

2003 NATIONAL CUSTOMER SERVICE AWARDS PROGRAM

Nomination Entry Form

*An electronic version of this form is available on www.WorkforceATM.org
http://www.WorkforceATM.org/subject.cfm?results_sub_id=37*

I. IDENTIFICATION INFORMATION

State Workforce Agency: Washington State Employment Security Department

Name of State Contact: Dr. Sylvia P. Mundy

Title: Commissioner

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Name or signature of State Administrator approving the nomination:

Sylvia P. Mundy

II. GENERAL INFORMATION

Name of Program/Project Nominated: From Mystery to Magic

Nomination Category

(Check only one. Use a separate form for each nomination entered.)

Innovation – Architect of Change

Collaboration – Pyramid

Tools and Technology – Compass

Professional Development/Capacity Building – Building a World-Class Workforce

Excellence in Serving Business – Prism

Month/Year Initiated: January 2002

Is the nomination for: statewide program? local program?

If local, please provide the name of the locality: _____

III. RESOURCES

Total Start-Up Costs:

Direct: \$32K
Indirect: \$15K

Fund Source(s): P&I/AS&T

Total On-going Annual Costs:

Direct: \$32K
Indirect: \$30K

Fund Source(s): P&I/AS&T

If the project is receiving other non-financial support from public or private partners,

please identify the organization and describe the type of support.

IV Synopsis

*“An idea can turn to dust or magic,
depending on the talent that rubs against it.”*
William Bernbach, Advertising Executive

“From Mystery to Magic”

Achieving Excellence in Customer Service

Organizations often treat customer service as a random, natural event rather than an asset that can be developed, measured, enhanced and expected. When the Washington Employment Security Department set exceptional customer service as its goal – to make it the rule, rather than the exception – it recognized that an integrated approach was needed. Customer service, like cost efficiency, production gains or new technology, would not just spring from the earth.

The Context: Just over two years ago, Commissioner Sylvia Mundy and other department leaders heard growing concerns about customer service issues in the state’s workforce system. Unemployment insurance survey data indicated that customers generally accepted and liked the new call center system for filing benefit claims, but other feedback expressed anxiety over the quality of services delivered by phone versus the old in-person contact. Likewise, the new partnering design for the state’s One-Stop delivery system called WorkSource was producing some inconsistencies about what was being done --or not done -- in the best interests of the customer. Moreover, two separate statewide surveys of staff suggested there was a lack of focus on customers.

The Problem: With the integration of WorkSource, and the Unemployment Insurance TeleCenters, some elements of quality customer service and satisfaction had been overlooked. The department was depending more upon luck and goodwill than a systematic approach to consistently good customer service.

The Solution: To improve services to all customer groups, the department developed an integrated, three-part solution involving system-wide testing, staff training and recognition. Inspired by several, limited local efforts, the department instituted a Mystery Shopper Program to test actual customer interactions. Based on her previous experience in the private, retail sector, the commissioner was convinced that such a system of real-time feedback should be augmented with universal staff training in quality customer service techniques. Universal training would build a common language around customer service issues.

As a result, the Mystery Shopper Program was launched in tandem with an in-house training program entitled “Creating Magical Moments for Our Customers.” To enhance the effectiveness of both efforts, the department also developed a program to personally recognize all staff who received top marks from a mystery shopper. This is the first such integrated approach that we are aware of to enhance customer satisfaction at a time when all states are reengineering their employment and unemployment services.

The Bottom Line: Since the customer service effort began, overall ratings by a private, mystery shopper firm have shown consistent improvement, more than 2,000 staff have been trained in professional customer service techniques and employees have indicated by survey that the department has dramatically increased its focus on the customer. These are just some of the results that commend this effort as Washington’s nomination for the Department of Labor’s World Class Workforce Award.

V. CRITERIA INFORMATION

Project Basis:

The impetus for the Mystery Shopper Program and Customer Service Training began with the collection of information on customer service and satisfaction in an agency wide self-assessment in 1998. Middle and senior managers rated the agency on a scale of 1- 7 on the seven elements of the Baldrige organizational assessment criteria. These included leadership; process management; human resource focus; information and analysis; strategic planning; leadership and customer focus. The lowest scoring areas prompted action plans for improvement. The customer focus criteria around customer requirements, relationships and satisfaction scored less than 4.

The agency also conducted regular employee surveys, targeting agency direction; diversity; job satisfaction; learning; recognition; senior management; teamwork and customer focus. The section on customer focus included narrative questions about service delivery. Staff comments encouraged senior leadership to focus on improving service delivery for customers and gave numerous examples of ways to improve. Anecdotal information was also collected from customer complaints registered by phone, e-mail and letters.

Customer service cards, post-service evaluations and, in some cases, experiments in mystery shopping at a couple of locations provided additional input. Most attempts to improve customer service were done in individual locations and results typically were not shared organizationally. A consistent, across the board customer improvement system was needed. Some anecdotal comments suggested that employees were unskilled and uncaring, the system was bureaucratic and cumbersome and that offices were hard to find and not always stellar in appearance and cleanliness. In some areas staff were in new roles and working side by side with partners in unfamiliar situations.



Staff recognition is important in reinforcing the use of customer service skills. Above, Commissioner Mundy and former Deputy Paul Trause present award to local staff person who received top marks in Mystery Shopper.

Project Operation:

Mystery Shopper: The Mystery Shopper program is, by design, integrated with the training, *Creating Magical Moments for Our Customers*. The purpose is to meet the needs of both external and internal customer groups. In the early stages of development, the department sponsored a nationwide assessment of Mystery/Secret Shopper programs.

A few secret and mystery shopper programs in other states were discovered and some of the more successful elements were applied to the Washington plan. Partners were used in developing the criteria for the Request for Proposal (RFP) and later in the evaluation and selection of the vendor. Partners and staff worked as a team to develop appropriate scenarios for business clients, job seekers and unemployment insurance claimants.

The company chosen does the hiring and training of the mystery shoppers in each location and provides the department with monthly and quarterly reports. The contract requires 60 on-site, 50 phone and 10 e-mail shops quarterly. Each shop and/or employee interaction is rated as follows:

- 1 = Poor:** far less than expected
- 2 = Poor:** met objective
- 3 = Routine/average:** met objective
- 4 = Above average:** met objective and beyond
- 5 = Outstanding:** met objective with extra mile attitude and service

Customer Service Training: Best practices from staff training were examined and combined with employee input for the development of the customer service training for Employment Security staff and interested partners.

During the 2001 Commissioners Fall Tour, Commissioner Mundy introduced the concepts of Mystery Shopping and Customer Service Training to the agency in the field. She also scheduled personal visits to talk with partner groups around the state to share the vision of the Mystery Shopper Program and invite WorkSource partners to participate in the customer service training.

Training classes were designed, tested and fine-tuned towards a final product. *Creating Magical Moments for Our Customers* began early in 2002 as a two-day training session. It has inspired renewed customer focus agency-wide. Each participant chooses three personal customer service goals for the coming year. These are shared with supervisors and become part of each employee's performance evaluation. The training also sheds new light on relating appropriately to people of disability. The Governor's Commission on People with Disabilities provided insight to processes and improvements for this important customer base.

"The representative was very energetic and positive. From the moment I entered, she gave her full attention to me. She asked questions to learn more about my situation and referred me to the appropriate location. She was completely focused on helping me. She took the time to write down the address and phone number of the WorkSource office and even gave me the name of the contact person and a map! This representative is devoted to her job. Her personality makes you feel good and happy."

On-site shopper review:

Staff Recognition: A critical piece of the effort is the recognition of staff. The Commissioner has always stated that the Mystery Shopper was never intended to be a "Gotcha" program. It is simply about identifying strengths and weakness and improving overall results. The contractor only reports the names of individuals who receive a top score of 5. Those people are recognized with a certificate and a copy of their Mystery Shopper report. Successes are shared with staff and incorporated into future training.

Developing the customer service training in-house saved money and provided a customized product that can be equally shared with staff and partners throughout Washington's workforce system. The Mystery Shopper program produces valuable *Moments of Truth* when employees can produce a positive result for customers. For many years the people that called our offices or came through our doors were called a variety of things: job seekers, clients, or employers. This effort has brought a shift in culture in which staff almost uniformly refers to them as "*our customers.*"

Use of Award Funds:

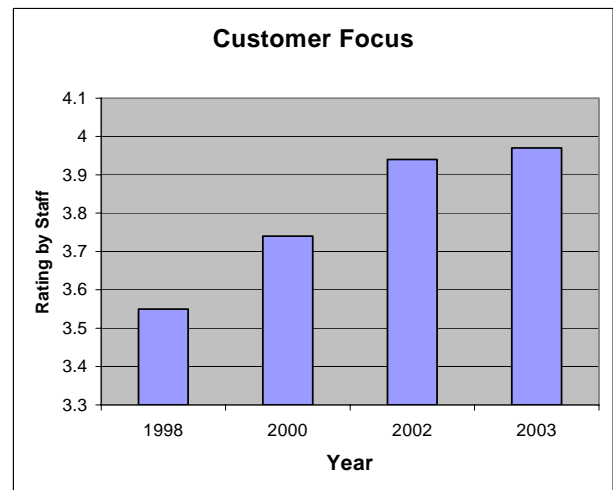
Should this project be selected, funds would be used to train other public organizations. Web-based training, for example, could assist other states in developing similar approaches. The funding would also purchase additional “shops” for areas of the state that choose to assess acceptance of new service delivery initiatives or focus on targeted groups such as people of disability. For recognition purposes, increased dollars would translate into more meaningful recognition tools. Enhanced recognition for employees and partners would serve to model high levels of service.

Project Results:

The Mystery Shopper Program has completed four quarters. Each mystery shopper follows guidelines from agreed upon scenarios for each method—on-site, phone and e-mail. Immediately after the shopping experience, they provide a real-time evaluation. Where a staff person receives a top mark of five, the review is shared with senior leadership, the employee and the employee’s supervisor.

In situations where less than positive results prevail, the contractor does not provide any employee names. The data is used for more broad-based awareness of customer service gaps and opportunities for training.

The bottom line performance of this effort is clear in at least three ways: measurable improvement in quality service, the comments of participants and recognition from outside entities.



Performance by the Numbers

Both the Mystery Shopper and the customer training components have led to strong improvement in both performance and agency behavior. This new emphasis on the customer is reflected in the department’s recent Employee Survey, in which Customer Focus results improved from 3.45 to 3.97 (on a scale of 1 – 5). Although the program is still relatively new, the department is already beginning to see some discernable improvements in customer service. Below is a sample of performance gains as part of this effort.

Mystery Shopper Program:

- Overall ratings have improved from 3.2 to 3.9.
- During the first four quarters of the program, phone shopper ratings improved from 2.6 to 3.0 and Internet ratings from 1.3 to 3.7.
- 30 of 67 on-site shops have scored the highest rating 5 (44%) and only nine shops rated 1 or 2 in the 4th quarter – an improvement
- On-site wait times have been reduced by 82% in 4th quarter—only 3% waited over 10 minutes.
- 83% of e-mail contacts received a response in 2 days or less—half-arriving in less than a day – and the responses showed less use of bureaucratic jargon.

Customer Service Program:

- 2,175 agency and partner employees trained to date
- 96 sessions completed out of 120 scheduled
- A 98% overall effectiveness rating by participants
- Training was delivered for an average cost of \$22.50 per person.

Other Results

As noted, virtually all participants, Employment Security and partner staff alike gave the customer service training high marks for its effectiveness. In addition, the business community in one small Southwest Washington coastal town was so impressed with what it heard about the training, it asked the one-stop system to provide it for its own employees.

After Governor Locke issued an Executive Order on Service Delivery in March, the department was asked to share results of the project. Other state agencies are now inquiring about the training and the Mystery Shopper program is being considered at various levels -throughout state government.

The agency has convened a cross-section of employees and partners to form a Customer Service Steering Committee. The group is currently developing customer service standards for the entire workforce system.

Continued Improvements

Since the start of the program, the department has consistently implemented improvements to support the organization's goals of improving the quality, efficiency, and effectiveness of services, engaging leadership and staff in quality improvement, and increasing input from partners and customers.

As a result, the independent mystery shoppers are reporting that more probing questions are being asked to uncover customers needs and shoppers are experiencing more personalized services. The information from top performers have inspired improvements to the scripts used in our Unemployment Insurance TeleCenter operations and we have incorporated training elements to better serve our customers with disabilities. To reinforce lessons from the mystery shopper effort, comments on what produces a top score are published on the agency website under Best Practices and employee performance has been acknowledged in local newspapers and other publications.

Because of the innovative nature of this integrated model for customer service, its replicability across the country and the results it has produced, this effort is nominated for World-Class Workforce recognition in the Customer Service Awards.

"This put everything into perspective as far as how our comments affect our customers."

"This is excellence in motion and inspires me to be my best!"

"I learned lots of good ways to assist customers and keep my sanity."

Comments from Creating Magical Moments for Our Customers: