

Why the NI 14 principle will never go away

- Why eliminating 'failure demand' and improving performance and quality across all customer contact channels is more important than ever -

Introduced in 2010 as part of the Government's performance management framework, National Indicator 14 (NI 14) was, until recently, one of the 198 indicators against which local government has been assessed. It was also one of the more controversial measures.

For while there was widespread agreement within the public sector that a measure that set out to record and report on 'avoidable contact' was a laudable one, many expressed concerns about its effectiveness. These concerns included:

- The accuracy of reporting 'avoidable' as opposed to 'value' contacts with citizens
- Whether different public bodies measured 'avoidable' contacts the same way
- Whether the Government should be measuring 'preventable' rather than 'avoidable' contact (<http://www.systemsthinking.co.uk/9-NI14.asp>)
- Whether the measure adequately took citizen contacts over the web into account*.

NI 14 detractors claimed that the measure was 'ill defined' and that collecting data was 'a drain on resources'**. Ultimately, it was the NI 14 critics who got their way.

As part of the "Putting the Frontline First: smarter government" initiative introduced in December 2009 and which outlines £3bn of government savings over the next three years, 18 national indicators (NIs) were removed from the performance management framework – and NI14 was one of these. After April 2010, local authorities are no longer obliged to collect and record data on 'avoidable contact'.

The Improvement and Development Agency for local government (IDeA) said that the dropping of the indicators was "not a signal about the importance of certain

policies or programmes" but that "the indicator did not add value for national performance monitoring via the NI set. The Society of IT Management (Socitm) agreed, stating that it "will not be sad to see NI14 dropped" and that "NI14didn't indicate anything helpful".

To measure or not to measure?

Despite criticism of the NI 14 measure, it is universally accepted that the cost of handling 'preventable' citizen contacts is a huge burden on the public sector. And it's equally well accepted that the identification of these 'avoidable' contacts - and their subsequent elimination - would benefit the public sector massively.

The thing that policymakers and other interested parties haven't yet agreed upon though is the process for identifying, measuring and eliminating preventable contacts – and how to do that consistently across multiple customer contact channels.

Socitm is particularly concerned with the cost of preventable citizen contacts via the web – estimating that, in total, councils encounter around £11m of additional costs through websites not providing adequate information. Indeed, Martin Greenwood, Manager of Socitm Insight claims that citizens fail to find what they are looking for on the web 21% of the time and experience 'partial' web failures on a further 21% of occasions. Yet most public sector senior decision makers are still not identifying and measuring how 'successful' people's interactions have been – preferring instead to measure web basics such as the number of web site page impressions over a given period – and this, he claims, needs to change – and quickly.

Other NI 14 critics advocate more radical approaches. Failure demand specialist Vanguard, for example, suggests that the advice given to councils to measure 'avoidable contact' has been wrong and that they should have been asked to study service demand in both 'value' and 'failure' terms from the customer's perspective. It stresses the importance of understanding the 'predictability' of each type of demand and, for predictable failure demand, its causes. Vanguard suggests that public sector managers report this demand analysis, including the proportion of failure demand and the primary causes of failure – including those things that Government policymakers and inspectors made them do that made services worse!

In this way, Vanguard claims, reports to inspectors will be more robust and managers

will gain a greater understanding of how to improve performance. Addressing one of the key criticisms of NI 14, it says that managers will also not waste their time doing things that have no value to them in understanding and improving work. “If the regime insists you do more, insist that they prove that doing more will be of benefit in understanding and improving your work” the company advises. And “if they cannot do so and continue to seek your compliance or threaten to 'down-grade' you, take them to court!”

Measuring performance

So what are the keys to successfully measuring and improving the quality of multi channel contacts and avoiding ‘preventable’ contacts?

Socitm’s Greenwood believes that bringing the analysis of ‘value’ and ‘failure’ demand for web-based customer interactions more in line with the techniques already used for phone-based transactions is one. Performance management in the contact centre, he claims, is much better understood.

Paul Weald of Protocall 1, an expert in the contact centre space, concurs with this view. He says that public sector centres are now increasingly measuring and sharing common performance indicators and using that data to:

- Better understand the drivers of staff and customer satisfaction and develop measures to improve both
- Improve the value-for-money efficiency of contact centres
- Share best practice methods and experiences across a large group of contact centre professionals
- Understand what best performance looks like in public sector, who is achieving it and how. (As well as finding where help is needed and who is best placed to provide it)
- Build a community of contact centre professionals, managers and staff, and strengthen the profession within the public sector
- Create a common language around contact centre operations as well as understand the real differences between contact centres in different businesses and the impact of this on operations and performance
- Develop better indicators together. (The current set of indicators, he says, is just a starting point and these will evolve with more and more input from contributing contact centres)
- Create a definitive view of the demands on contact centres and the

performance of underlying public services.

Sharing best practice and experiences is certainly important to performance improvement - and much headway has been made by the Cabinet Office 'Contact Council' in this regard. However, Weald believes that the way customer information collected from different 'touch points' is analysed and used is the real key to future improvement. Indeed, he believes that by making greater use of multichannel customer contact information captured within CRM, web and other systems, public bodies can change the role of their contact centres from purely a cost centre into a critical source of organisational intelligence and learning.

Any analysis of preventable contact, he argues, should provide a consistent indication of:

- The quality of fundamental process design
- How well processes are actually being operated
- Unmet customer expectations
- The effectiveness for organisational communications and marketing, and
- Social and demographic changes

across all customer contact channels. Weald even advocates a 'Citizen Engagement Management' model (which he defines as a tool to understand how citizens respond across multiple channels to how services are attempted to be delivered).

NI14 maybe dead. But the challenge to improve performance and avoid 'preventable' contacts goes on. What is needed is a comprehensive set of guidelines that:

- looks at these issues from the citizen's (and not the organisation's) point of view
- studies service demand in both 'value' and 'failure' terms
- measures and analyses customer contacts consistently across contact channels
- delivers that analysis in a form by which managers can easily identify problem areas and take rapid, effective actions

It's vital that the public sector retains its focus on this area. As Socitm's Martin Greenwood so rightly puts it "(councils and others) need to continue to measure avoidable contact because doing so can improve service – they shouldn't be doing it simply because the Government has asked them to do so".

By Paul Skinner, Director, Macfarlane Telesystems Tel: +44 (0)20 7314 1314

pskinner@macfar.co.uk

* According to Govmetric, 70% of all UK citizen interactions are now via the web, 20% are by phone, and 10% are face-to-face

** Source: 2008 Mouchel Management Consulting "NI 14: Help or Hindrance"