

SCRUTINY REVIEW OF CUSTOMER SERVICES

Report of Head of Customer Services

4 October 2005

Subject: **Customer Services Key Performance Issues**

Report Author: **Jane Waterhouse, Head of Customer Services**

1. Purpose

- 1.1 To inform Members on the arrangements for managing performance in Customer Services and the key issues affecting performance.

2. Performance Key Issues

- 2.1 A critical concern for customers is how long they have to wait for their enquiry or transaction to be dealt with. Consequently this PI is our headline measure. The service level over the last four years has been as follows:

	Call Centre	Customer Service Centres (CSCs)	
Year	Calls answered in 15 seconds	Callers seen in 15 minutes	Commentary
2002/3	15.0%	58.9%	Call Centre performance improved towards end of the year but was unable to overcome poor service at the start of the year. 2 CSCs open
2003/4	9.3%	65.4%	Siebel Customer Relationship system upgraded in August 2003 which added 2 minutes to transaction times. Call Centre staffing increased from December 2003 3 rd CSC opened in February 2004
2004/5	43.0%	77.1%	£535K invested in more staff for the Call Centre, and were fully trained by November 2004. 4 th CSC opened July 2004
2005/6	69.5%	67.8%	Performance to end of August 2005

2.2 A critical enabler for service level is the availability of staff resource and in the early years of Customer Services, the staffing level lagged behind the demand for service. When the call centre began operations in late 2001, the demand was suppressed by the availability of staff and the telephone lines to accept calls. Consequently there was hidden demand which became more obvious as staffing resources were increased and the technology was changed to record the calls and demand behaviour. The table below shows the number of calls taken in each of the years and the baseline that was derived from previous service call handling.

Year	Calls answered	Index (trend)	Commentary
Baseline	222156	100	Includes Council Tax, Benefits, Housing and Parking
2002/3	258729	116	Abandoned vehicles calls added
2003/4	250308	113	
2004/5	299821	135	
2005/6	362616	163	Projection on basis of calls answered to end of August 2005

2.3 Staff performance is a critical enabler for customer service, customer care and service quality. During 2004/05, we increased staffing resources in the Call Centre significantly as a result of additional funding and consequently changed the management structure, recruiting a more experienced Call Centre Manager. The changes to the management structures have enabled improved management systems to be developed. The nature of the technology supporting both Call Centre and CSC operations, enables measurement of inputs and outputs down to individual staff member level. Consequently all aspects of staff performance are managed through one to one reviews and performance appraisal. A brief description of our performance management framework is given at appendix 1 and our performance indicators are at appendix 2.

2.4 Performance and service level are affected by:

- Fluctuations in demand such as increased levels of demand for repairs in cold or wet weather, and as a result of actions by client services such as Council Tax recovery actions – reminders and summonses – which tend to occur monthly.
- The robustness and reliability of supporting IT systems. In May and June of this year we suffered loss of major systems as a result of new system implementations as well as periods of system downtime which had a significant effect on both the Call Centre and the CSCs.

The sensitivity of client services and IT developers to the impacts on service to customers needs to be developed to a greater extent, in order to avoid the situation the Council was in during May and June, when we were unable to maintain an acceptable level of service. Customer Services has regular

service level meetings with client services to discuss performance and service levels as well as maintain a future view of potential impacts on service. Customer Services managers recognise that building a better working relationship with client service managers is key to avoiding the circumstances we experienced this year.

2.5 Customer Services operate a programme of user surveys to identify user satisfaction and track it over time. The programme includes:

- An annual telephone survey with a sample size of around 1000 customers
- An annual exit and call back survey in between telephone surveys, to establish satisfaction with particular interactions. The sample size is 100 customers per site.
- A user satisfaction question at the end of each interaction, which is recorded in the Customer Relationship Management System. This has been in place since the upgrade to the system in 2003 but because of problems with that upgrade, we have not been able to extract the information. We have changed our system integrator as a result, and are now working with Capgemini on a new release of the system, which will enable us to access management reports such as this.

The overall results were as follows:

From the telephone surveys

Were they...?							
	Satisfied (sat. and v. sat)	Very satisfied	Satisfied	Not satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Dissatisfied (dis. & v. dis.)
All 2005	77.1% (763)	30.2% (299)	46.9% (464)	9.9% (98)	8.3% (82)	4.7% (46)	13% (128)
All 2003	72.2% (596)	22.9% (189)	49.3% (407)	10.5% (87)	11.5% (95)	5.8% (48)	17.3% (143)
All 2002	74.5% (584)	31% (243)	43.5% (341)	12.4% (97)	7.5% (59)	5.6% (44)	13.1%

From the Exit and Call Back Surveys

Were they...?			
	Satisfied (very and satisfied)	Neither S or D	Dissatisfied (very and dissatisfied)
Nov 2004 (Reception Survey WG & STCSC only)	84.2%	9.6%	10.9%
June 2004	88.7%	3.7%	7.6%
2003	88.9%	7.7%	3.4%

More details can be found in appendix 3, which also shows differences between centres.

2.6 From the survey results, South Tottenham CSC customers are consistently less satisfied than at other centres and this was reflected in a discussion at North Tottenham Area Housing Forum. This can be as a result of:

- **The environment**, because this colours people's perception of the interaction they have with the Council. South Tottenham CSC was not fully refurbished when it became a CSC and is consequently looking worn and grubby. However, this year we have changed the chairs in the public area, and we are replacing the older worn carpet, redecorating the walls, laying out the queue differently and improving the lighting. The layout changes will allow increased use of the wall space for leaflets (particularly for Housing as a result of the ALMO mock inspection). In addition we are considering a new coat of paint on the walls and revisions to the lighting levels. Again, is pending progress on the homelessness project, but we are going to progress some limited repainting to clean the environment up in the main public area in the interim.
- **The standard of customer care.** The areas of main concern here were ability to deal with the enquiry and ability to answer all the questions, and we have undertaken a range of refresher training courses for all staff across the service in the main service areas handled in CSCs. In addition there were concerns about the skill of the receptionists. We are developing a more robust way of inducting new receptionists and they will have a special refresher training module developed for them. We have increased quality monitoring of their work so that we can address unsatisfactory behaviours quicker.

3. Customer Services Strategy Realisation

3.1 The Customer Services Strategy is subject to review annually by Council Executive, that considers:

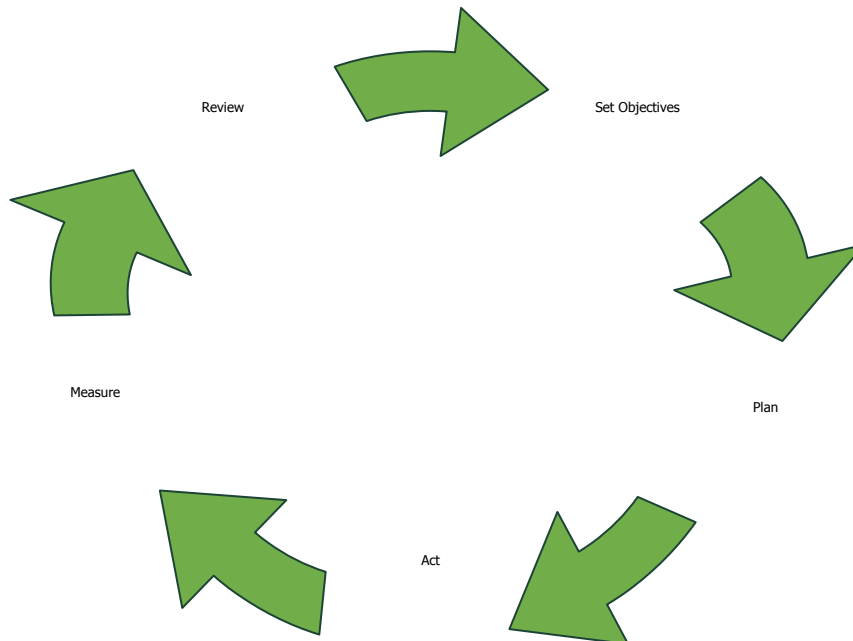
- Progress against the Customer Services vision that 80% of customer contacts are handled through customer services channels (Customer Services call centre and CSCs, plus email, the web and other self service channels) and that 80% are resolved at first point of contact.
- Progress on the Customer Services Strategy Realisation project – the implementation of more or deeper services into Customer Services.
- Potential for more services for inclusion in the Customer Services Strategy Realisation project.

This review is being prepared for Council Executive in November 2005.

3.2 The feedback from the ALMO Mock Inspection has informed the review of the strategy and we are working with the Housing Service to deepen the services offered in the CSCs in order that the Housing Area Office receptions can be closed. The main implications of this are:

- Housing Managers carry out interviews in the CSCs. A pilot is being run from November at Hornsey to identify the issues this will create and resolve them, with a view to operating in this way in North Tottenham and Wood Green early in 2006
- More Housing Management enquiries can be undertaken in the Call Centre and the CSCs by Customer Services staff.
- More display space can be made available for Housing publicity materials in all CSCs and that this will become ALMO display space, confirming the separate nature of the organisation
- Efficiency and Value for Money of the services offered through Customer Services is being addressed through the Pre-Business Plan Review Process and the efforts that Customer Services are making to engage with national and regional groups. We administer the Local Authority Call Centre Benchmarking Group and consequently have non financial comparisons with a wide variety of local authority call centres with different service offerings and process depth. Details of the latest quarter comparisons are shown in appendix 4.

Appendix 1 Customer Services Performance Management Framework



Set Objectives – Customer Services objectives are mainly focused on improving service to the residents of Haringey ((Council Priority) and are:

- to provide more services through Customer Services channels (including e-mail, the web as well as face to face and phone) and complete more at first contact
- to reduce waiting time
- to reduce transaction times
- improve accessibility of services
- improve customer care

These objectives are translated into SMART (specific, measurable, achievable, realistic and time bound) targets at business unit, centre, team and individual levels

Plan – the business plan sets out the tasks and timescales to achieve the objectives and targets at the business unit level. Performance appraisal objectives reflect the targets at centre, team and individual level, and become allocated workplans for people at the different organisational levels. For the Service Development Team, where new services are developed for inclusion in the services offered, the plans are project plans with milestones. Each member of staff in the team is allocated tasks within the project plans and is responsible for their delivery.

Act – each individual then acts to deliver the objectives allocated and agreed by him/her and will be discussed at monthly review meetings between members of staff and their line manager.

Measure – performance against the targets is measured at each organisational level. For example, transaction times are measured by our technology (Qmatic our queuing system in Customer Service Centres and the Automated Call Distribution system in the call centre), consequently we know the transaction times for each

member of staff which is then aggregated for each team (and each team manager) and then for each site (and each centre manager). Similarly, we are able to measure waiting times by centre, so this is only an individual target for centre managers, but each member of staff is expected to contribute to that by increasing their own productivity, measured by call rate per hour and transaction time. So each member of staff at each level knows what their performance is measured by and knows what they have to do to achieve it. For operational staff this measurement is constant and is feedback weekly to individuals and discussed at monthly reviews

We also measure quality of customer care, by observing staff interactions with customers and rating their performance. This is then aggregated at team and centre levels for team and centre managers.

This model of aggregation is applied to Service Development also.

Review – performance is reviewed with individuals at their monthly reviews. For teams and centres performance is reviewed in team meetings at team, centre and business unit levels. Business unit performance is reviewed at the Access management team meetings also and a basket of the service performance indicators is reviewed as part of the Finance and Performance Report to Council Executive each month.

In addition, performance and progress against service development targets is reviewed by the Customer Services Member Working Group periodically.

Customer Services management team also reviews performance against the whole of the Business Plan every 3 months, which includes the hard operational measures as well as progress against service development targets.

The output from these reviews is fed back into objective setting through the review of the Customer Services Strategy Realisation project portfolio (going to Executive in November 2005) and through the Pre Business Planning Review process which is happening now.

The cycle is reinforced by regular communications and recognition of good behaviours:

- team meetings and briefings
- items in Customer services News
- recognition schemes such as Employee of the Month and Best Improver
- development opportunities for good performers.

Appendix 2 Performance Indicators

Full suite on separate Excel spreadsheet

Business Plan Key Performance Indicators

PI Ref.	Indicators	Outturn 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual Apr- July 05/06	Target 2006/07	Target 2007/08
	Customer Services Centres							
LSU 11	Waiting times – personal callers seen in 15 mins.	65.4%	70%	77.2%	75%	66%	75%	75%
	Call Centre							
LSU 12/13	Telephone answering in 15 seconds - of calls presented(all call centre calls)	9.3%	45%	37.4%	70%	70%	80%	85%
L	Telephone answering – average queuing time (all call centre calls)	03:28	<2:30	01:13	0:40	0:28	0:30	0:25
L	Calls answered as percentage of calls presented	38.3%	60%	60.7%	80%	93.3%	85%	90%
	Switchboard							
LSU 14	Telephone answering in 15 seconds	90.8%	90%	91.3%	90%	98.3%	90%	90%
	Service Wide							
L	% of emails responded to within 5 days	N/A	90%	95%	90%	100%	90%	90%
(BV 12)	The number of working days/shifts lost due to sickness absence per FTE employee.	11.54	9	13.51	11	7.1 (10.62 rolling 12 months)	9	8
(BV 16a)	The percentage of staff from minority ethnic communities	N/A	N/A	60%	N/A	60%		

PI Ref.	Indicators	Outturn 2003/04	Target 2004/05	Actual 2004/05	Target 2005/06	Actual Apr- July 05/06	Target 2006/07	Target 2007/08
(BV 17a)	The percentage of staff declaring they meet the Disability Discrimination Act disability definition	N/A	N/A	7%	N/A	7%		
	Council or Wide							
L	Telephone answering across the Council – calls answered as percentage of all calls presented	76%	80%	76%	80%	85.5%	85%	90%
L	Telephone answering across the Council – calls answered in 15 seconds as percentage of all calls presented	67%	70%	67%	75%	81%	77%	80%
L	Responses to Freedom of Information Act requests in 20 working days	N/A	N/A	N/A	90%	73%	93%	95%

Appendix 3 Comparative Consultation Results

TELEPHONE SURVEYS

Were they...?										
	...Polite and courteous?		...Able to deal with your enquiry?		...Able to answer all of your questions?		...Did they explain things to you in a way that you understood?		...Did they do their best to be helpful?	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
All 2005	94.5% (936)	5.5% (54)	80.5% (795)	19.5% (192)	84.7% (827)	15.3% (149)	90.8% (886)	9.2% (90)	89.1% (870)	10.9% (106)
All 2003	93% (757)	7% (57)	82.7% (664)	17.3% (139)	84.4% (665)	15.6% (123)	85.1% (663)	14.9% (116)	83.9% (674)	16.1% (129)
All 2002	95.5% (724)	4.5% (34)	85.3% (617)	14.7% (106)	85.7% (603)	14.3% (101)	90.1% (640)	9.9% (70)	89.3% (643)	10.7% (77)
All 2001	89%	-	86%	-	82%	-	86%	-	90%	-

Were they...?							
	Satisfied (sat. and v. sat)	Very satisfied	Satisfied	Not satisfied nor dissatisfied	Dissatisfied	Very dissatisfied	Dissatisfied (dis. & v. dis.)
All 2005	77.1% (763)	30.2% (299)	46.9% (464)	9.9% (98)	8.3% (82)	4.7% (46)	13% (128)
All 2003	72.2% (596)	22.9% (189)	49.3% (407)	10.5% (87)	11.5% (95)	5.8% (48)	17.3% (143)
All 2002	74.5% (584)	31% (243)	43.5% (341)	12.4% (97)	7.5% (59)	5.6% (44)	13.1%
All 2001*	85%	50%	35%	-	9%	6%	15%

All 2001* was prior to Customer Services operation and a different methodology was used. To compare results with Customer Services it would be appropriate to add not satisfied, nor dissatisfied to very satisfied and satisfied (2005 – 87%, 2003 – 82.7%, 2002 – 86.9%) with 2001's satisfied and very satisfied (85%)

EXIT & CALL BACK SURVEYS

Were they...?					
	...polite & Courteous?	...able to deal with your enquiry?	...able to answer all of your questions?	Did they explain things to you in a way that you understood?	Did they do their best to be helpful?
Nov 2004 (Reception Survey WG & STCSC only)	93.1%	91.6%	90.9%	96.3%	93.2%
June 2004	97.4%	88.2%	90.8%	95.8%	89.4%
2003	97%	90.9%	86.9%	92%	93.5%

Were they...?			
	Satisfied (very and satisfied)	Neither S or D	Dissatisfied (very and dissatisfied)
Nov 2004 (Reception Survey WG & STCSC only)	84.2%	9.6%	10.9%
June 2004	88.7%	3.7%	7.6%
2003	88.9%	7.7%	3.4%

EXIT & CALL BACK SURVEYS - Branch data

Were they...?															
	...polite & Courteous?			...able to deal with your enquiry?			...able to answer all of your questions?			Did they explain things to you in a way that you understood?			Did they do their best to be helpful?		
	2003	2004 June	2004 Nov	2003	2004 June	2004 Nov	2003	2004 June	2004 Nov	2003	2004 June	2004 Nov	2003	2004 June	2004 Nov
Call Centre	97.7%	98%	n/a	85.1%	75.8%	n/a	80.5%	88.8%	n/a	96.2%	94.8%	n/a	93%	74.2%	n/a
Hornsey CSC	99%	96.5%	n/a	96.9%	98.8%	n/a	94.7%	97.7%	n/a	97.9%	98.8%	n/a	99%	96.5%	n/a
North Tottenham CSC	94.7%	94.9%	n/a	90.3%	82.8%	n/a	85.2%	78.8%	n/a	89.7%	90.9%	n/a	89.2%	89.9%	n/a
South Tottenham CSC	n/a	100%	89.1%	n/a	96.9%	88.2%	n/a	99%	89.7%	n/a	99%	95.5%	n/a	97.9%	90.4%
Wood Green CSC	n/a	n/a	97.1%	n/a		95.1%	n/a		92.2%	n/a		97.1%	n/a	n/a	96.1%
Overall	97%	97.4%	93.1%	90.9%	88.2%	91.6%	86.9%	90.8%	90.9%	92%	95.8%	96.3%	93.5%	89.4%	93.2%

Were they satisfied?						
	Satisfied (very and satisfied)		Neither S or D		Dissatisfied (very and dissatisfied)	
	2003	2004	2003	2004	2003	2004
Call Centre	92.1%	81%	4.6%	8%	3.4%	11%
Hornsey	94.9%	94.2%	3.1%	-	2%	5.8%
S. Tottenham CSC	81.4%	82.8%	14.2%	5.1%	4.4%	12.1%
N. Tottenham CSC	N/A	97.9%	N/A	1%	N/A	1%
All	88.9%	88.7%	7.7%	3.7%	3.4%	7.6%

Appendix 4 Local Authority Benchmarking Group Data on separate Excel spreadsheet