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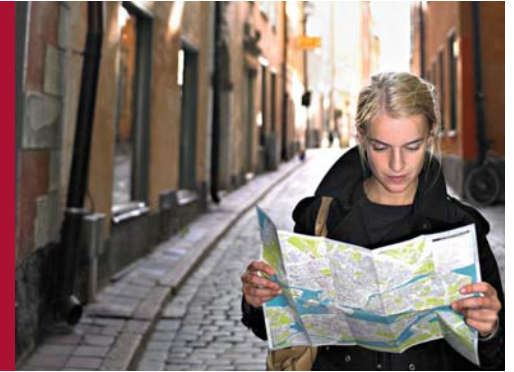
*High performance. Delivered.*

Greg Lane  
Michel René de Cotret

April 16, 2008

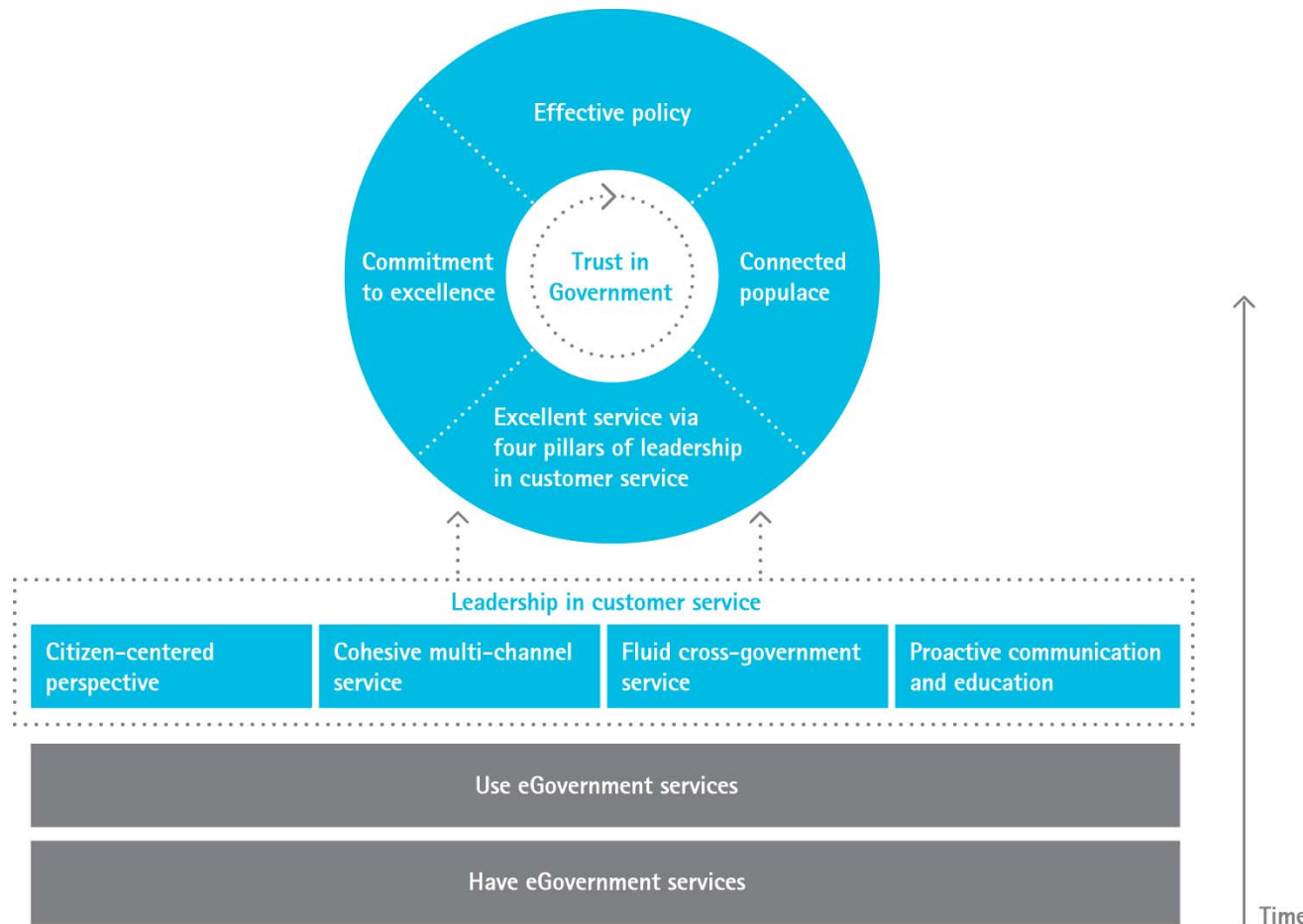
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## Today's Objectives

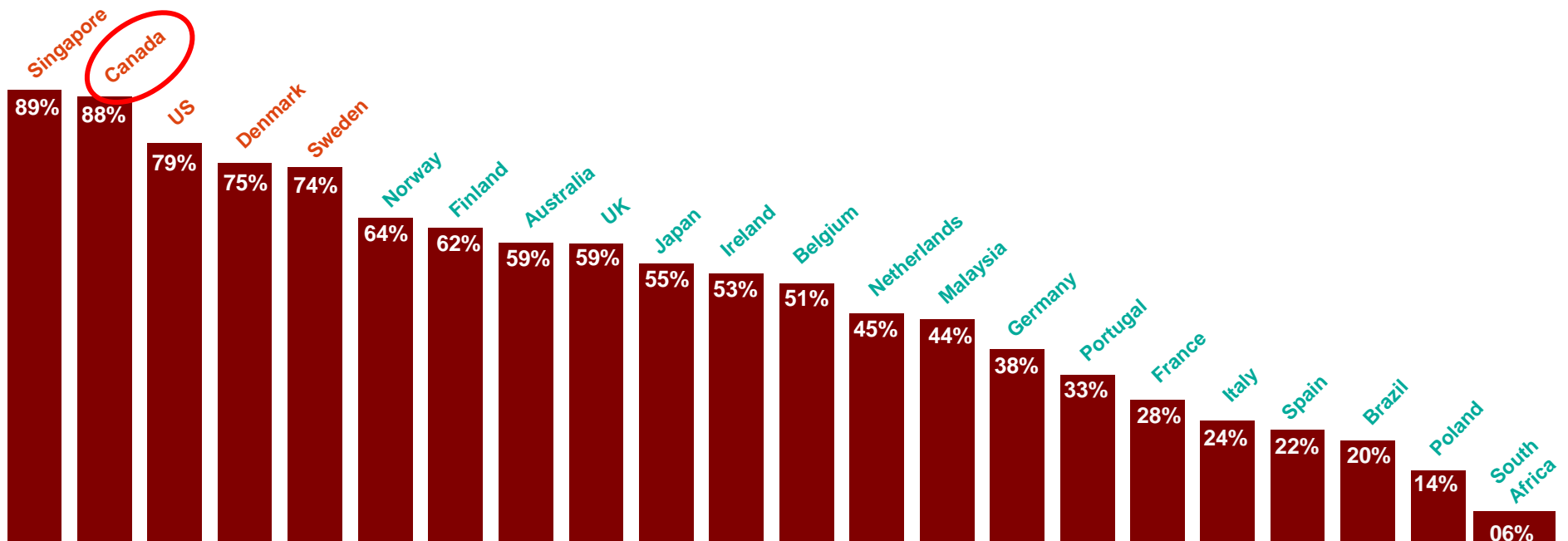


- Provide an overview of Canada's performance from our Leadership in Customer Service research
- Discuss overall research findings
- Provide a private sector perspective on partnering with the public sector
- Stimulate a discussion and address questions

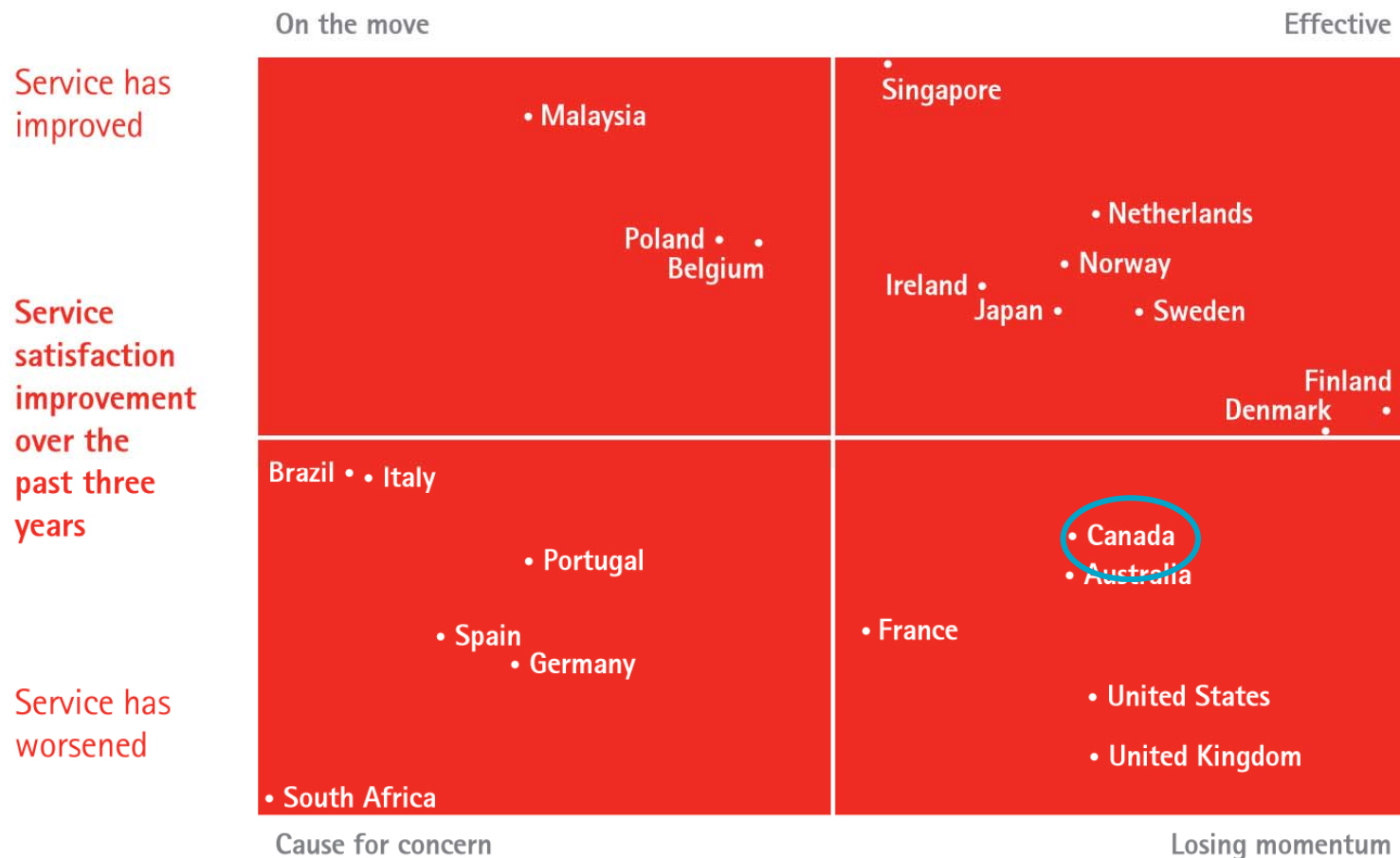
# Leading service strategies are comprehensive and linked to broader government goals and objectives



# Leadership in Customer Service: 2007 Country Rankings - Overall Service Maturity



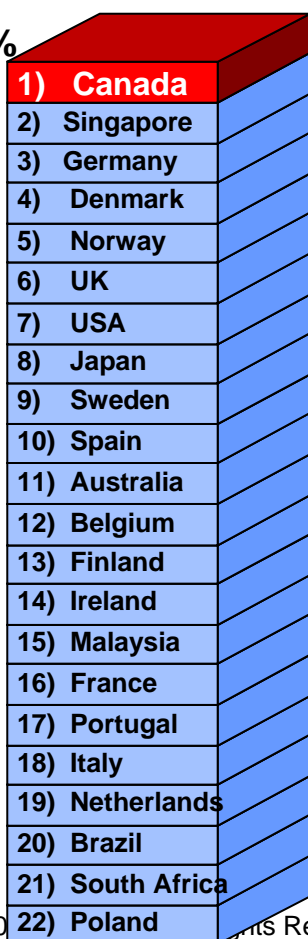
# Leadership in Customer Service: Citizens' perceptions of their countries' customer service performance



# Leadership in Customer Service: Components of Scoring and Country Rankings



## SERVICE MATURITY Weighting Ranking 10%



## CUSTOMER SERVICE MATURITY Weighting Ranking 50%



## CITIZEN VOICE Weighting Ranking 40%



# 2007 Leadership in Customer Services Key Findings

- 01 Know the customer's needs
- 02 Make the connections
- 03 Align your people
- 04 Don't do it alone

## Know the customer's needs



- Most governments rely heavily on rudimentary customer segmentation techniques and simple customer satisfaction surveys to inform their service policies. Neither of these is up to the challenge of making government service truly citizen-centric.
- Public service organizations must move beyond basic demographic categories and thinking of customers in more nuanced groups based on factors that include a citizens' needs and intentions.
- Translating citizen understanding into service policy requires customer insight, and has clear implications for channel strategies – customers needs and expectations vary by channel.

## Make the Connections



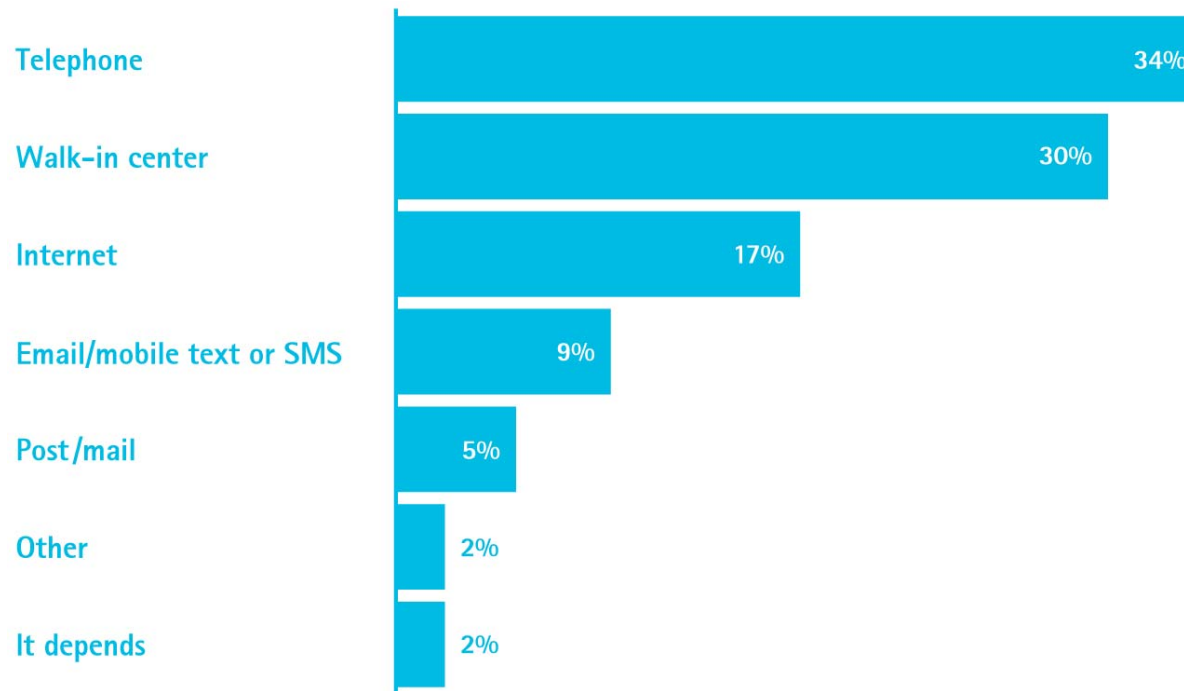
- Many governments don't even use the term "e-Government" anymore if they can help it - it's increasingly about the systems and business processes and how everything connects together.
- Leading governments are now taking on the hard work of building an integrated, enabling back office that institutionalizes their service policies.
- Flexible architectures and interoperability are key. Common data stores, reusable components, open source systems and service-oriented architectures (SOAs) are vital to make variegated operations work as one.

# Align your people



**Despite the move to the internet, people are still key to providing customer service. What is needed now is an entirely new focus for public-sector employees.**

**Citizens' preferred methods of interacting or transacting with the government.\***



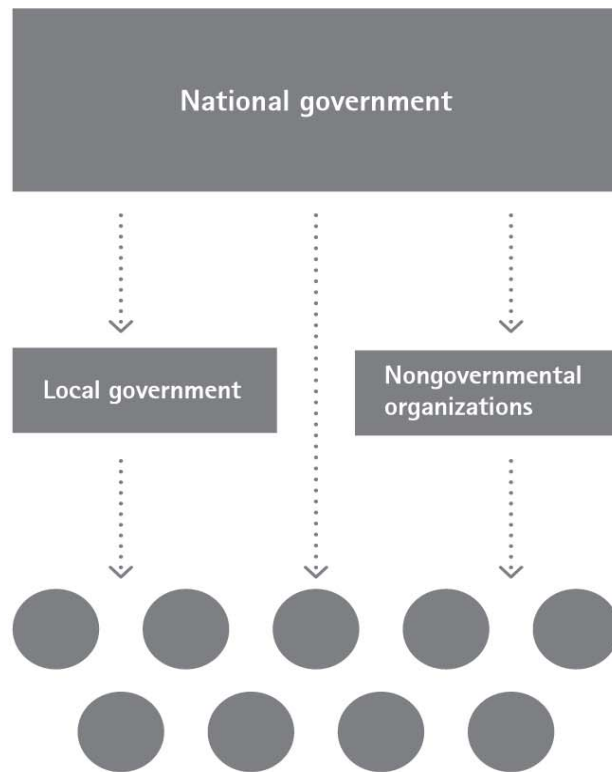
\* Percentage of citizens indicating a preference for using each method to interact or transact with the government.  
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# Don't Do It Alone



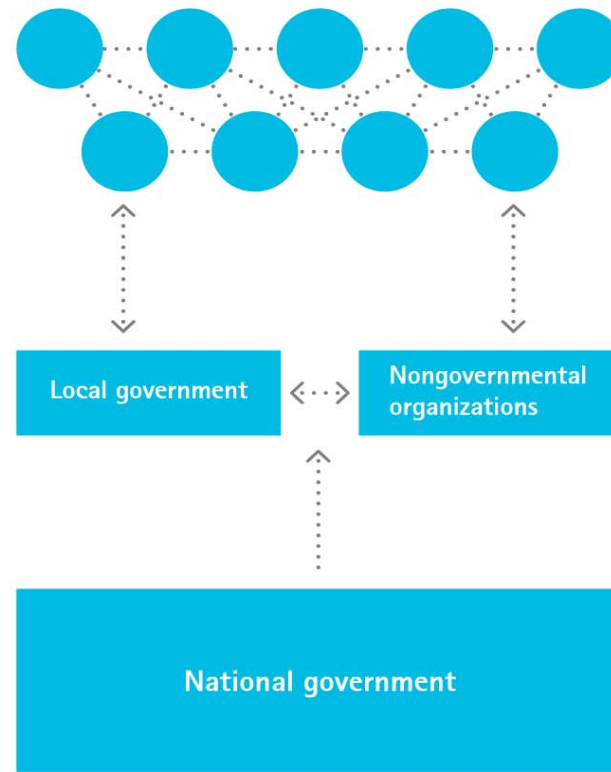
## Traditional model

The national government pushes out services for individual citizens



## Social ecosystem model

An accountable community pulls the help they need from the national government.



## The Crossing Boundaries National Council Surveyed a broad representation of government officials



- **164 Senior Government Officials**
  - Deputy Minister (27%)
  - Associate Deputy Minister (5%)
  - Assistant Deputy Minister (38%)
  - Other (30%)
- **Participation from all jurisdictions**
  - Federal (36%)
  - Provincial (53%)
  - Municipal (5%)
  - Other/Non-Government (6%)

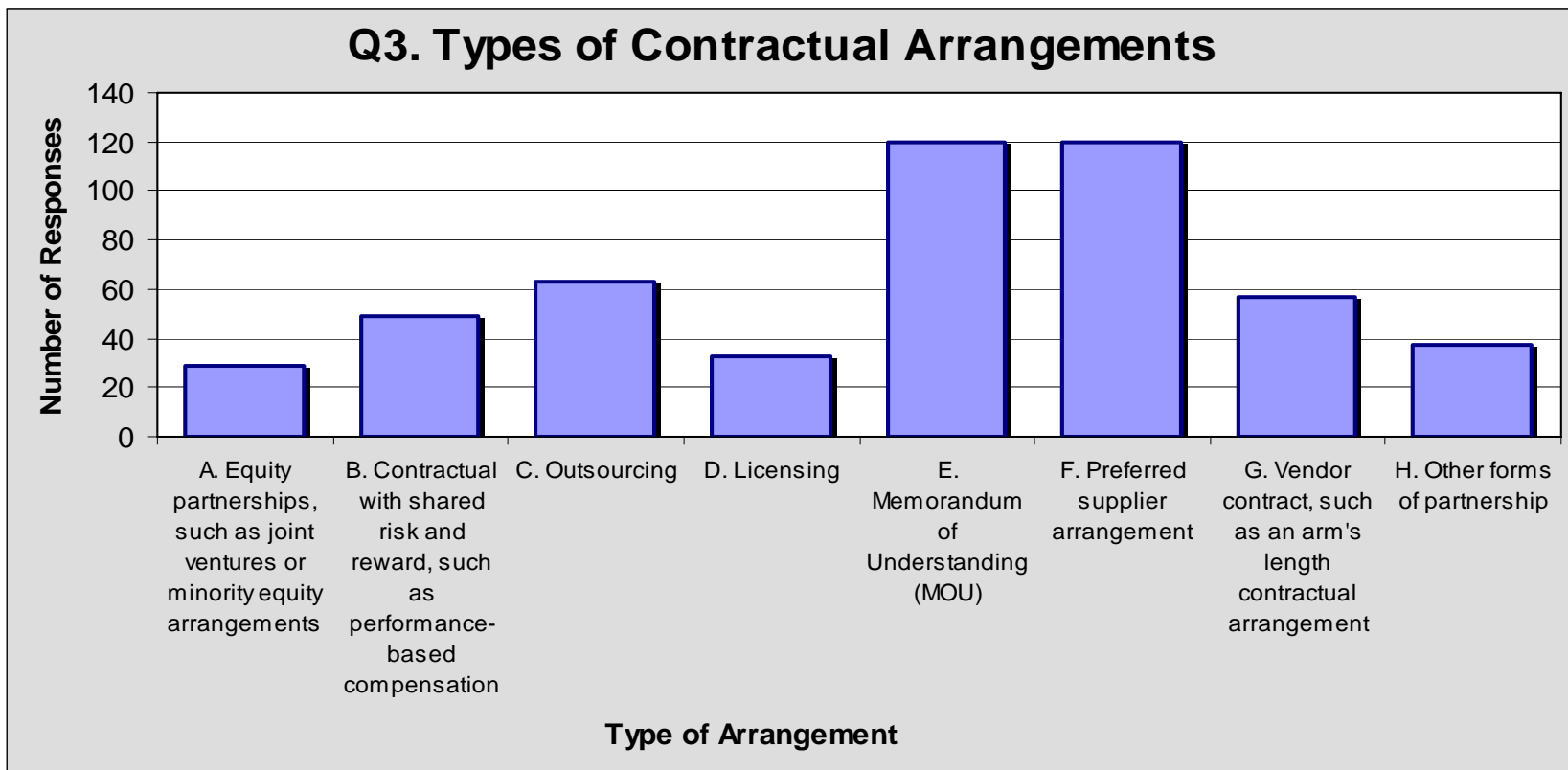
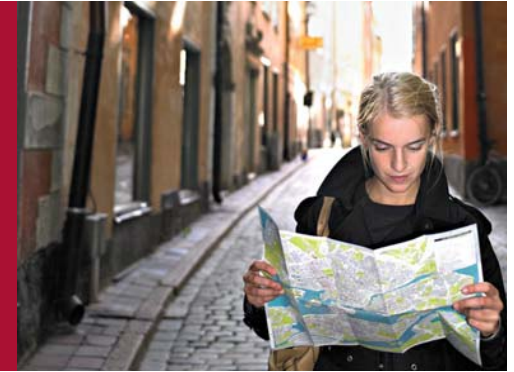
**98.4% of survey Respondents consider partnerships beneficial**



## **Partnerships allow governments to:**

- Leverage private industry investment
- Gain access to global best practices
- Buy results – not just inputs – both parties have skin in the game that it is tied directly to the achievement of outcomes.
- Focus its resources on more strategic areas and get out of doing work better done by others
- Reduce costs, increase revenue, or maximize cost avoidance
- Harness the combined creativity of the private and public sectors

However, most respondents used traditional procurement methods rather than true partnership arrangements



## Various challenges and barriers impede the broader use of innovative partnership arrangements



- Lack of clarity on how to develop and manage accountability
  - Shared understanding of which party is managing particular elements of risk, with clearly defined roles, responsibility, and accountability is crucial
- Inadequate planning at the outset of the partnership
  - The partnering decision should be based on outcomes, results, and what will be achieved, and not simply focused on time, costs, inputs and internal assembly
- Misaligned objectives between the partners
  - Trust and transparency building is crucial
  - Differing motives and reward structures act as a natural barrier to trust
- Current procurement process not sufficiently agile
  - Process not provide the agile, collaborative solution development environment to meet today's needs
  - Takes 12-18 months to prepare 1000-2000 pages Request for Proposals and often require industry to create an equally large set of responses

# Critical success factors before considering an innovative partnership arrangement



- A legitimate business reason
  - Should not be viewed as simply a means of reducing cost or the level of the public sector involvement
- A sound business case
  - Only effective if the right financial opportunity is there for both parties
- A thorough business plan
  - Clearly describing the scope of the initiative and the roles and responsibilities
- Political leadership
  - Only effective if there is commitment from "the top"
- Public Service commitment and support
  - Requires public servants at all levels to be "on side"
- On-going public sector involvement
  - Once a partnership has been established, the public sector must remain actively involved in the project or program

## Looking Forward



- New procurement approaches
- Support mechanisms
  - Skilled resources
  - Political commitment
  - Partnering and negotiation methodology and training
- Governance mechanisms

# Partnership example: Health Information Services BC



## Health Information Services BC

Deal Objectives: Service Improvement & Risk

Term:  
**10**

Value:  
**324M**

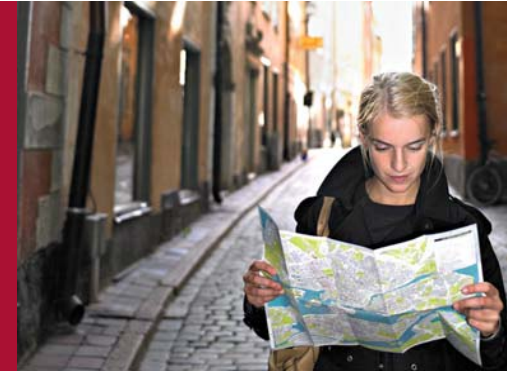
Benefits:  
**N/A**

- Outsource and automation of pharmacare and MSP administration
- Capital cost avoidance with greatly enhanced & guaranteed service levels

Service	September 2004	Maximus Contract
Enrollment	64% within 40 days	99% within 20 days
Account Maintenance (eg. Address change)	48% within 6 months	99% within 20 days
Phone Busy Rate	Over 53%	Average of 2%

***Service provider assumed full risk of extremely difficult transformation.***

# Partnership example: Revenue Management System



## Revenue Management System

Deal Objectives: Savings & Risk

Term:  
**10**

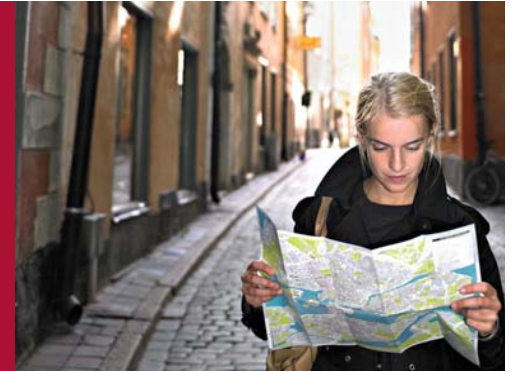
Value:  
**300M**

Benefits:  
**382M**

- Government faced accounts receivable of over \$800M - over 90-day accounts receivable, bad debt provisions and write-offs increasing
- Technology antiquated and overloaded
- Non-tax revenue operations outsourced to EDS
  - EDS investment in capital
  - Transfer of 177 staff – retain pension & benefits
  - Performance based benefits – no profit if no incremental benefits
- Savings of \$382 Million over 10 years

***After the first year of operations, 96% of transferred staff remained with the service provider.***

**Thank You!**



Questions?

A woman with blonde hair, wearing a black jacket, is looking down at a large, unfolded map she is holding. She is standing on a cobblestone street in a city, with buildings and a street sign visible in the background. The scene is lit with warm, golden light, suggesting late afternoon or early morning. The map shows a city layout with green areas and blue water.

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APPENDIX

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