McKinsey Center for Government

PUTTING CITIZENS FIRST:

How to improve citizens' experience and satisfaction with government services

Aamer Baig, Andre Dua, and Vivian Riefberg

A McKinsey survey of citizen experience with state services points to significant opportunities to improve service delivery. The results provide a fact base for setting priorities and offer insights on the best approaches for improving performance.

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The challenging rollout of the Affordable Care Act at the federal and state levels focused national attention on the issue of citizen satisfaction with government services. Technology failures and overwhelmed call centers have highlighted the need for well-performing infrastructure to deliver services. At the same time, the anxieties expressed by citizens struggling to access services – and the frustrations experienced by government employees trying to help them – showed the consequences at a human level.

While those experiences received a lot of press, challenges like these regularly occur at all levels of government and throughout a broad range of government services. In fact, tighter budgets and increased demand from citizens have made it even harder for governments to deliver high-quality services to citizens in recent years.

Citizens have encountered these constraints on service delivery just as technological advances – including smartphones and apps – have opened up new frontiers of convenience, speed, and transparency in the private-sector customer experience. Innovations allow consumers to use their mobile devices to conduct a variety of complex business interactions at the time and place of their choosing, whether downloading a boarding pass, self-scanning grocery checkouts, or conducting banking and payment transactions, to name only a few. For many people, innovations like these have created stark differences between their service experience as customers and their service experience as citizens.

Many government leaders have sought to meet citizens' rising expectations. For example, some have moved more services online, modernized Web sites, or driven service improvements through better use of data.[1] But most governments still have a long way to go before they provide a citizen experience that matches today's customer experience.

In our conversations with public sector leaders, three main obstacles emerged to meeting citizens' rising expectations for service quality:

- First, government agencies tend to focus on individual "touchpoints" in their interactions with citizens (for example., accepting an application), rather than considering a citizen's end-to-end "journey" through a process (such as obtaining a license). In our research and consulting on customer journeys in the private sector, we have found that organizations able to skillfully manage the entire end-to-end journey achieve higher levels of customer satisfaction. They also develop more effective ways to collaborate internally across functions and levels to deliver their services.
- Second, many government leaders lack data-driven insights about citizen satisfaction. Although leaders often recognize that citizens are not satisfied, they do not know the specific services citizens are dissatisfied with, the extent of their dissatisfaction, the factors driving it, or, importantly, what is working well and how to replicate that across agencies.

1 See articles in the McKinsey series, "Government designed for new times," "http://www.mckinsey.com/client_service/public_sector/latest_thinking/government_designed_for_new_times"

- Third, designing new programs or adapting current practices can be difficult for governments that have traditionally measured success in terms of other performance goals such as compliance with regulations, tasks completed, budgets met, or total number of citizens served, rather than customer experience.

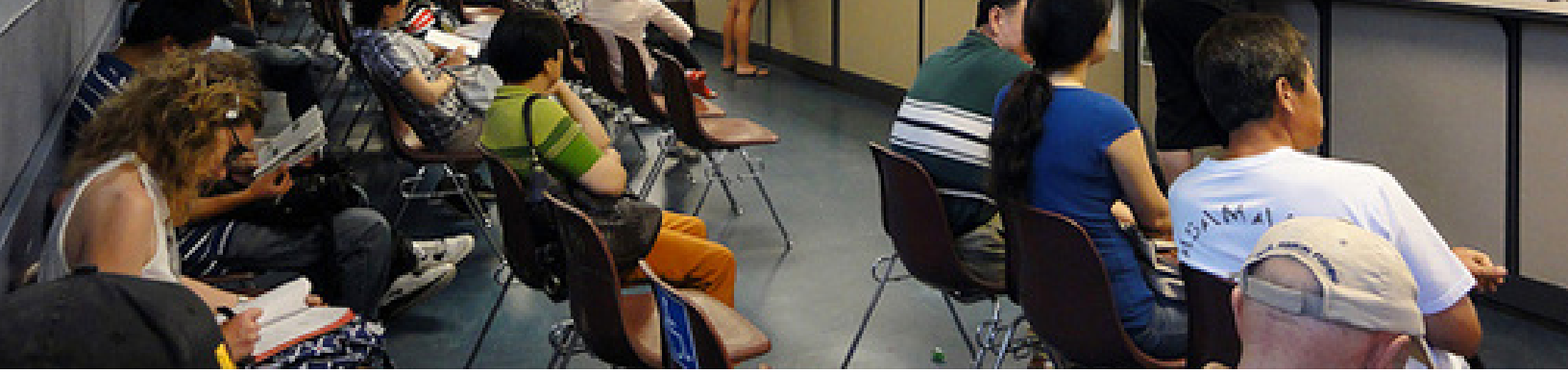
During the past year, the McKinsey Center for Government conducted research to help government leaders identify ways to improve citizen experience. Our research had four major elements:

- An online "Citizen Satisfaction Survey" of approximately 17,000 citizens in 15 states. The survey, which included more than 100 questions, yielded more than three million data points.
- Interviews with state government leaders and focus groups with citizens to enhance our understanding of participants' perspectives on the sources of satisfaction and dissatisfaction with state services.
- A joint research effort with one large state to understand how citizens perceived the quality of different state services, test the potential of specific agency-level changes, and co-design a vision for a state-wide citizen experience transformation.
- A review of our own work supporting clients in the public and private sectors in their efforts to improve the citizen or consumer experience.

In this paper, we present our results, insights, and recommendations for how state leaders can seize the opportunity to improve service delivery.

A DATA-DRIVEN ASSESSMENT OF CITIZEN SATISFACTION

The approximately 17,000 citizens who participated in our survey were distributed roughly equally among 15 states: California, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, and Virginia. These 15 states represent 70 percent of the U.S. population.



The survey asked citizens to rate their satisfaction with state services overall, specific attributes of service delivery (such as speed), and specific types of services (for example, public transportation). This allowed us to benchmark states at the overall level and with regard to their specific attributes and services. Additionally, we asked participants to rate their satisfaction with specific private sector services, so that we could compare satisfaction levels across government and business interactions.

To analyze our results and develop insights, we applied a metric – the McKinsey Citizen Satisfaction Score (CSS) – which indicates the net satisfaction level among citizens surveyed. We calculate CSS by subtracting the percentage of citizens who are dissatisfied (those rating satisfaction at 4 or lower on a scale of 1 through 10) from those who are highly satisfied (those rating satisfaction at 8 or higher).[2] The metric allows leaders to quickly identify which services are significantly over- or under-performing relative to citizen expectations and helps highlight where government service delivery is falling short among certain population segments.

CITIZENS WANT A BETTER EXPERIENCE USING STATE SERVICES

Some states in our survey stood out in terms of citizen satisfaction with services overall. However, the survey confirmed that satisfaction is generally lower for government services than private-sector services. We found that complex and slow processes dragged down the citizen experience and that citizen satisfaction varies considerably by type of service. Citizens who actually used specific services expressed greater satisfaction than non-users who considered themselves informed about service quality.

Some states excel at overall service delivery, while others lag

As measured in terms of CSS, citizen satisfaction with state services overall varied considerably – ranging from 22 for the highest-performing state to -36 for the lowest performer (Exhibit 1). Overall CSS was positive for eight states and negative for seven.

The customer experience is generally better than the citizen experience

Government services fared poorly compared with private-sector services, although there were some notable exceptions: state parks, cultural facilities, sporting licenses, public safety, and environmental protection (Exhibit 2). In fact, CSS for private-sector services were 2.5 times higher than CSS for government services. Citizens had more favorable views of a wide range of private-sector service providers, from e-commerce sites and financial institutions to electric companies and cable or satellite TV services.

Processes are viewed as complex, slow, and inefficient

Participants expressed stronger negative feelings about specific attributes of service delivery than for state services overall. Citizens were dissatisfied with the complexity of processes, the slow speed of service, and the effort required to navigate through processes. In most states, CSS relating to these attributes was low or negative, indicating that citizens want processes to be simpler, faster, and easier to use.

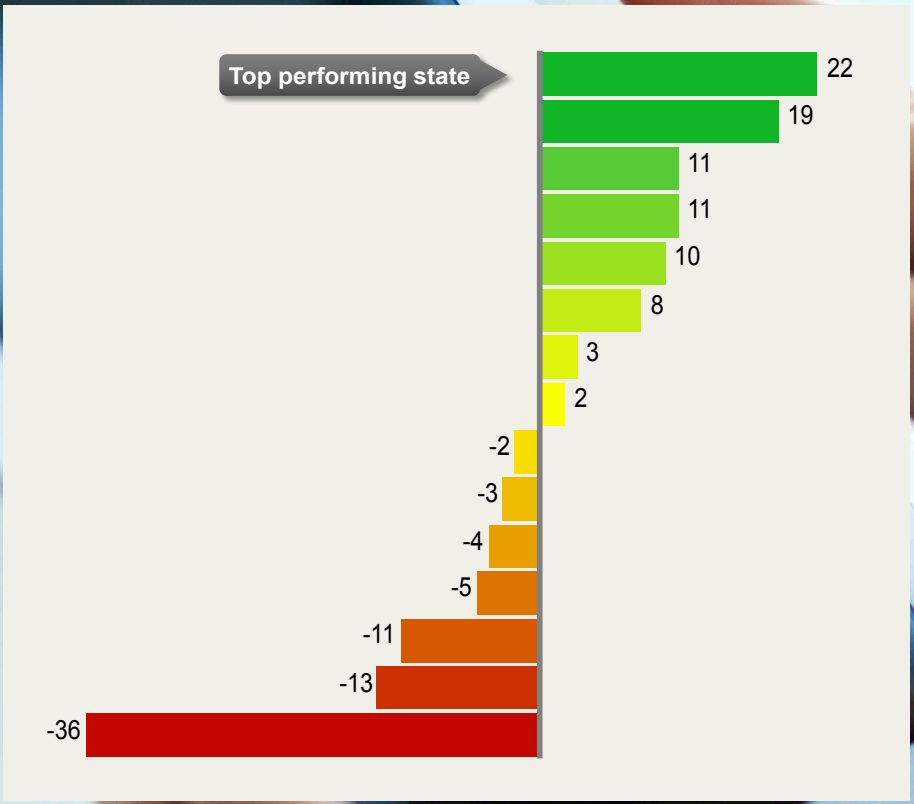
Satisfaction is higher for specific types of services than for state services overall, but varies considerably

Participants were generally more satisfied with specific types of services than with state services overall. Among all respondents, the average CSS across the 15 states for each of the services surveyed was positive—the only exceptions being food stamps and public housing (Exhibit 3). We found a wide dispersion of net satisfaction scores for specific services among the 15 states. For the department of motor vehicles (DMV), for instance, the average CSS for states was 34 among all survey respondents, but ranged from

2 Ratings of 5, 6, or 7 are considered neutral responses, and thus excluded from consideration in the calculation of CSS.

EXHIBIT 1: Satisfaction with "services overall" varied widely by state

Citizen Satisfaction Score (CSS)[1]



1 CSS = percentage of highly satisfied citizens (scores 8-10) minus percentage of highly dissatisfied citizens (scores 1-4)
States a: California, Florida, Georgia, Illinois, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Virginia
SOURCE: McKinsey CSS Database (November 2013)

EXHIBIT 2: Citizens are less satisfied with state services than with private-sector services

Citizen Satisfaction Score (CSS) for private sector and state government services[1]

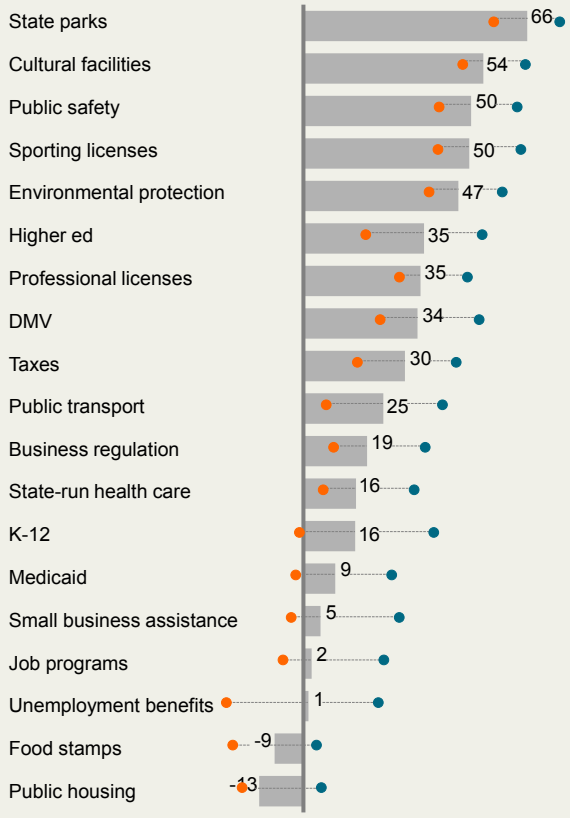
Private-sector services

Public-sector services

1 Scores include both users and non-users of each service
SOURCE: McKinsey CSS Database (November 2013)

EXHIBIT 3: Satisfaction scores for individual services exceeded the score for "services overall"

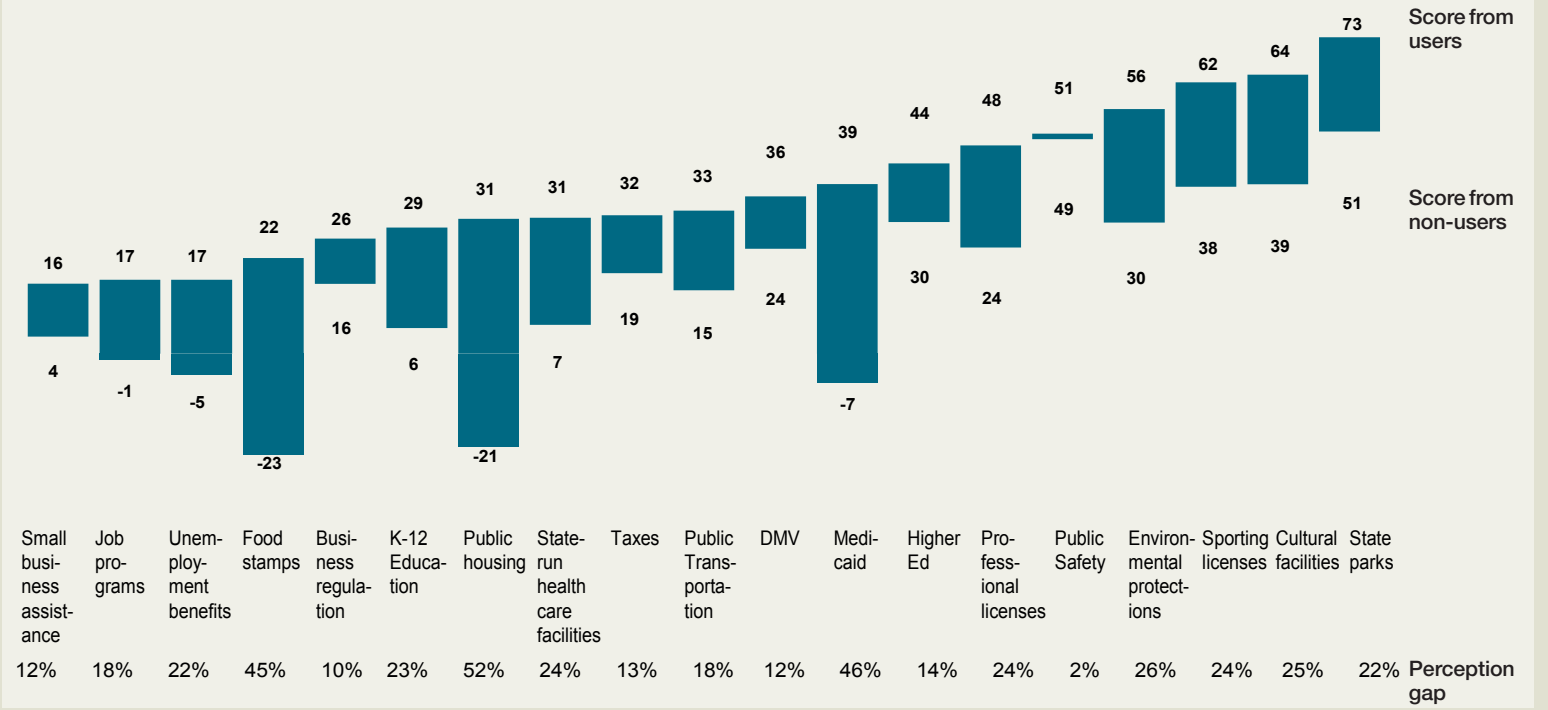
Citizen Satisfaction Score (CSS) by state service, 15-state average[1]



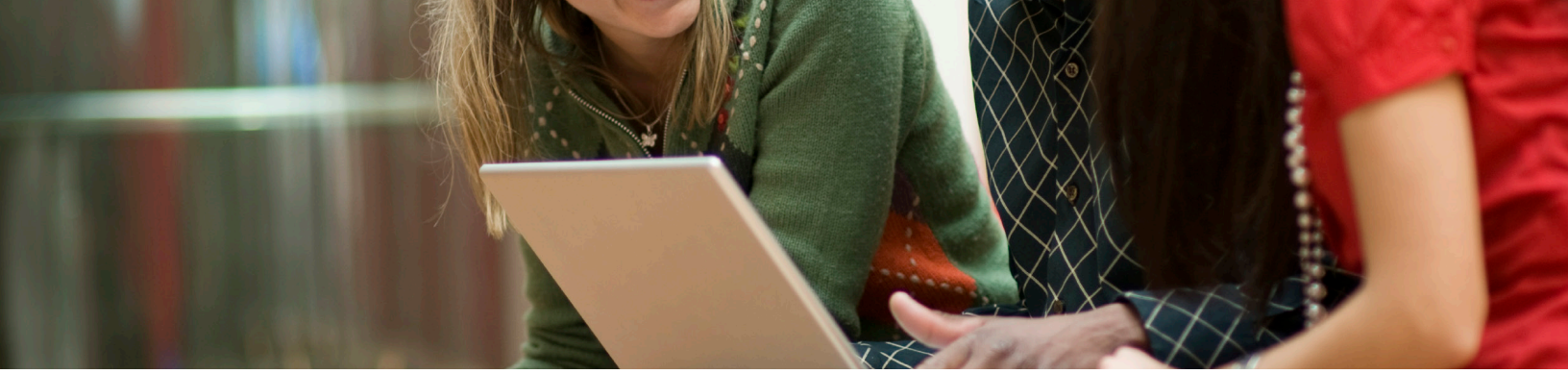
1 Scores the responses of all citizens who responded to the survey
SOURCE: McKinsey CSS Database (November 2013)

EXHIBIT 4: A "perception gap" exists between users and non-users of state services

Citizen Satisfaction Score (CSS) by state service – 15-state average



SOURCE: McKinsey CSS Database (November 2013)



51 for the highest-performing state to 20 for the lowest performer. However, we also found consistent patterns across states. For example, satisfaction was higher with state parks or cultural facilities than with services such as unemployment benefits, jobs programs, and small business assistance.

Users of a service report higher satisfaction than non-users

We found a "perception gap" between users and non-users of state services. Citizens who had direct experience with a service consistently gave it a higher satisfaction rating than those who had not. CSS for participants who said they used a state service within the past year was 12 percent higher, on average, than for participants who considered themselves informed about services' quality without having personally used them (Exhibit 4). The perception gap was smallest for public safety (1 percent) and largest for public housing (52 percent), followed by Medicaid (46 percent) and food stamps (45 percent). To close this perception gap, state governments will need to communicate more effectively to the broader population about the quality of services that are not universally used. Governments can use survey findings to identify the services that suffer most from the perception gap.

WHICH FACTORS DRIVE CITIZEN SATISFACTION?

To explore the factors underlying citizens' levels of satisfaction with state government services, we asked the participants detailed questions about interactions with their state's DMV, tax department, or park service within the past 12 months. The objective was to understand their citizen experience "journey" – that is, their end-to-end experience –through these agencies. Their responses point to three factors – fast, simple, and efficient processes; the availability of online options for completing interactions; and the transparency of information – as critical drivers of citizen satisfaction. Our client work, interviews, and focus groups have reinforced that these factors are meaningful across many government services.

Offering a fast, simple, and efficient process matters

Participants told us they care most about speed, simplicity, and efficiency – key elements of the interaction "process" with government – over all other aspects of their service experience. For example, the gap in average CSS scores for satisfied and dissatisfied DMV users was largest for speed and simplicity (Exhibit 5).

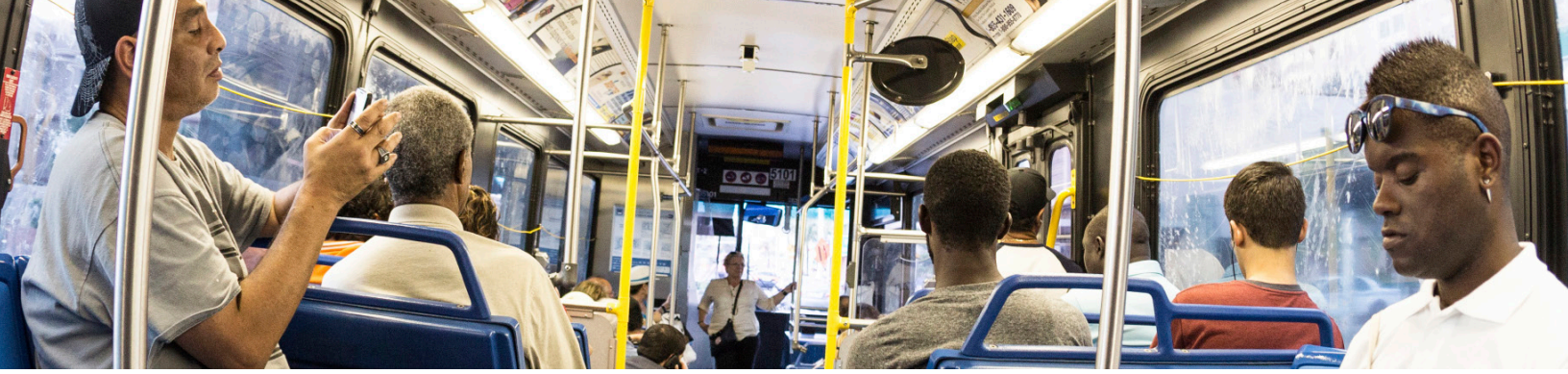
When treated as a set of priorities, the three elements of process also yield the biggest payoff for overall satisfaction. A one-point improvement in average satisfaction with speed, simplicity, and efficiency delivers the biggest commensurate payoff in overall satisfaction scores. State agency leaders seeking to drive high overall satisfaction scores should consider focusing on these three elements of process in their initial improvement efforts.

Citizens want better online offerings

Responses to our detailed questions of DMV users suggest that overall satisfaction scores correlate with satisfaction with online offerings. The ability to complete processes online was respondents' top priority for improving state services, while the availability of more and clearer information online ranked third (Exhibit 6). Consistent with the preference to complete processes online, the most satisfied DMV users in our survey were able to eliminate their upfront interactions with staff. Satisfaction also decreased as citizens were forced to interact through more channels. This was especially true if additional staff touchpoints were necessary, such as when utilizing call centers and walk-in centers.

Transparency enhances satisfaction

Government agencies that proactively share information with citizens promote greater levels of citizen satisfaction. Consider the example of survey participants to whom the state DMV "pushed" license renewal reminder notices. Compared with citizens who did not receive reminders, these citizens' CSS were two times higher for understanding "what to do" and awareness of "where I stand in the process" and "where to go or who to contact" (Exhibit 7). Citizens who received a DMV renewal reminder also reported positive satisfaction with state services overall, while those who



did not receive reminders reported negative overall satisfaction, on average. These findings suggest that small gestures to offer clarity and transparency can yield big payoffs in satisfaction.

SEIZING THE OPPORTUNITY

State government leaders can use these data and insights on citizen satisfaction to identify potential improvements that could make a difference for the citizens they serve. Our experience suggests that leaders can start with four steps to make citizen-centric improvements:

1. Put citizen experience on the leadership agenda

From our research and work in the public sector, we know that changing the way a government interacts with citizens is complex and challenging. For many governments, making meaningful improvements in citizen satisfaction requires transforming how they operate – their processes, the mindsets and capabilities of their employees, and their culture.

A key to success is for leaders to make the transformation a central part of their management agenda. This entails personally investing in the effort by setting high aspirations, establishing a process for reviewing progress, holding the team accountable for delivering results, and sharing and replicating best practices with others. A number of state and local leaders have made citizen service prominent on their leadership agendas. For example, California Lt. Governor Gavin Newsom has promoted a more user-friendly "Government 2.0," including with a 2013 book entitled, "Citizenville." Former Indiana Governor Mitch Daniels talked to voters about his ability to reduce wait times at the DMV. At the city level, citizen service has also been a rallying cry for mayors: for example, Los Angeles Mayor Eric Garcetti launched his "Back to Basics" agenda in 2013 with a citizen service focus, and former New York City Mayor Michael Bloomberg put citizen service at the center of his agenda (for example, launching the "311" phone line and Web site, through which citizens can make non-emergency service requests).

However, if a leader is not willing to place citizen service at the heart of his or her agenda, officials and employees at all levels of the government are unlikely to pursue the transformation consistently, and citizens are unlikely to perceive the value that leaders place on their experience with government services.

2. Set priorities for improving the citizen experience

Leaders at the highest levels of state government (for example, the governor, lieutenant governor, department and agency leaders, and top civil servants) need to identify their highest priorities for improving the citizen experience. Although leaders can and should encourage all agency- and department-level executives to improve their performance, they also need to avoid spreading their attention too thin. The key to maintaining the right focus is to identify the citizen-experience journeys that offer the greatest opportunities to improve citizen satisfaction. Some experiences matter more to citizens than others, so prioritizing these high-impact journeys can drive a disproportionate improvement in overall satisfaction.

For states included in our survey, the results presented in this paper offer initial guidance on the highest priorities for improvement. State leaders can use four criteria to prioritize the agenda:

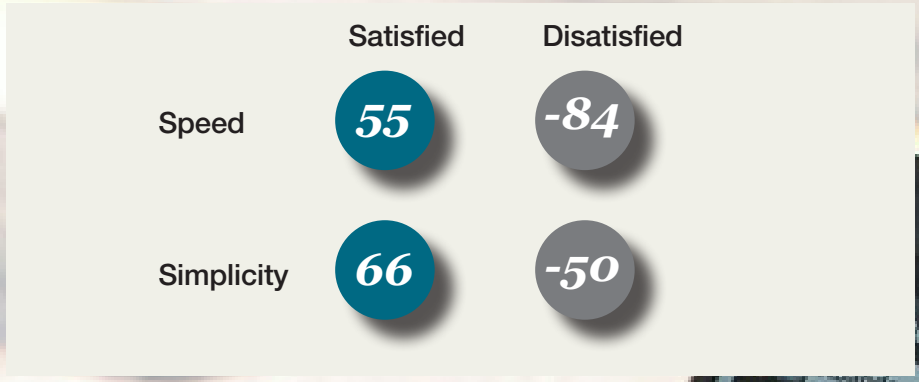
- **Reach:** the number of citizens who benefit from a service
- **Resonance:** the importance of a service to citizens' overall satisfaction
- **Current performance baseline:** how well the service is meeting citizens' needs today
- **Feasibility:** how readily and easily the government can make changes to a particular service

State leaders also need to prioritize their agenda for improving the citizen experience in the context of other priorities on their management agenda.

3. Focus transformation programs on service elements that matter most to citizen satisfaction

Having decided which government services to prioritize, state leaders next face the difficult task of determining how to improve these services.

EXHIBIT 5: The gap in average CSS for satisfied and dissatisfied DMV users was largest for "speed" and "simplicity"



SOURCE: McKinsey CSS Database (November 2013)

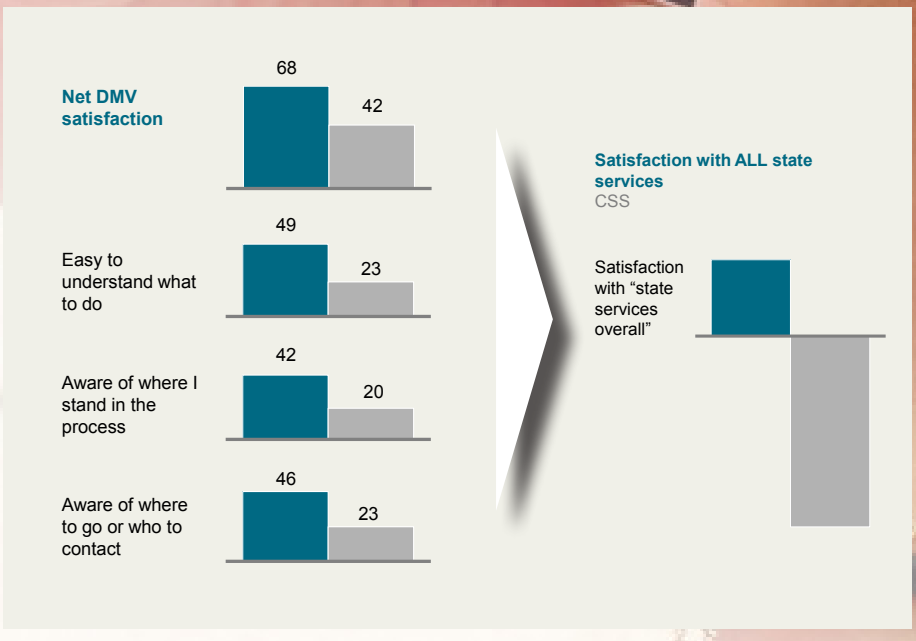
EXHIBIT 6: The ability to complete processes online was the top choice for state service improvements

Percent of respondents listing a proposed improvement as their top choice results for DMV deep dive[1]

1 Differences in bar lengths for matching percentage values due to rounding
SOURCE: McKinsey CSS Database (November 2013)

EXHIBIT 7: Proactively pushing information boosts citizen satisfaction

Satisfaction with DMV attributes based on whether respondent received a renewal reminder, CSS



Transformation programs relating to the prioritized citizen-experience journeys should focus on the service elements that matter most to citizens. These essential elements should be improved in ways that will maximize citizen satisfaction.

We have seen many governments struggle to keep their transformation programs focused on the right objectives. This often happens in a transformation program because competing priorities can arise that may be unrelated to the true drivers of citizen satisfaction. To identify and stay focused on the most valuable improvement opportunities, government leaders should adopt the perspective of a citizen undertaking the end-to-end experience through a particular process and seek to optimize the complete journey. That is, they should view the process as a citizen would actually experience it from start to finish.

For example, one state's governor made a public commitment to improve the business climate and put the needs of entrepreneurs at the center of an economic growth plan. As part of this overall initiative, the state's COO launched a rapid diagnostic to identify priority pain points and improvement opportunities across programs relating to small business start-up, licensing, and promotion. The diagnostic team surveyed 400 small businesses and mapped their end-to-end journeys through the state's programs. The team also conducted interviews and focus groups with 50 small businesses to identify the needs and opportunities across the small business lifecycle – from startup to operations and growth. The diagnostic identified critical pain points, including duplicative and inconsistent licensing and compliance processes; businesses' inability to use online or phone services to comply with regulatory requirements; and businesses' inability to predict the activities and time required to complete processes, along with poor visibility into status. To address these pain points, the team designed an 18-month plan to transform the small-business experience. The plan included improvements to the branding and value proposition of programs, three complementary citizen-facing initiatives, and two initiatives to transform prioritized internal operations. (See sidebar for how to maintain this citizen-centric approach on government IT projects.)

As this example illustrates, states need to involve citizens in determining how to go about improving service delivery. State leaders can use survey data, interviews, focus groups, and feedback from voluntary channels (such as Web site users) to identify the elements of each government service that matter most to citizens. They should also work with citizens and agency staff to prototype and pressure-test potential solutions.

4. Measure citizen satisfaction regularly

Given the increasing relevance and power of citizen experience, we have seen that successful government leaders regularly measure citizen satisfaction to set priorities and reinvigorate or adapt their efforts over time. Best-in-class organizations track citizen satisfaction in nearly "real time," to observe any changes in satisfaction levels, identify pain points, and gather citizen reaction to proposed improvements. For example, some DMVs include a brief survey at the end of their online registration process, while some tax agencies include one at the end of the online filing process. If satisfaction levels suddenly decrease, organizations can act quickly to fix an emerging problem or explore opportunities to implement best practices.

. . .

In the future, it could be as enjoyable to obtain services at a government walk-in center as at a top retailer, as easy to track a business license application as an overnight package, and as simple to search a government website as the Internet itself. Even if such aspirations seem beyond reach today, ample opportunities exist for states to improve citizen satisfaction with their services. Our research shows that, by identifying the government services responsible for citizens' greatest dissatisfaction as well as the underlying causes, state governments can design targeted initiatives for improving their citizens' day-to-day experiences. Government leaders that undertake a rigorous and energized program to improve citizen experience have an opportunity to achieve these compelling and ambitious goals.

BEST PRACTICES FOR FULFILLING THE PROMISE OF CITIZEN-FACING IT PROJECTS

Implementing or upgrading an IT system is often crucial for improving service delivery, but IT enhancements are not a magic bullet for raising citizen satisfaction. Our research and experience shows that two-thirds of IT projects fail and those that are implemented often do not deliver the anticipated improvements in citizen satisfaction. Moreover, some government IT projects take years to implement, and in some instances, the technology is obsolete by the time the project is completed.

To increase the likelihood that IT projects succeed in improving the citizen experience, state governments should follow a set of best practices:

1. Design a citizen-centric user experience.

State governments need to adopt a citizen-centric approach to designing their Web sites and mobile apps, just as leading companies place customer needs at the heart of their designs for digital interactions. Too many states still provide online services that basically mirror their paper-based processes, including error-prone handoffs and delays. For example, one state's citizen-centric online licensing service requires only five to eight steps to obtain a simple fishing license, but another state's online service replicates its cumbersome paper-based process by requiring more than 20 steps.

2. Use automation and lean management to improve processes.

To improve citizen satisfaction, governments need to dramatically reduce errors and timeframes relating to "behind-the-scenes" processes – such as checking identity, confirming regulatory compliance, and processing payments. Forward-thinking state governments are automating manual and paper-based workflows and applying lean management practices to reduce cycle times and improve quality. Private sector firms have combined automation and lean management to reduce processing times by up to 80 percent, and the potential for state governments is also tremendous.

3. Build capabilities for IT project delivery.

Twenty-first century IT capabilities – such as the skills to manage large IT programs and use "agile" software development methodologies – will be essential for delivering IT services that improve the citizen experience. To fulfill the promise of new technologies, state employees will need to build their capabilities to manage stakeholders and vendors, make important decisions on scope and functionality, and serve as advocates for citizens.

For further information

Detailed analyses from McKinsey's Citizen Satisfaction Survey are available to government leaders upon request. For further information, please contact us at McKinsey_Center_for_Government@mckinsey.com.

About the authors

Aamer Baig is a Director in McKinsey's Chicago office.

Andre Dua is a Director in McKinsey's New York office.

Vivian Riefberg leads McKinsey's Public Sector Practice for the America's and is a Director in the Washington, DC office.

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