CENTER FOR
DIGITAL
GOVERNMENT

ENHANCING THE CITIZEN EXPERIENCE

IMPROVING GOVERNMENTS' ONLINE SERVICES IN A 'DO-IT-YOURSELF' DIGITAL AGE

INTRODUCTION

State and local governments are in a bind. They are broke and broken. They are coping with a budget crisis unlike any in the last half century, even as demand for government services increases during a protracted recovery.

In the past few years, "budget holes," "gaps," "deficits," and "fiscal emergencies" have become familiar terms in reporting about state governments' financial health as the U.S. slid into a national recession. Declining tax revenues have left states figuring out how to balance budgets, coming up short to the tune of hundreds of millions and, in a number of cases, even billions of dollars. The crisis has been all too real, although the ways out of the crisis may still be riding on some innovative ideas of which the full potential has yet to be realized.

One such innovative idea spurred the age of DIY (do-it-yourself) in state and local governments as leaders across the United States took cues from the private sector and saw the potential of moving large volumes of routine transactions to self-service channels — the Internet being chief among them. For the first time, self-service options allowed residents to conduct business with their government at a time and place of their choosing. Citizens were — and continue to be — interested in conducting their business with government through the Web. According to an April 2010 Pew Internet Report, "Fully 82% of Internet users (representing 61% of all American adults) looked for information or completed a transaction on a government website in the twelve months preceding this survey." These online transactions cost public agencies pennies on the dollar to complete and have been a win-win solution as long as citizens perceive and receive real benefits from the DIY model.

Unfortunately, their experiences have not been universally positive. Citizens, expecting the type of functionalities that simplify and make pleasant the purchase of a plane or concert ticket — or even paying the cable bill — may experience disappointment or annoyance. The benefits customers and government agencies should be receiving from self service can quickly morph into liabilities.

Understanding what goes wrong in the online channel is an important part of ensuring that government is able to maximize both cost savings and the level of citizen satisfaction among those who engage with government online. This paper focuses on how early adopters among public agencies have improved their own performance and the citizen experience with their services by seeing inside the transaction, from beginning to end.

ENHANCING THE CITIZEN ONLINE EXPERIENCE

Self-service options on government websites should not be viewed as a quick fix to a financial crisis. Rather, they are an evolving opportunity for government to create more efficient and effective ways of interacting with citizens over the long term. A key challenge for government is to enhance the citizen experience online so that it retains users currently using online self-service options and can successfully convert as many of those who are not.

THE 'WOW' FACTOR

Customer satisfaction in service delivery often means a citizen exclamation of, "Wow, I never knew government could act like this!" Translation: I will continue using this website, saving your agency money with every click.

State, city and county governments are increasingly providing self-service capabilities that rival the private sector sites after which they were modeled.

- *Fairfax County, Va., winner of the Center for Digital Government's 2009 "Best of the Web" survey, presents a well-organized site with a variety of ways to access 125 citizen services online. The county has processed over 600,000 online payments and generated $123 million in 2008.*

- *The city of Corpus Christi, Texas, leverages the city's free WiFi network to provide an innovative blend of social media outreach and transactional services, offering 115 self-service options.*

- *The state of Utah's website boasts an impressive 855 services. Through the use of these self-service options, the state completed $2.1 billion in financial transactions in 2008.*

That's where online customer experience management comes into play; governments would be wise to pay the same attention to the science of online customer service as the private sector pays to studying consumer behavior in commercial settings. The fortunes of successful businesses are widely attributed to the adage, satisfied customers are return customers. The private sector has also learned the perils of having dissatisfied customers, including the risk that they become disgruntled ex-customers who talk about their bad experiences with others. There is no exact parallel in the public sector because its customers — or more properly, its citizens or residents — do not have a choice in doing business with government. But it is reasonable to expect that a residents' level of satisfaction is directly proportionate to their level of compliance. A satisfied resident is much more likely to comply with reporting, permitting and other regulatory requirements. Dissatisfied or disgruntled residents will find it much easier to become transgressors. The level of actual compliance notwithstanding, disgruntled citizens share at least one attribute with disgruntled customers — the tendency to complain loudly and bitterly about transactions gone bad.

That negative chatter can take place on online social networks such as Facebook and Twitter, spreading negative perceptions across the vast reaches of the Web. Worse, online users whose confusion and frustration rise unabated are likely to abandon self-service options for much more costly alternatives such as conventional mail filings, phone

calls or in-person transactions. Not only did a frustrated citizen waste time on an incomplete transaction, the fruitless encounter shaped, reinforced and hardened perceptions about government's competence and commitment to customer service.

For both citizens and government to benefit from a DIY online experience, government agencies should be able to evaluate an individual online user's experience to understand where specific problems occurred for that particular person, and then help resolve those problems to the citizen's satisfaction. This personal attention will help struggling online users attain the knowledge and familiarity they need to become comfortable with serving themselves in a dynamic and content-rich DIY environment. Additionally, this insight into the online experience can help agencies to identify issues that are potentially impacting hundreds, even thousands, of citizens — issues that, when caught early enough, can add up to substantial savings.

THE UNIQUE CHALLENGE OF SATISFACTION WITH GOVERNMENT TRANSACTIONS

Citizen interaction with government is similar to customer interaction with business in at least one important respect — the nature of business processes are becoming increasingly complex, requiring increasingly complex design of the applications and increasing sophistication of the user. Much can get lost in translation in such a dynamic.

Unlike citizens' interactions with business, they are compelled to enter into a transaction with government to meet a

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legal or regulatory requirement, such as a vehicle registration or a license renewal. This makes government online self-service websites a higher stakes proposition than your typical e-commerce activities in other sectors of the economy. The dynamic becomes even more complex when the citizen is not a voluntary party to the transaction, bringing with it a higher level of anxiety and expectation to doing business with government.

Examples of self-service options on government websites are everywhere and increasingly easy to find. One of the most high-volume routine business transactions that occur between government and citizens is the renewal of motor vehicle registrations. Imagine the number of people and businesses in a state, county, or city who own a vehicle, and the magnitude of the processing work load should become clear. Many counties allow citizens to renew their vehicle registrations online as long as their current registration has not yet expired, the vehicle owner carries at least the minimum amount of liability insurance, and a valid credit card is used to pay for the registration fees.

Compared to over-the-counter and conventional mail transactions, these high-volume online transactions cost government pennies on the dollar. For busy citizens short on time, the self-service option allows them to conduct business with their government at the time and place of their choosing, including outside of normal business hours.

Other government websites allow citizens to renew their driver's license online, register a new business, order specialty license plates, file court documents, request copies of vital records, change an address, report a pothole or an abandoned vehicle, renew a concealed handgun license, order a driver record and submit evidence of compliance with a state procurement law.

Some states and counties are further ahead than others in developing and deploying e-government services, but most have enough of an infrastructure to consider how to make their online service delivery more personal, and will gain dramatic financial benefits by doing so.

SERVING CITIZENS EFFECTIVELY AND WITH EFFICIENCY

Public agencies need to move from anecdote to hard data in understanding the citizen experience. How are citizens actually using a site? Do they get to what they want, complete a transaction and move on relatively quickly? Or does the data indicate they spend a lot of time looking for things, stop abruptly on dead ends, start over and over again, or just abandon the site before completing what they came there to do?

Governments that offer or require citizens to use online self-service options should approach the conversion process — that is, converting citizens from conventional offline methods to innovative online ways of interacting with their government —

from the citizen's perspective. Are our citizens accomplishing what they set out to do when they visited the website? If not, where were the struggle points that disrupted the process?

For many organizations, the most effective way to answer this question is to see the steps the online user actually took in the self-service environment and then identify as specifically as possible where the user struggled. This is possible using Customer Experience Management (CEM) software available through a private vendor.

CEM allows staff members in government agencies to see a citizen's actual online experience, and thus help that person identify where and why errors occurred in the process. On an aggregated level through customized reports, CEM can show government agency staff where users seem to struggle or get stuck on the website, revealing previously unknown patterns and providing the data needed to guide fixes and optimization efforts.

CEM goes beyond conventional daily metrics and provides staff with "camera-level visibility," a unique page-by-page, browser-level recording of the actual customer experience, which can be played back by a staff member attempting to help an individual citizen complete his or her online objective. The staff member can then trace or audit the steps that the citizen went through from the beginning of their online experience up to either an error message or the point at which the task was abandoned.

Whether staff members are viewing an individual user's experience or the behavior patterns of many users, this data can lead to insights about common problems from

the citizen's perspective, which government can use to make decisions about how to improve or enhance the online citizen's experience. The process moves the staff member from visibility to insight to action — and the citizen from frustrated to "wowed."

FROM STRUGGLE TO SATISFACTION TO SAVINGS

The state of California's budget problems have been in the headlines for years now. Less publicized, however, has been its achievements in streamlining the collection of taxes online and transforming the relationship between government and citizens through online self-service options that are demonstrating cost-effective, sustainable and compelling digital government practices.

The state's Board of Equalization (BOE), the only elected tax commission in the nation, is responsible for collecting the state's sales and use tax, as well as fuel, alcohol and tobacco taxes and fees. Its website, www.boe.ca.gov, features an eServices tab that allows eligible taxpayers to file a variety of tax returns online. In addition, cigarette distributors can purchase cigarette stamps online; certain licenses and permits can be verified online; and electronic funds transfer (EFT) and credit card payment options are available for specified payments.

The BOE began accepting electronic returns in 2002 on a limited basis, starting with a relatively small number of specific taxpayer groups. Over time, more people were added as eligible taxpayers. Today almost 100 percent of its Sales and Use Accounts are eligible for e-filing.

This incremental method of converting taxpayers from paper to electronic filing allowed the BOE to deploy and evaluate the system incrementally — starting small, seeing what worked and what didn't, making adjustments, and expanding the eligible taxpayer base. Focus and pilot groups were also used to help in the planning and evaluation process.

"One of our main goals … is to provide the ultimate taxpayer experience and service," said Ramon Hirsig, BOE executive director. This objective is first and foremost not only in the minds of our board members but we as staff."

The BOE staff and website provides a great deal of assistance to taxpayers new to e-filing. For example, as the taxpayer is filling out the electronic forms online, there is a question mark button next to items that need to be answered and when clicked will tell the user what the item means. Webcasts, videos and presentation slides are available on the website, and field office staff are on hand for personal assistance. Staff members can help taxpayers with the e-filing process using personal computers set up in the common areas of their office. Once taxpayers are comfortable with e-filing, they often say, "I won't have to come here anymore. I can do this from home."

BOE staff members are quick to cite advantages of filing returns online: fast ("faster for us and faster for them"), accurate, convenient, paperless and different payment options — to name a few. Also, the computer does the math calculation for the taxpayer, which has significantly reduced filing errors. On the government's end, it has reduced the need for staff overtime and temporary hires during tax time. BOE Executive Director Hirsig said those savings could be re-directed to other resources. The need for physical storage space should decrease as well as paper forms are replaced by electronic ones.

The BOE uses Customer Experience Management software to provide insight to call center agents when helping taxpayers who encounter problems when e-filing. Staff members can pull up the taxpayer's electronic account and replay their online session, seeing all of the steps the taxpayer went through leading up to the problem. Then, they can help walk the customer through resolving the issue, whether they encountered a site error or simply encountered a usability issue. This level of personal attention has eased online users' anxieties and frustration. And, BOE staff members have used CEM and other feedback data to enhance and improve the e-filing system and website as a whole.

FUELED BY THE EFFICIENCY WITH WHICH THEY CAN COMPLETE TASKS AND TRANSACTIONS IN OTHER ASPECTS IN THEIR LIVES, CITIZENS NO LONGER WANT SELF-SERVICE OPTIONS. IT'S NOT ENOUGH. THEY WANT SIMPLE-TO-FIND, EASY-TO-NAVIGATE TOOLS TO COMPLETE THEIR GOVERNMENT BUSINESS — QUICKLY AND WITHOUT ERROR.

More efficiently managing the customer experience not only saves the agency costs and time, it also helps improve citizens' perceptions of the taxpaying process — and voluntary compliance is the cheapest form of tax collection.

BETTER MEANS TO A BETTER END

Fueled by the efficiency with which they can complete tasks and transactions in other aspects in their lives, citizens no longer want self-service options. It's not enough. They want simple-to-find, easy-to-navigate tools to complete their government business — quickly and without error.

Understanding what goes wrong in the online channel is an important part of ensuring that government is able to maximize both cost savings and the level of citizen satisfaction among those who engage with government online. Organizations that work to understand where their users struggle and resolve the sources of those struggles through ongoing monitoring, analytics and optimization enjoy higher completion rates for online transactions, allowing staff members that were once chained to a phone fielding questions to be redeployed to higher value work. Agencies are thus able to do the business of government more efficiently, conducting increasing numbers of transactions in less time and at a lower cost.

As increasing numbers of customer-centric government websites arrive to allow citizens to efficiently complete their business, it is possible that we may move from exclamations of "Wow, government can do that?" to "That's what government does."

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Tealeaf provides online customer experience management solutions and is the unchallenged leader in customer behavior analysis. Tealeaf's CEM solutions include both a customer behavior analysis suite and customer service optimization suite. Online executive stakeholders from ebusiness and IT to customer service and compliance are leveraging Tealeaf to build a customer experience management competency across the organization. For more information, visit www.tealeaf.com.

CENTER FOR DIGITAL GOVERNMENT

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