

**Answers to Questions for Jane Waterhouse on IT
Scrutiny Panel on 7 November 2005**

1) What is the CRM system and how does it affect Customer Services?

The CRM system comprises;

- A customer database which includes a history of each customer's contacts with the Council and their outcomes.
- A source of business rules and processes to ensure that customers enjoy consistent treatment and outcomes for any given set of inputs/requests for service or information.
- A knowledge base of information
- A source of support for customer service staff operation of client service systems.

The system enables the generic Customer Services staff to handle a wide range of request for service and information consistently and professionally. Without it, specialist staff would be required creating bottlenecks and impacting on service levels and flexibility of staff deployment.

The system is a very large database with enormous analytical capabilities. The next release of Siebel (developed with CapGemini) will allow us to exploit this capability. Outputs we are expecting post release 1 include:

- Dynamic monitoring of service delivery against a number of demographic profiles
- Regular tracking of user satisfaction at the point of service
- Comprehensive and real time measurement of the degree of resolution at first point of contact.

2) Options for enhancements – What options are there, how much and in which direction, what's happening in the industry generally and what future possibilities are there?

The changes in the contracting arrangements for the Siebel Customer Relationship Management (CRM) system and system development undertaken by our new integration partner, offer opportunities to improve efficiency in Customer Services and improve the quality of experience for our customers. The new Siebel configuration to be released shortly also offers the opportunity to access greater functionality such as case management. This additional functionality will be used to enrich the processes used, to improve data quality, data capture and analysis, to improve efficiency and to improve customer service and accessibility further, both through the self service and the mediated (face to face, telephone and e-mail) channels. Consequently, we

are developing a longer term investment programme to exploit the investment in this functionality.

The Siebel system will also be accessed wider than Customer Services:

- It is already used to support Freedom of Information request fulfilment;
- We have firm plans for it to be used to support e-mail response via the web in all Council services (due for roll out after Christmas); and
- We will be using it in the short term to track contacts with businesses across the borough wide in those services that do not currently have a mechanism to record them. This last improvement will support the development of recommendations about how the Council improves its support to the borough's business community.

Customer Services in local authorities are increasingly investing in Customer Relationship Management systems, partly as a direct result of the Government's expectation embodied in the priority service outcomes for eGovernment. Increasingly local authorities are seeing the strategic benefits of understanding how customers interact with them, seeing the customer contact points with all their services in one single view of a particular customer but also the patterns of contact over a wider demographic profile. This vision will enable local authorities to serve their customers better and design their service delivery structures to suit customers' needs better and more efficiently.

3) Can you tell us about the current CRM system and its strengths and weaknesses?

Many of the systems strengths are listed in the answer to the previous question.

In addition, the system is "industrial strength", i.e. it is designed for commercial use and many large organisations use it to manage their customer relationships. In such cases their success criteria are about return business and sales target achievement. In transferring this thinking to local authorities, for us, it's about successful interactions with our customers that require no further action by the customer and increased user satisfaction.

The system is also highly configurable to meet our specific needs and now includes specific features which have been developed for the public sector, such as case management which we are going to be using in Freedom of Information request fulfilment.

The system is a brand leader and is extremely well supported by Siebel and is now owned by Oracle.

The challenge, which is shared with many of our IT applications, is that there is an on going need to invest in developing and improving the system. We need to ensure that investment in it will deliver a payback to the Council. In this case, the development of Release 1 is expected to deliver a reduction in the average transaction time of a minute and is enabling Customer services to achieve the savings target in the PBPR in the coming years.

4) Please tell us the costs and benefits of this new system and how in your view it will affect the performance of customer services?

The system has been in place for over 4 years now. It went live with the first service, Parking, on 31 October 2001.

The system is hosted by Serco (formerly ITnet) and is to be supported from Release 1 by CapGemini. In addition, the management of the contractual arrangements are supported by Central IT Services and Northgate Services also have an input of fault resolution and supporting change as it affects the Council infrastructure. The cost of these arrangements and the site licence for the software is approximately £825K per annum.

The benefits of the system and how it affects Customer Services performance have been described in the answer to questions 2 and 3.