



Managing to keep the customer satisfied...

Local Government Customer Care

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Many councils continue to offer poor service when it comes to managing their customers' complaints despite a range of central government initiatives designed to improve the situation.

To be fair, most private sector organisations are also sadly lacking. But in a recent survey, local government was one of the worst sectors in terms of customer satisfaction - only just ahead of central government!

A study called Customer Care 2004, was conducted independently by the Customer Care Alliance, a consortium of companies specialising in customer satisfaction consulting and measurement. More than 10,000 consumers were asked about the problems they had experienced with products and services consumed during the past 12 months.

Overall, most consumers (81%) experienced some kind of problem of which 63% were extremely or very upset by the difficulty experienced. At least two-thirds (85%) complained to the organisation responsible but few (11%) were completely satisfied with the response they received.

Meanwhile, specific local government experience was even worse. Of those respondents who identified local government as responsible for their most serious problem, almost three-quarters (72%) were extremely or very upset by the experience. More than half (59%) told others of their bad experience and over three-quarters (80%) complained to the organisation at fault.

The five most frequently mentioned problem areas were:

- Unsatisfactory service
- Misleading information / advertising
- Poor product or service quality
- Invoicing or billing error
- Environmental concerns

Resolution time was extremely slow and ineffective. One-third (33%) had to make seven or more contacts before their problem was resolved.

Almost one-quarter (24%) took more than 30 days and at least half (51%) felt that their problem had not been resolved at all.

Many were only looking for an apology or explanation but few got what they wanted.

So why do local authorities perform so badly and what can be done about it? Here are five suggestions to consider:

The concept of CRM (Customer Relationship Management) is misunderstood. The public sector is not learning from the CRM failures in the commercial world. CRM should be an organisational wide business strategy which focuses on the customer but local authorities are being convinced by the software salespeople that it is an IT system that will solve all their problems. It will not.

Inappropriate automation of “people” tasks. Contact centres have their value but like CRM need to be operated correctly. An automated telephone system has difficulty in apologising or offering an explanation. Poorly implemented strategies lead to higher customer dissatisfaction and do not reduce costs in the longer term.

Complaint processes are too bureaucratic. Systems are often too complex and time consuming for both staff and customers. As this research found, many complainants wanted little more than an apology or an explanation. Encourage staff to resolve problems informally at the first point of contact.

Front-line employees lack the confidence to deal with complaints. As already stated, the aim should be to resolve most problems at first contact. This requires front-line staff to have the skills, empowerment and the will to respond promptly and effectively to their customers’ concerns.

What local authority complainants wanted versus what they got		
	Wanted	Got
An apology	42.5%	8.2%
An explanation	61.2%	23.21%
An assurance problem would not be repeated	44.0%	10.5%
Just to expree my anger / tell my side of the story	15.8%	0.8%
Product repaired / service fixed	14.9%	10.5%
All of my money back	11.2%	6.0%
Some of my money back	7.5%	1.5%
Financial compensation	7.5%	0.8%
<i>52.2% stated they got nothing at all</i>		

Leadership can be weak on customer focus. Companies with a reputation for customer care usually have highly visible and customer focused leaders. Local authority CEOs are often working within tight financial constraints but must not neglect their customer focus leadership role. The numbers are important but a strong customer focus will influence the numbers as well as improving employee morale and customer goodwill.

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The Customer Care 2004 study was conducted by the European arm of the Customer Care Alliance — a consortium established by a number of companies specialising in providing support services in all aspects of customer care including customer satisfaction and loyalty measurement, training and consulting services. The study will be repeated again in 2005.



<http://europe.customeralliance.org>

The European member companies of the Customer Care Alliance are:



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