GOVERNING IN A TIME OF CHANGE:

Five Ways to Improve Constituent Services on a Tight Budget

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TABLE OF CONTENTS

EXECUTIVE SUMMARY

This is not an easy time to manage the operation of a government agency. Economic conditions and a retiring workforce are putting a tremendous strain on tax revenues and agency resources. As a result, many government agencies must make do with tight budgets and resources this year, and for the foreseeable future.

But agencies have to do more than just "make do." They have to fulfill mandates that relentlessly expand. They have to satisfy constituencies whose service expectations are constantly being raised by companies in the private sector. And they have to respond to government initiatives that keep pushing them to become more constituent-friendly.

These two conflicting forces—the tightening of budgets due to economic conditions and the simultaneous retirement of employees—are driving agencies to embrace new management strategies. In particular, they're looking for better, more efficient ways to interact with individual citizens, businesses, and other agencies at all levels.

This Public Sector Brief summarizes five key best practices that are proven to be effective as agencies are challenged to do more with less. By adapting these best practices to your agency's particular situation, you can significantly reduce costs while quantifiably improving service levels across all communication channels.

BEST PRACTICE #1:
WORK SMARTER WITH AN EFFECTIVE KNOWLEDGE FOUNDATION

What constituents want from government agencies is knowledge. They want to know how they can apply for the benefits offered by a particular program. They want to know if a particular regulation applies to their business. They want to know if any action has been taken on the complaint they filed last month.

The challenge for every government agency is therefore to effectively manage this knowledge so that it is available to everyone who needs it.

Unfortunately, most agencies still struggle with the management of knowledge. Because of this, they often have difficulty delivering knowledge as efficiently and reliably as they should. Among the obstacles they typically face in their management of knowledge are:

- Knowledge is scattered across numerous systems and documents
- Knowledge is locked away in the heads of subject-matter experts—and then lost when those experts retire
- Knowledge is hard to search and inadequately organized
- Massive knowledge “harvests” are prohibitively time-consuming and expensive
- The knowledge compiled by internal project teams turns out not to be what constituents actually want or need
- Published knowledge isn’t managed very well over time, so it quickly become out-of-date and inaccurate

Many agencies, however, have been able to overcome these obstacles by implementing an effective knowledge foundation. Such a knowledge foundation ensures that both constituents and agency staff have ready access to information that’s accurate, up-to-date, and relevant to their immediate needs.

Key attributes of an effective knowledge foundation include:

“Grow as you go” content management

Programs, policies, and processes are constantly changing. So, to be viable in the real world, your knowledge foundation should make it easy to respond to these changes. An effective knowledge foundation will also make it easy to add content as agency employees discover new constituent needs. This way, your foundation will become better and better aligned with those needs over time.

Designed for searchability

People don’t always search for information the way you think they will. They often use words and phrases that you never thought they would. So an effective knowledge foundation should incorporate technology that “learns” how constituents and employees do their searching—and responds accordingly.

Protecting information “freshness”

An effective knowledge foundation must be capable of giving every piece of information a “freshness date,” in much the same way as such a date is stamped on a container of milk or orange juice. This way, when that date expires, the information can be automatically put through a review process to ensure that it is updated as necessary.

Breadth of scope

Constituents look to government agencies for a wide range of knowledge. An effective agency knowledge foundation must therefore possess sufficient range to meet these needs. Types of knowledge relevant to constituents may include:

- Policy and program knowledge including specific regulations, fees, benefits, filing requirements, and deadlines
- Real-time process knowledge such as the status of an application or complaint
- Organizational knowledge such as the location of regional offices or the appropriate contact for a particular type of problem
- Referral knowledge about other related agencies and NGOs
- General knowledge about technology, recent events, or other issues relevant to the agency mission and areas of responsibility
- Analytical insight that agency managers need to continuously improve the constituent experience—such as complaint trends and email response times

Leverage all appropriate resources

Even though an effective knowledge foundation has to encompass many types of information, all that information doesn't have to reside in a single, monolithic system. After all, building such a system could be prohibitively expensive—and would likely require the scrapping of investments that still have some useful life. A more practical approach is to put in place a knowledge foundation that can readily leverage those other resources. It should, for example, be able to index existing web pages and access existing databases. This also allows the knowledge foundation to assimilate new information sources as they become available.

There are several other factors to take into consideration when building a knowledge foundation. Agencies that interact with people and business from other countries, for example, should implement a knowledge foundation that supports translation into other various languages. A knowledge foundation should also provide information access to visually handicapped users per Section 508 of the Rehabilitation Act. Agencies may also need the ability to segment knowledge so that only certain types of users can see certain portions of the foundation's content.

Regardless of these specifics, a robust and well-automated knowledge foundation is essential for serving the needs of constituents in the most efficient manner. And the best way to begin putting such a knowledge foundation to work is by empowering constituents with self-service.

BEST PRACTICE #2: MAXIMIZE SELF-SERVICE RATES VIA WEB AND PHONE

One of the most powerful—and immediately rewarding—ways to simultaneously improve constituent services and reduce overhead is by providing effective self-service. The principle behind self-service is simple. Instead of having to wait for and engage with your next available employee, constituents can find the information they need on your website and/or via an interactive voice response (IVR) system. You enable them to do this by providing them with easy access to your knowledge foundation.

If your knowledge foundation is sufficiently intelligent—and if you implement proven best practices for continuously tuning your self-service systems—you can achieve self-service rates of 85 percent or higher. If you do a really good job of managing these systems and you're operating in a field that really lends itself to self-service, those rates can be as high as 99 percent.

The benefits of self-service for both your constituents and your agency are considerable:

Self-service is fast

Constituents are often already frustrated by the time they try to contact you about their problem. So every minute they wait on the phone—or every hour they wait to get a reply to their email—only adds to that frustration. With self-service, on the other hand, they can find the information they're looking for immediately.

Self-service is 24/7

Few agencies can afford to run a 24-hour-a-day contact center. But many constituents often need help during evenings and weekends. With self-service, that help is available to them any time and from anywhere.

Self-service scales

Agencies can experience significant spikes in contact center traffic due to seasonal cycles, filing deadlines, and other causes. It can be expensive or impractical to staff up the contact center to deal with these sudden peaks in demand—which can disappear as quickly as they appear. Web and voice self-service, in marked contrast, can scale to handle very large numbers of interactions without putting undue strain on underlying infrastructure.

Self-service takes pressure off other channels

An effective self-service environment can lead to significant improvements in the overall constituent experience by easing contact center staff workloads. This enables employees to spend more of their time on issues that truly require their personal attention.

Self-service saves huge amounts of money

Depending on a variety of factors, every phone call you answer in your contact center can cost you somewhere between $7 and $15 or more. The average cost of responding to an email can range from about a dollar to $6 or more. By offloading these interactions to web and voice self-service systems that cost pennies per contact, agencies routinely save tens or hundreds of thousands of dollars. Some have saved millions.

There are several keys to successful self-service. One is obviously a knowledge foundation that is complete and well-aligned with your constituents' actual information needs.

However, self-service can be extremely effective even with a fairly limited amount of knowledge content. That's because a large percentage of constituents' questions typically revolve around a relatively small set of issues. So you can achieve good results with a small but well-focused set of answers, and then build from there.

One particularly effective way to zero in on these high-traffic issues is to simply spend an afternoon in your contact center and listen to what people are asking. It often becomes evident relatively quickly which issues are driving the bulk of your calls and emails. By creating self-service content that addresses these leading issues, you can quickly and tangibly improve service to the public—while also taking a big bite out of your contact center costs.

Another key is ease-of-use. In the case of web self-service, it's best to give constituents several ways of finding the information they seek—including keyword searches, natural-language queries, and browsing by category. It's also a good idea to maintain a "Top 20" list of the most commonly sought answers and to put that list somewhere prominent on the site. This list will ensure that the maximum number of site visitors find what they need with a single click of the mouse.

In the case of voice self-service, ease-of-use can be best achieved by allowing constituents to navigate the system via both touch-tone inputs and through the spoken word. Today's speech recognition technology can be extremely effective for enabling the same kinds of searches that are commonplace on the web to be performed over the phone.

The agencies that are most successful with self-service are those that are diligent about managing and fine-tuning their self-service systems. They review keyword reports to see if there are any search terms that people are using for which there is currently inadequate content—or if there are some terms for which the amount of content returned is too overwhelming to do a site visitor any good. They collect and evaluate feedback about specific content to see if it needs to be worded more clearly or supplemented with graphics. They also typically take steps to drive traffic to their self-service systems by featuring them prominently on their website, mentioning them on their "on-hold" messages, and referring to them in their printed documents. In addition, sitemap protocol support that allows constituents easier access to the knowledge base from commercial search engines like Google and knowledge syndication that presents knowledge base information on any public page are two other key ways to drive traffic to self-service systems.

In addition, it's important to always make it easy for constituents using your self-service system to quickly escalate their problem to a human. If you don't do this, they will feel "trapped" in the system and will therefore become less likely to use it again in the future.

BEST PRACTICE #3: INTEGRATE YOUR COMMUNICATION CHANNELS

People today communicate by phone, email, the web, chat, fax, "snail mail," and in person. They will use these different communication channels at different times for different reasons. So agencies have to communicate well across all channels. They also have to integrate those multiple channels to avoid the confusion and inefficiency that result when each one is treated as its own separate operational "silo."

To achieve this integrated multi-channel communication, agencies have to fulfill several requirements:

Consistent information

People get confused when an agency says different things on different channels. If someone in your contact center says something that's inconsistent with what it says on your website, the person they're talking to won't know which one is correct. Some people will even keep asking the same question in different ways until they get the answer they want—and may even succeed in tricking your staff into doing something that actually goes against your agency's policy.

The best way to address this challenge is to leverage a common knowledge foundation across all communication channels. The answers in your email replies should come from the same source as the content in your online self-service knowledge base. That same content should be used by the people who answer your phones and send written replies by postal mail. This way, all information given to the public will be accurate, clear, up-to-date, and consistent. Use of a common knowledge foundation is also a great way to make sure that everything you communicate publicly has, if required, been approved by your legal staff and/or other relevant decision-makers.

Tracking the "bouncing" interaction

People will often jump from channel to channel in the course of a single incident. For example, someone may email you with a question, and then follow up with a phone call when he or she doesn't fully understand your reply—or when it turns out that your reply didn't fully address the issue. If the person answering that call can't see the earlier email exchange, they may wind up wasting time going over a lot of information that has already been covered. This kind of redundant conversation can also be very frustrating to the caller.

That's why it's very useful to give your contact center staff the ability to see all relevant previous communications with any individual, regardless of which channel or channels were used. That way, your staff can deal appropriately with, for example, someone who claims to have submitted a complaint via email a month ago—but who actually only did so the day before yesterday. Your staff can also be better prepared to deal with a constituent's emotions or special sensitivities if they can see a note from another agent about a previous interaction.

Promoting choice

People are creatures of habit. So they may not take advantage of the new channel choices you offer them unless you proactively let them know about those choices.

There are a variety of ways to let them know about these choices. For example, it's generally a good practice to make the link to your online self-service knowledge base as prominent as possible on your home page. You may also want to inform constituents about your online knowledge base while they're listening to the "on hold" message they hear when they're waiting to get through to you on the phone. Such a message can be particularly important during off-hours—since online self-service offers answers 24 hours a day, seven days a week.

Another tactic is to have your staff point out the availability of web self-service even after they've solved a constituent's problem on the phone. In fact, at some agencies, contact center staff will actually ask the constituent if they're at their computer—and then guide them through the process of finding their own answer on the agency's site. This helps constituents break the phone habit and get accustomed to using the online self-service.

Still another tactic is to have constituents who choose to submit a question via email do so via a webform, rather than a standard email message. By structuring the webform appropriately and applying the right kind of heuristics to the text, it is possible to automatically present the constituent with relevant content from the knowledge base. This again demonstrates the usefulness of the knowledge base to constituents and encourages them to try using it in the future.

It's also important to ensure that no channel is a "dead end." If a visitor to your website can't find relevant information in your knowledge base, he or she must be able to quickly and easily jump to a webform or find the right phone number. Otherwise, people will simply get frustrated by their experience and become less inclined to use self-service.

Of course, in addition to providing immediate answers 24 hours a day, web self-service is also less expensive for your agency than phone or email. You can therefore save your agency a lot of money by encouraging constituents to use the web. You can also optimize allocation of resources by ensuring that channels are used wherever they're most appropriate. For example, if someone is simply asking for an address, form, or fee, you probably want them to do so via the web. If, on the other hand, they have a complex question about an important policy issue, you probably want to discuss that on the phone.

BEST PRACTICE #4: ACTIVELY LISTEN AND RESPOND TO YOUR CONSTITUENTS

The more you know about your constituents—both collectively and individually—the better and more efficiently you can serve them. That's why agencies are investing more resources in capturing information about their constituents. That's also why they're implementing best practices to respond to this new information.

There are several principles to consider as you seek to develop and leverage information about the constituents you serve:

Uniquely identify your constituents across new and legacy systems

Ideally, your agency should capture all the information it needs about each constituent in a single database record. This is not always practical, however, because information about constituents may already be scattered across multiple legacy systems. There also may be regulatory reasons why some constituent information must be kept in systems that are not accessible to all agency employees.

Nonetheless, you can still create a "virtual" single constituent record by using a unique identifier across all systems. You can then integrate your primary constituent information system with your other systems so that your frontline staff can readily access any relevant information about a given constituent without having to log into multiple applications.

Combined with the subject-matter knowledge in your knowledge foundation, this information will enable them to answer questions quickly, accurately and consistently.

Capture information at the point-of-action

The best time to get information from your constituents is when you're already actively engaged with them. That's why frontline agency staff should be empowered to correct misspelled names, update addresses, and make other changes in real time. By doing this consistently over time, you can build a rich, accurate database of information about those you serve.

This approach is also important for finding out whether constituents believe that you're really meeting their needs. For example, you can automatically email constituents a simple set of questions after you complete a phone call with them. You can have them quickly rate you on a five- or six-point numerical scale on your helpfulness, speed of response, and level of professionalism. You can also include a comment field, so they can provide additional feedback if they so desire.

Focus on negative feedback

There is a natural human tendency to avoid negative feedback. But there are lots of good reasons to pay close attention to your constituents' complaints:

- Complaints educate you about where you most need to improve
- The complaint of a single constituent may reflect the negative experience of hundreds of others
- When you respond appropriately to an individual constituent's complaint, you can actually wind up making a better impression on them than you would have if they had never had anything to complain about

- If you discover and remedy the root cause of the complaint, you will prevent that problem from ever occurring again—and will therefore drive up your constituent satisfaction metrics

Ultimately, it is the willingness to really care about every constituent's satisfaction that differentiates agency performance. So, while it's certainly reasonable for you to feel good about your successes, that good feeling must never translate into complacency. That's why you have to be highly intentional about continually championing the cause of the unhappy constituent.

Act on what you discover

It's essential to put effective processes in place to address negative feedback whenever you get it. For example, you may want to implement workflow rules that automatically notify the appropriate staff member whenever a constituent gives any interaction a rating of "1" or "2" in any category. You may also want to send a weekly report of all complaints regarding particular programs and processes to the individual or team responsible for managing those programs and processes.

In addition to this initial notification, it's important to track these incidents to their ultimate resolution. In fact, there are really two aspects to the resolution of any constituents' problem. The first is resolution of the immediate problem—which may require giving the constituent more complete information, issuing a requested document, making an appropriate benefit adjustment, etc.

The second aspect of problem resolution is discovery and remediation of its root cause. This may require a change to the knowledge base, additional training for one or more agents, or an actual modification in a process or policy. Regardless of what the solution turns out to be, it is these remedial processes that ultimately translate constituent feedback into action that prevents similar problems from occurring again—and thereby delivers substantive, quantifiable improvements in constituent satisfaction, as well as improved operational efficiency for the agency.

Let constituents know you've responded to their needs

If you don't let your constituents know you've acted on their input, they'll get frustrated and become less inclined to provide you with any useful feedback in the future. They expect, and legislation mandates, more transparency of information from government agencies. There are a variety of ways you can let your constituents know you're really listening to what they have to say:

- General notifications that inform the general public about changes you've made in response their collective input
- Targeted notifications that inform specific groups of constituents that the issues they've raised have been addressed
- Individual notifications that inform a single constituent about an outcome driven by his or her personal feedback

You may also want to encourage constituents to respond to these notifications either by email, survey, or in a community forum, so you can open an ongoing dialog with constituents who can provide you with even greater insight into how your agency can improve its perceived performance.

BEST PRACTICE #5:
USE PROACTIVE NOTIFICATION TO REDUCE COSTS AND IMPROVE SERVICE

Ultimately, agencies can deliver even better service and reduce contact center costs by proactively communicating with their constituents. Proactive communication reduces costs, because it's less expensive to send out 10,000 emails in a single batch than it is to handle a few thousand incoming phone calls and email. Proactive communication also improves service to constituents, because it lets them know about potential issues before they turn into actual problems.

Proactive communication can also be triggered by events or thresholds. For example, constituents can be sent reminders about registration or permit renewals 30 days before they expire—and again a couple of weeks later. Again, this provides a valuable service to the constituent, while also mitigating some of the rush work agencies have to do because of constituents' negligence.

To effectively communicate with constituents on this kind of proactive basis, agencies must consider several issues:

Leveraging constituent information for segmentation and personalization

Obviously, the most basic piece of information agencies need to execute such proactive communications is their constituents' email addresses. And the simplest form of personalization is to merely include the constituent's name in the message.

However, as agencies develop richer constituent information, they can more effectively segment and personalize their outbound communications. This segmentation and personalization can be performed in a variety of ways:

- **Personalized content.** Agencies can also send out documents containing information specific to the individual recipient. So, for example, constituents could get a monthly statement about their benefits with actual up-to-date dollar figures—eliminating the cost of printing and postage for a similar hard-copy mailing.
- **Targeted lists.** Often, agencies will want to share specific information with a specific constituency group. People in a certain area may need to be told that a new regional office is opening in their area. Businesses with a certain SIC code may need to be informed about a change in particular regulation. By filtering the full constituent database by these kinds of attributes, agencies can make sure they only send such information to appropriate recipients. This conserves processing resources and prevents other recipients from viewing communications from the agency as SPAM.
- **Variable content.** Another way to ensure that the right information gets to the right people is to send out a single message that contains variable content. For example, an agency could send out a newsletter to all of its constituents that had one or two articles relevant to all recipients and a third item that would vary depending on some other attribute, such as location or age.

List and response management

To properly execute an ongoing program of proactive communication, agencies must acquire certain management capabilities. These include:

- **Opt-in/opt-out management.** Agencies need permission from all of their targeted email recipients to avoid sending SPAM. So, in addition to the other data in each constituent's record, they must maintain an opt-in/opt-out field. They also have to make it as easy as possible for constituents to change their profile whenever they so desire. Typically, this means including a link in each email that lets the recipient tell the agency that he or she now wants to opt out. Agencies running multiple, complex outbound constituent communications programs may also want to create business rules that prevent any individual recipient from getting too many messages in any given time period—even if that recipient has opted in.
- **Deliverability management.** Agencies need to track the deliverability of their messages to ensure that they aren't sending information to incorrect or out-of-date addresses. They therefore need a system that tracks undeliverable mail and flags the associated constituent record, so that a determination can be made as to whether the email address simply needs to be updated or whether the constituent record itself is no longer valid.
- **Response management.** If agencies are doing proactive mailings to promote specific programs or actions, they need some way to see if they're getting the results they're looking for. Typically, this is done by providing a link in the email that takes the constituent to a web "landing page." This landing page then provides the constituent with the appropriate webform, PDF download, or other resource as required. By tracking which recipients use these links, agencies can gain valuable insight about how to optimize the effectiveness of their communications programs.

Content authoring and testing

Agencies also need effective ways to collaboratively develop and test messages before sending them out to the public. This often requires review by subject-matter experts, legal counsel, and/or managers. A good communication management system will therefore provide tools to ease this collaborative process and make sure all appropriate approvals have been given before anyone clicks the "send" button.

In addition, it's often useful to test the effectiveness of message content and design with a pilot group before a full mailing—especially if that mailing is going out to a large number of recipients and/or is particularly critical for the agency. By comparing response rates using different subject lines, layouts, graphics, and colors, agencies can significantly boost their results.

INVESTING TO DO MORE WITH LESS

All of these best practices clearly require the investment of time and effort—as well as the outlay of limited budget dollars for the right technology. And with agency resources already stretched so thin, there may be a lot of resistance to making those investments.

However, there are several very strong reasons that agencies facing these resource constraints should take steps today to implement the best practices described in this paper:

1) **Immediate cost savings.** Agencies can substantially reduce their contact center costs by implementing self-service and moving to a more proactive communications model. The sooner they initiate these best practices, the sooner they can start reaping these essential savings.
2) **No other relief is in sight.** The conditions that have led to current resource shortfalls are not likely to change in the near future. Agencies therefore need to take active measures now to meet their performance goals in spite of tightening budgets.
3) **Executive-level support is strong.** Agency leaders have a clear mandate to improve responsiveness and transparency—and to use technology to do it. This is therefore a good time to gain consensus for investments in best practices.
4) **Enabling technology is easier than ever to acquire.** Thanks to today's software-as-a-service solutions, the technology required to implement a knowledge foundation, self-service, multi-channel contact centers, frontline information capture, and managed mailings can all be put in place without huge capital investments in IT. These solutions can also be deployed incrementally, enabling agencies to address their biggest pain-points first and expand the scope of their initiatives over time as appropriate.

Despite the major resources that government at all levels has had to make and continues to make to drive economic recovery, U.S. taxpayers still have a legitimate expectation of responsive service from the agencies they deal with. Agencies cannot fulfill these expectations by accepting the status quo. Instead, each one must take whatever measures are appropriate to do more with less. By making the right investments now, every agency can significantly improve its efficiency and its performance—thereby fulfilling its mandates even in the face of the most challenging budget and human resource constraints.

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