RECOMMENDED STATEWIDE CUSTOMER SERVICE PERFORMANCE MEASURE GUIDANCE

PREPARED FOR

THE DEPARTMENT OF ADMINISTRATIVE SERVICES

BACKGROUND

The 2005-07 Oregon Department of Administrative Services (DAS) budget instructions require agencies to incorporate a common customer satisfaction performance measure in their 2007-09 budgets. This guidance provides instructions for the minimum content required of agencies.

Under the sponsorship of the state Administrative/Business Services' Directors group, a Customer Satisfaction Work Group issued *Measuring Customer Satisfaction in Oregon State Government* in October 2004. The work group took on the task of designing standardized measures that:

1. Employ statistical principles
2. Yield actionable data
3. Apply to any agency
4. Enable statewide comparisons

The work group's report is an excellent overview of the important components involved in incorporating customer satisfaction into agency management. It includes recommendations for minimum standards for a customer service performance measure. See - http://www.oregon.gov/DAS/OPB/GOVresults.shtml#Related_Reports.

This Performance Measure Guidance draws heavily from the customer satisfaction report. In accordance with the budget instructions, it is focused exclusively on developing standardized performance measures for customer service, one aspect of customer satisfaction, for the 2007-09 budget cycle.

Citizens, performance measure managers and key legislators reviewed the work group's recommendations. An additional question pertaining to overall customer service was added to this *Customer Service Performance Measure Guidance* as a result of those reviews.

DEVELOPING THE SURVEY

Each agency will conduct a customer service survey of its key customers at least biennially that, at a minimum, adheres to these guidelines. If done biennially, the survey should be conducted, whenever possible, in even-numbered years early enough to assure that the results can be included in the agency's Annual Performance Progress Report for that year.

The Department of Administrative Services recognizes that conducting such a survey will be a burden for some small agencies. In order to lessen this burden, the Progress Board will administer, at cost, a single combined biennial survey for multiple agencies upon request.

The required questions can be found in Table 1. They cover six topics: 1. Timeliness; 2. Accuracy; 3. Helpfulness; 4. Expertise; 5. Availability of Information; and 6. Overall Service.

These questions must be asked in the order that they are listed in the guidance and should be asked as a group in any survey that includes additional questions. However, agencies may include an open-ended follow-up question after each of the six questions at their discretion. Agencies employing a different format should plan to switch to the question format used in Table 1, below, by the beginning of Fiscal Year 2007 (July 1, 2006).

According to research conducted by the Customer Satisfaction Work Group, these questions assess the key drivers of good customer service. The required questions employ a four-point rating scale. This scale must be used by all agencies by the beginning of Fiscal Year 2007.

Agencies should describe important survey characteristics when reporting their results. The reporting format shown below will facilitate communication to stakeholders and allow comparisons among agencies. Along with the results, each agency is asked to describe the following seven characteristics of its survey or surveys.

TABLE 1 – REQUIRED QUESTIONS

Instruction:

Please answer the following questions regarding your rating of service provided by (*insert agency or division name*).

Scale:

Excellent	Good	Fair	Poor	Don't Know*

Questions:

TIMELINESS

1. How do you rate the timeliness of the services provided by (*insert agency or division name*)?

ACCURACY

2. How do you rate the ability of (*insert agency name*) to provide services correctly the first time?

HELPFULNESS

3. How do you rate the helpfulness of (*insert agency or division name*) employees?

EXPERTISE

4. How do you rate the knowledge and expertise of (*insert agency or division name*) employees?

AVAILABILITY OF INFORMATION

5. How do you rate the availability of information at (*insert agency or division name*)?

OVERALL SERVICE

6. How do you rate the overall quality of service provided by (*insert agency or division name*)?

* Survey respondents lacking sufficient knowledge to answer a particular question may opt out of that question by answering "Don't Know." <u>Those responses and any questions left blank should be excluded from the denominator when calculating percentages.</u>

1. Surveyor
Who conducted the survey? Options include staff, consultant, volunteers, student intern, board/commission members.

2. Date Conducted
Identify the period over which the survey was conducted. Agencies conducting a continuous survey of recent customers should enter “continuous” for this characteristic.

3. Population
In the public sector, defining the “customer” can be challenging. For the purposes of this guidance, customers can be segmented into four types:

a. *Compliers* – those individuals or entities on the receiving end of enforcement activities;

b. *Consumers* - the end users of an agency’s programs, services, or information;

c. *Constituents* - the individuals and groups who have some vested interest in the agency’s work; and

d. *Clients* – Those individuals or entities that fund the service or program (e.g., grantors or legislators).

The idea behind collecting information from a portion of the population (a sample) is that it allows the agency to make inferences about the total population at a fraction of the time and expense of conducting a complete census. It is important to be very explicit in defining the target group of interest.

The target population for any given customer service survey will likely be some subset of an agency’s customers. Agencies should identify their primary customers and direct their surveys toward this group. Most often, agencies are concerned with the perceptions of “consumers” – the end users of an agency’s programs, services, or information. As an agency’s needs and resources allow, the agency should consider expanding to secondary groups of interest. Agencies are expected to do their best to draw a representative sample from whatever populations they survey.

4. Sampling Frame

A sampling frame is the list, index, or records from which the sample will be drawn. Each person or entity in the sampling frame should meet the criteria used to define the target population. Furthermore, the sampling frame should be devised in such a way that members are likely to have the experience and/or background knowledge to answer the survey questions (e.g., customers who have had a recent interaction with the agency). Most agencies keep a ready list of recent customers, which can serve as the sampling frame. The sampling frame for surveys should exist prior to the survey being fielded. It should not be built as you go. For continuous surveys, agencies should periodically assure that the target population continues to meet the original criteria.

5. Sampling Procedure
There are many ways to select a sample from a population, with varying degrees of validity associated with each method. In almost every case, a random sample from the population provides the highest level of validity. The sampling procedure should be

specified in sufficient detail that someone else could replicate it including: the type of sample; the specific method for drawing the sample; and the sample size. Five types of samples can be used:

a. *Random sample* means that each member of the population has an equal chance of being selected. For customer service surveys, randomly selecting from a list of recent customers is the most likely approach.

b. *Stratified random sample* means selecting a sample so that certain subgroups in the population are adequately represented, but individuals are randomly selected from within those subgroups.

c. *Systematic sample* means repetitively selecting individuals at a fixed interval after using a random number to start (e.g., if 10 percent of the population is required, select every tenth person for the complete list of individuals).

d. *Convenience sample* means selecting a group of individuals that is easily accessible. Every effort should be taken to ensure that any convenience sample matches the population of interest on key characteristics. The validity of generalizing the results of a convenience sample to the entire population is questionable at best. Anytime a convenience sample is used, the agency should provide a brief explanation of how the sample was gathered.

e. *Census* means a complete survey of the entire population. For traditional phone or paper surveys, a census should only be considered when the population is small (less than 400) and the efficiencies gained from sampling are negligible. For web-based surveys, surveying the entire population may be the most cost-effective approach.

6. Sample Characteristics

The size of a sample is the most important element in determining the statistical precision with which population values can be estimated. The larger the sample, the more likely the results will validly represent the population. In most applied research settings, however, limited resources restrict the number of individuals that can be sampled. Also, the benefits of increasing the size of a sample eventually diminish. The number of respondents must quadruple, for example, to reduce a survey's margin of error by half.

For each survey that is fielded, agencies should report: 1) the population (i.e., the total number of people being characterized); 2) the sample size (i.e., the number of individuals contacted); 3) the number of respondents and 4) the response rate. Agencies are also encouraged to disclose the confidence level and margin of error based on the number of respondents when appropriate. The confidence level should be at least 90 percent.[1]

[1] All non-census survey results are estimates of a population's characteristics. The confidence level is the percent of times that the results will fall within the survey's margin of error. For instance, in the hypothetical Department of Consumer and Business Services example shown in Table 2 (page 7), the ranking derived from that survey will be correct within four percentage points above or below (+ or -) the survey's reported estimate 95 percent of the time. If a similar survey was repeated many times, the answers would fall outside the margin of error five percent of the time. The more confident you want to be about an answer, the broader the range, or estimate, of the answer must be.

The website http://www.polarismr.com/education/tools_index.html can be used to estimate the margin of error or necessary number of respondents[2]. See the boxes in the upper right hand corner of the opening page of the website for options. Use "Proportions/Percentages" for calculating margin of error or required sample size. (Please note – "required sample size" as used on this website means number of actual respondents not number of people contacted.)

Because these estimators are based on an assumption that samples are collected randomly, agencies should not report confidence levels or margins of error for survey results derived from convenience samples.

7. Weighting

Some agencies may wish to report the results of multiple customer service surveys or to add up the results of the same survey used to rate the performance of different divisions. This is allowed as long as the survey characteristics for the different studies are the same and the method of aggregation is clearly described. For instance, the Oregon Department of Transportation could report an agency-wide customer service ranking that is derived from similar surveys administered at the division-level.

In order to do this, the agency would need to describe in the characteristics how the survey was weighted to derive the agency-wide ranking. Three options would be: 1) equal weighting for all divisions; 2) divisional results weighted by staff or budget size; or 3) weighting by number of customers. Other statistically valid methods for weighting are also acceptable. Dissimilar surveys should be reported separately.

Table 2, on page 7, provides an example of the format that should be used for reporting the characteristics of the survey or surveys. In instances where multiple surveys are reported separately, a table should be provided for each survey.

EXCEPTIONS

While the intention of this guidance is to develop a uniform statewide customer service measure, DAS recognizes that the myriad of clients and services embodied in state government will require some degree of flexibility to allow all agencies to measure customer service satisfactorily. For instance, agencies enforcing laws and regulations that may cause extreme stress among some of its primary customers, like child protection and incarceration, may need to develop a different approach to measuring customer service. Or an agency may serve a population that would have difficulty understanding the required questions. Agencies wishing to request an exception to some or all of this guidance should contact their agency's DAS and LFO analyst before implementing.

[2] This website is referenced for convenience and in no way implies a State of Oregon endorsement of the products or services provided by the site sponsor.

Table 2: Reporting Example
Department of Consumer and Business Services
1. Survey Name: *Annual Occupational Safety and Health Regulated Community* 2. Surveyor: *Agency staff* 3. Date Conducted: *Survey conducted between July 1 and July 31, 2006* 4. Population: *Complier - OR employers regulated by the Occupational Safety and Health Division* 5. Sampling frame: *Worksites that have been inspected by the Division in the past 12 months*
6. Sampling procedure: *Random sample* 7. Sample characteristics: Population = 5000; *Sample = 500; Responses = 400; Response Rate = 80 percent;* *(Optional) Margin of Error = 4 percent; Confidence Level = 95 percent* 8. Weighting: *Single survey. No weighting required.*

COMMUNICATING RESULTS

Like other performance measures, the results of the customer service survey should be included in each agency's Annual Performance Report and will be incorporated into each agency's budget documents beginning with the 2007-09 budget cycle.

Agencies must include the six required customer service questions in their Annual Performance Reports. Results and targets should be expressed as the percent of responses that were good or excellent. (Agencies who so desire may include stacked bars that separate out good and excellent.) Results of other survey questions may be included in the report as well but should be reported separately.

Over time agency surveys will change. When survey data should not be compared to earlier results due either to changes in scope or methodology, agencies should indicate the change. Agencies should either gray out or cross-hatch earlier data that does not share the current survey characteristics or eliminate the earlier data with an explanation for why it was dropped.

A separate guidance describing exactly how the survey results should be presented in agency budget documents will be issued later in 2005-07 biennium.