Government's e-CRM

by Melanie Collison

Automating the personal touch

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Somewhere in Canada, a lucky buyer is taking delivery of a treasure found on eBay; a book-lover is reading a bestseller ordered from an online bookstore; and someone else is reading email sent moments ago from someone thousands of kilometres away, while a neighbour cheerfully plays chess online with someone halfway around the world.

It is not surprising that those citizens are frustrated when they log on to government websites and stumble through labyrinths, knock their heads against dead ends or find their searches terminating in buck passing to another department or level of government. One big message of advanced communications technology is that the service delivery gap between the public and private sector is getting wider.

In the business world, Customer Relationship Management (CRM) is a combination of technologies that can assemble a comprehensive customer profile from multiple sources of information. A corporation may restructure itself and spend millions on software to collate data across its enterprise. The software then marries customer profiles to third party lists and business cycle predictions.

It means that front-line service representatives have all the customer information they need. Instead of just another voice on the telephone or face behind a counter,

the customer encounters someone who knows, not only about the product they are selling, but also about the customer they are serving. In a world where one telephone call can mean years of profitable business, CRM is becoming essential.

"The more integrated a view you have of the customer, the more you can respond to their need and the more loyal that customer will be to you," says John Parent, Canadian director of data operations at Wunderman, a multinational direct marketing agency.

"The Internet provides unprecedented opportunities to realize a citizen-centred vision of government service delivery," Ottawa says on its Government On-Line website. "Programs offered by individual departments can be 'joined up' electronically – clustered on a single website or integrated into a single service that better responds to client needs."

The international management and consulting organization, Accenture, recently asked governments at the executive and middle management levels in 11 countries how they think CRM applies to them and how they're embracing it. In its report, *Customer Relationship Management: A Blueprint for Government*, Accenture says, "CRM can help streamline processes by improving inter-agency data-sharing and providing self-service options to the pub-

lic." The authors add, "Collaboration and information-sharing across agencies are prerequisite to establishing a single, government-wide view of each citizen and also the first steps in offering services to all citizens based on their needs and life (or business cycle) events. Partnering may pool the technology resources to achieve the systems integration agencies will need to support such information transfer."

CRM is meant to continue over the long term, says Robert Manne of PR agency, Cohn & Wolfe, and it's meant to provide measurable results. "It is strategic," Manne says. "For example, government has a list of certain people over the age of 50. Say the health department wants to contact people about registering for flu shots. Maybe they'll set up a website and get people to visit the website by offering something, 'Join this group of people concerned about their health.' They'll go back regularly to get information. It's about communicating with your customer in an efficient and targeted way."

Enormous chunks of this communication are outsourced. In fiscal 2001-2002, Communications Canada coordinated $22.2 million worth of public opinion surveys commissioned by 43 federal departments. On their behalf, 83 research firms queried veterans, debit card users, physicians, farmers and more. The topics – everything from how to design its own Web portal, to teen lifestyles, to attitudes towards racial and religious minorities after 9/11. Three favourite contractors conducted nearly 300 research projects and pocketed $11.7 million.

On top of that, various federal departments spent $4 million on syndicated research, that is research owned by the companies and bought but not shared between departments. Communications Canada published its first annual report on public opinion research in August 2002.

David deLange, a Calgary-based senior associate with Praxis Research, says, "How much is outsourced depends on which government department it is. When they outsource, they do that for a particular reason – to avoid perception of bias. They hire a third party to provide a level of objectivity."

"The focus is on customer satisfaction, needs assessment, supplier satisfaction," says James McPherson, principal of Calibre

Strategic Services and Pulse Research Ltd., of Saskatoon, Saskatchewan and Victoria, BC, "determining for clients whether their programs or services are meeting the expectations of target client groups. Government is probably more sensitive to this than the private sector. You have to do it on a sustained and regular basis, but market research does cost money. Once you have the resources, you have to have the commitment to do something about it, and that's really where the bucks start to flow if you have to amend your services or products in some way."

The advantage to contracting out public consultation is the savings on employee benefit packages. The danger is that senior bureaucrats and politicians may receive poor quality information; then everybody stands to lose.

"There's a fair bit of crappy market research out there," McPherson says. "Somebody's who's taken one statistics course doesn't cut the mustard. The person on staff who is looking after survey results has to have a good understanding of samples and how to get them, of how to prepare the survey instrument."

It's a sign of the times that citizens must be heard. "Some politicians – usually those who don't have much experience – believe there should be no polling, no market research, under the belief that their decisions are being driven by the polls. That can happen, but today polling and market research is the best way for a politician to keep on top of what constituents are thinking. Originally the Reform Party [now the Canadian Alliance] thought polling was a great waste of money. They've since recognized that they can't get around it; they need it. The Liberal government in BC had a rather naive expectation that they didn't have to do any polling. They're rapidly finding out otherwise. If you had no polling, the only feedback you'd get is from the critics."

But knowledge of what citizens want and delivering on those expectations are two different things. In fact, governments may fall even further in public esteem if voters get the impression that governments know what they want but simply cannot deliver.

The public sector approach to CRM is not precisely parallel. First, it is 'Citizen' Relationship Management rather than Customer Relationship Management. Second,

privacy regulations don't allow for tracking individuals. But, governments are looking at CRM concepts to improve their service.

Today, major software and consulting companies are trying to sell governments on big CRM packages, but they are often simply repackaged versions of their commercial products. Many government departments are not yet ready to couple sophisticated modern software with their aging legacy systems. Perhaps more important, few departments have even started the process of recreating themselves as organizations that exist to serve clients.

That is why the Citizen Relationship Management revolution may start with smaller companies, working directly with smaller communities, provincial governments and Crown corporations. There are as many kinds of companies managing communications with citizens as there are topics to communicate about, whether it is health care delivery or emergency preparedness.

Calgary-based Epic Unisource Inc. has created software that uses CRM principles to do emergency preparedness planning that links government and industry. Its purpose is to warn the public about any kind of industrial disaster. Epic principal Dexter Krug cites an oil-well fire northwest of Calgary where six separate emergency response plans failed, precisely because they were separate. "Fires, explosions, incidents, terrorist activities don't stop at project boundaries. Emergency response zones overlap," he says. "We have the ability to manage all data, information and communications in a central repository using geographic information systems as an interface. It allows us to share – very securely – information with all authorized parties, regardless of boundaries. What we have built is a system that connects the dots and is highly secure."

Another example of outsourcing public consultation is the Alberta government's bid to update its access management plan for the mixed-use Ghost-Waiporous zone. Bordering Banff National Park and almost as big, Ghost-Waiporous supports forestry, oil and gas exploration and cattle grazing. It is popular with recreational motorized vehicle users, and it routinely sees 10-15 thousand campers and recreational users in a weekend.

"There's no other place in Alberta that has one million people within 30 minutes of the Rockies, nothing with the sheer population dynamic here. That's what makes this process so complicated," says Rick Blackwood. An area manager with the Land and Forest Division of Alberta Sustainable Resource Development, Blackwood is responsible for Crown land use and forest management in the southern Rockies. "That number (of visitors) alone is very daunting in terms of getting input on how the area should be used." Add to that the conflicts among off-road motorized vehicle users, campers seeking silent, pristine wilderness, and Calgarians who want to protect the watershed for their drinking water supply.

The government contracted out the research, "because the emotions in this area have run quite high for a number of years," Blackwood says. "Government's perceived inability to manage the area has created some animosity with some user groups. We wanted to take some emotion out of the feedback and focus it, and have people feel free to speak. An independent facilitator could draw out the public's issues and concerns and how they think we could deal with it."

The government hired Praxis Research to gather public opinion via a paper and online survey, a public opinion poll and meetings with dozens of stakeholders and interest groups. In the first 10 days, just the email portion brought in 757 completed surveys. The variety of methods used is meant to reach the widest possible slice of the population. DeLange says, "We go in without preconceived notions, and gather as much input as we can in an objective manner." Public sector or private, data drives decisions.

Communication with government has traditionally been all one way – politicians and bureaucrats using media (print, radio and television) as a megaphone to blast their messages and rarely doing much listening. Now, the Internet is transforming the relationship. The question is: can governments recast themselves to take full advantage of the opportunities it provides? ⋀⋀

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