3 4 5	Proper speed of dealing with matters	1 2 3 4 5
1 2 3 4 5	Service delivery in line with promises	1 2 3 4 5
1 2 3 4 5	"One stop shop" dealing with matter	1 2 3 4 5
1 2 3 4 5	Preparedness to help the customer	1 2 3 4 5
1 2 3 4 5	Expertise of employees who deliver the services	1 2 3 4 5
1 2 3 4 5	Employees raise trust at customers	1 2 3 4 5
1 2 3 4 5	Employees individually intercede for customer	1 2 3 4 5
1 2 3 4 5	Employees strive to satisfy customers' needs	1 2 3 4 5

2. How long did you wait before the office (during office hours)? (Please indicate.)

- Served at once Up to 5 minutes From 6 to 10 minutes
 From 11 to 15 minutes From 16 to 20 minutes More than 20 minutes

3. What in your opinion was the reason for waiting? (Please indicate; do not respond if you were served at once.)

- Queue Slowness of the employee
 Employee was not in the office Employee's conversation with his/her peers or by telephone
 Others (please indicate): _____

4. Where did you gain the information on what you need in regard to your matter? (Please indicate – multiple answers possible.)

- Reception office/information desk Internet
 Procedure was presented to me by an official Administrative Unit's publication
 I did not search for information Others (indicate): _____

5. **You have come with certain expectations to this department, and you are leaving it with your impressions and your perception of the actual state.** You are kindly asked to entrust to us your expectations and your perceptions for each of characteristics of employees listed below.

On the left side of the table please indicate your expectations about WHAT THE EMPLOYEE SHOULD BE LIKE before you came to this department, from 1 (the least) to 5 (the most) and on the right side of the table indicate WHAT THE EMPLOYEE WHO DEALT WITH YOUR MATTER WAS LIKE.

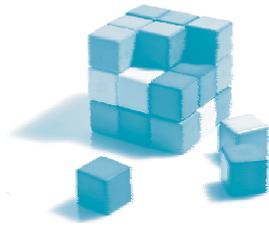
lower ← → higher

worse ← → better

EXPECTATIONS	Characteristics of employees	ACTUAL STATE
1 2 3 4 5	Tidy	1 2 3 4 5
1 2 3 4 5	Fair	1 2 3 4 5
1 2 3 4 5	Attentive	1 2 3 4 5
1 2 3 4 5	Expert	1 2 3 4 5
1 2 3 4 5	Kind	1 2 3 4 5

6. **Your opinion and proposals:**

**WE KINDLY ASK YOU TO LEAVE THE COMPLETED QUESTIONNAIRE AT THE MARKED LOCATION.
THANK YOU FOR YOUR COOPERATION!**



This publication is the work from the Innovative Public Services Group (IPSG), one of the working groups of the EUPAN (European Public Administration Network). The European Public Administration Network (EUPAN) is an informal network of the Directors-General responsible for public administration in the Member States of the European Union, accession and candidate countries and the European Commission.

Governments have to be more responsive to society's needs and demands. Public sector organisations are being reformed in order to provide better, faster and more services. The citizen/customer has a prominent place in these reforms.

This publication explains the relevance of customer focus and the role(s) citizens/customers play in public sector management. It gives an overview of different methods and techniques around customer insight, including examining the importance of customer needs, expectations and satisfaction. It gathers a lot of information that is already available on this topic and gives practical examples and cases from public sector organisations all over Europe.

Through five different parts this publication hopes to serve as a strategic document in giving the citizen/customer a place in public sector management all over Europe and gives organisations a first practical guide on the way to Customer Satisfaction Management.

In the first part (*"The changing face of public services and the role of the citizen/customer"*) the broader context and the importance of citizen/customer satisfaction in the public sector will be handled. The place and the role of the citizen/customer has become primordial in changes and reforms.

The second part (*"Understanding customer satisfaction"*) deals with the concept of satisfaction and measuring it. What is the game between expectations and perceptions? Which are service quality *factors and determinants*; do they play the same role and have the same impact?

In the third part (*"From satisfaction measurement to satisfaction management"*) we go deeper into the new setting. This changing role of citizen/customers of public services has an impact on the policy and management cycle as a whole. Citizens/customers become co-designers, co-deciders, co-producers and co-evaluators. Managing satisfaction is therefore more than only measuring satisfaction at the end of the line.

Part four (*"How to measure and manage customer satisfaction"*) deals with the practicalities of this customer management approach and presents a number of tools and techniques in getting an insight into the expectations, needs, experiences, perceptions and satisfaction of the citizen/customer. The techniques are presented and illustrated by cases from various European countries.

Having an insight into the use of managing satisfaction for the overall improvement of the organisation and the service delivery is the core element of the final and fifth part (*"Customer Satisfaction Management and improvement"*).



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