QLDC Measuring Trust and Customer Satisfaction

Findings and Recommendations

Council Workshop

23/07/2024

QUEENSTOWN LAKES DISTRICT COUNCIL

Background and Purpose

- The catalyst for this project was the 2023-24 Chief Executive performance objective set by Council but it is also a timely review of customer satisfaction measures at QLDC.

- The project approach has been to examine both customer satisfaction and trust as two interrelated measures, as:

  - the performance objective references *trust* and trust related measures (*leadership, fairness and social responsibility*)

  - the target references a *customer/community satisfaction tool*

No	Priority Area	Outcome	Measure	Target
1	Community Unity and Trust	The Community trusts QLDC to focus on the right issues and deliver value for money. The Community understands what QLDC is working on, why and the benefits of this to the Community	The Community perception of QLDC in terms of trust, leadership, fairness and social responsibility exceeds agreed measures.	Investigate and report to Council on the implementation of the customer/community satisfaction tool for QLDC.
			Improved social and online media presence. Improved engagement by the Community with QLDC	Participation in Council services and community engagement initiatives increases annually.

Project approach

- Research customer satisfaction and trust measures

- Provide guidance on definitions, measurement systems and frameworks for QLDC

- Baseline current QLDC trust and customer satisfaction measures

- Comparative research of central and local government in NZ/Aust

- Recommend improvements to current QLDC customer satisfaction and trust measurement and governance

- Propose high-level plan with timeline

Customer satisfaction measurement

What is customer satisfaction in local government?

The degree to which residents and service users feel that the services provided by their local government body meets or exceeds their expectations.

Customer satisfaction measurement

Measures can be both quantitative and qualitative and usually encompass the core dimensions of service delivery, such as quality, accessibility, efficiency, communication and overall user experience.

Comparison of leading customer satisfaction measures

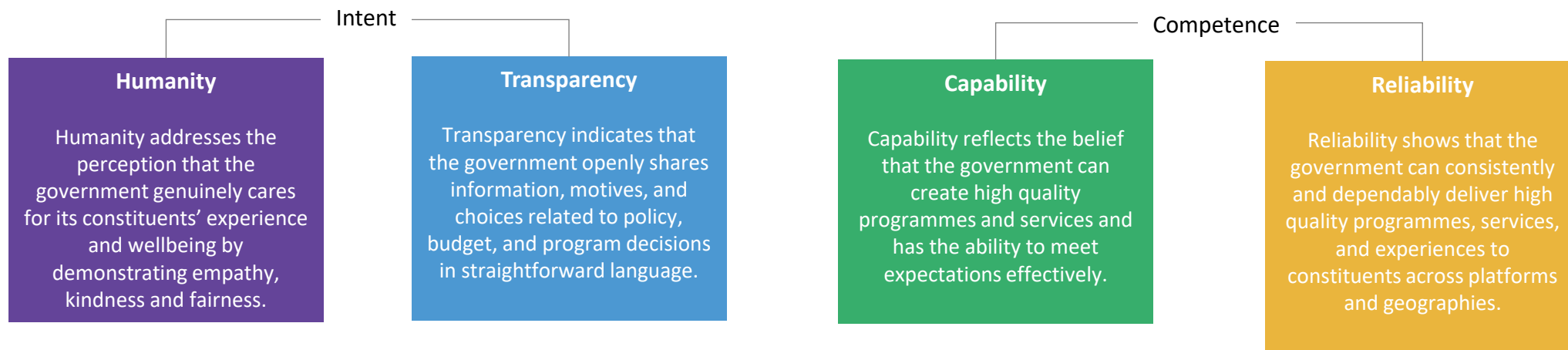|	Summary	Primary purpose	Advantages	Limitations
Net Promotor Score (NPS)	Asks customers how likely they are to recommend an organisations products or services to others. NPS is valuable for understanding overall customer loyalty and satisfaction, however, is more applicable to competitive markets.	Strong indicator of overall customer loyalty and long-term satisfaction.	Easy to understand. Provides actionable metric for measuring and driving customer centric service	Does not provide details of the reasons behind ratings. Does not capture short term changes in satisfaction.
Customer Satisfaction Score (CSAT)	Measures customer satisfaction with a specific interaction or overall experience. CSAT is most effective for capturing immediate feedback after an interaction or transaction through **post experience or point of service (PoS)** measures.	Gives insights into levels of satisfaction with specific interactions, products or services.	Good at homing in on customer touchpoints.	Doesn't measure long term loyalty or overall satisfaction. Annual surveys lack timeliness or robust trending, limiting management responsiveness.
Customer Effort Score (CES)	CES measures the ease of customer interactions with the organisation by asking questions like "How much effort did you have to put in to resolve your issue?	To measure how easy it is for customers to purchase a product, interact with a service or solve a problem.	Correlates closely with loyalty – lower effort often leads to greater loyalty.	Focuses on ease of interaction, not broader aspects of satisfaction.

Trust measurement

Trust is defined as:

*"The promise of a meaningful, mutually beneficial relationship between an organisation and its stakeholders. At its core, trust is built when an organization makes good promises and then delivers on them. We call these, respectively, stating a positive **intent** and demonstrating **competence**"*[1]

Intent *– taking action from a place of genuine empathy*

Competence *- the ability to execute, to follow through on what one says one will do*

- Deloitte TrustID is a leading measurement methodology for Trust in corporates and government

- Te Kawa Mataaho, New Zealand Public Services Commission – measures trust through Kiwis Count Survey, in part based on TrustID methodology and OECD Trust Framework

- Not to be confused with customer satisfaction measures

TrustID methodology identifies and evaluates trust across four key dimensions:

Intent

Competence

Humanity

Humanity addresses the perception that the government genuinely cares for its constituents' experience and wellbeing by demonstrating empathy, kindness and fairness.

Transparency

Transparency indicates that the government openly shares information, motives, and choices related to policy, budget, and program decisions in straightforward language.

Capability

Capability reflects the belief that the government can create high quality programmes and services and has the ability to meet expectations effectively.

Reliability

Reliability shows that the government can consistently and dependably deliver high quality programmes, services, and experiences to constituents across platforms and geographies.

[1] 4 Questions to Measure — and Boost — Customer Trust, Ashley Reichheld, Amelia Dunlop, Harvard Business Review, November 01, 2022

QLDC Current State measurement

Activity Area	Sub Activity	Quality/ Performance	Trust	CustSat
Whole of Council		Via all KPIs	●	✔
Community Services	Community Partnerships	✔	●	●
	Libraries	✔	●	✔
	Sport, recreation, community facilities and venues	✔	●	✔
	Parks and Reserves	✔	●	✔
Environmental Management	Spatial Growth - Spatial Plan	✔	●	●
	District Plan - planning policy	✔	●	●
	Resource Consents	✔	●	✔
Regulatory Functions and Services	Regulatory and Enforcement	✔	●	●
	Building Services	✔	●	✔

✔ = Currently measured
● = Not currently measured

Activity Area	Sub Activity	Quality/ Performance	Trust	CustSat
Infrastructure	Water Supply	✔	●	●
	Wastewater	✔	●	●
	Stormwater	✔	●	●
	Transport	✔	●	●
	Waste Minimisation and Management	✔	●	●
Local Democracy	Local Democracy	✔	●	✔
Economy	Commercial Property	✔	●	●
	Economic Futures	✔	●	●
Finance and Support Services (ex P&C)	Customer Services	✔	●	✔
	Finance	✔	●	●
	Resilience and Climate Action	✔	●	✔

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Cust Satisfaction measurement methods

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Activity Area	Sub Activity	Customer Satisfaction	
		KPIs	**Other measures**
Whole of Council		Annual QoL survey	
Community Services	Libraries	Annual QoL survey	Libraries survey - annual
	Sport, recreation, community facilities and venues		Sport and Rec surveys – minimum annual
	Parks and Reserves		
Environmental Management	Resource Consents	RFS and Consent Satisfaction Survey	
Regulatory Functions and Services	Building Services	RFS and Consent Satisfaction Survey	
Local Democracy	Local Democracy	Annual QoL survey Mana Whenua survey - annual	
Finance and Support Services	Customer Services	RFS and Consent Satisfaction Survey	
	Resilience and Climate Action	Annual QoL survey	

Quality of Life Survey

- Annual survey, Oct-Nov
- n=2516 (1767 residents, 749 non-residents)
- 7th year this year
- Overall satisfaction measure (non KPI)
- KPI satisfaction measures for Community Facilities and Services, Local Democracy and (new) climate change, greenhouse gases and biodiversity

RFS and Consent Satisfaction Survey

- Monthly survey, quarterly reporting
- Covers all request for service (RFS) interaction types and consents
- Phone based, n=120 per month
- Covers QLDC and contractors
- Measures overall satisfaction, speed of response and resolution, clarity of process and timeframes, staff knowledge and professionalism, fairness and consistency

Community Services Surveys

- Customer satisfaction and user feedback surveys
- Incorporate Net Promotor Scores
- Libraries
- Aquatics
- Swim schools
- Sports leagues and school holiday programmes
- Gym programmes
- Alpine Health and Fitness
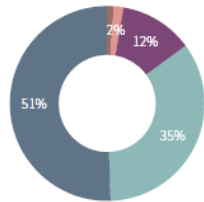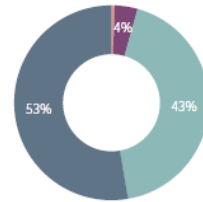- Frankton golf centre

Spotlight – RFS and Consent Survey

Data from RFS and Consents Survey results | Quarter 3 | 2023-24
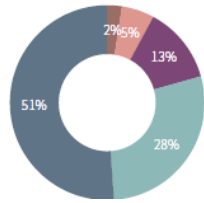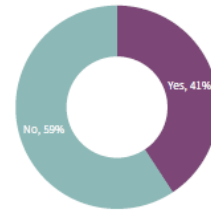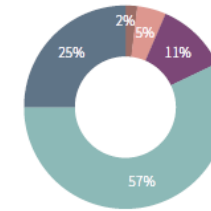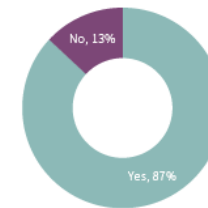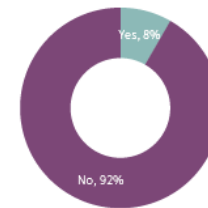
Comparative research

Who did we examine and what did we learn?

- Public Service Commission – Kiwis Count Trust Survey

- Christchurch City Council – KPIs, Citizens and Community General Survey, Point of Service Survey, Trust and Reputation Survey

- Auckland City – Residents Survey

- Wellington City – Residents Monitoring Survey

- Gold Coast City – Customer Experience Strategy, Customer Satisfaction Survey, Trust Measures

Customer Satisfaction:

- The local authorities reviewed measure customer satisfaction for a broader range of council services – all councils reviewed measure satisfaction with roading, water, parking and regulatory services.

- Increasing adoption of Point of Service & Customer Effort Scores, undertaken on a sample basis (such as in field surveys).

- Gold Coast City has defined a measurement methodology (CSAT, NPS, CES) and links measurement & reporting to a public strategy to improve customer experience.

Trust:

- New Zealand Government Kiwis Count Trust and Confidence Survey - based on the TrustID dimensions of trust and is designed "to understand how much you trust the public service in New Zealand, based on your experiences and perceptions".

- Auckland, Christchurch and Gold Coast have all adopted trust specific questions. Gold Coast uses has adopted the TrustID methodology, asking:
  - Please indicate the extent you agree or disagree with the following statements: (scaled from strongly disagree to strongly agree)
    - > Council openly shares information, motivations and choices in straightforward and plain language
    - > Council quickly resolves issues with safety, security and satisfaction at top of mind
    - > Council creates long term solutions and improvements that work well for me
    - > Council can be counted on to improve the quality of services available to residents and visitors.

Maturity pathway

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Step 1

- Adopt CSAT, NPS and CES as baseline QLDC methodologies
- Address coverage gaps in satisfaction measures
- Introduce Trust measures
- Improve timeliness and trend reporting of external service delivery & consents reporting
- Obtain access to Snap, Send, Solve PoS reporting
- Formalise the reporting and governance of Customer Service and Trust measures
- Utilise the Community and Services Committee as Elected Member governance

Step 2

- Increase frequency of CSAT survey measurements for annual measures
- Expand PoS (sample) CSAT, NPS and CES measures (Consents, Reg, Venues, Sport & Rec, Cust Services, Permits & Licences etc)
- Use industry tools if relevant (e.g. Yardstick for Parks and Reserves)
- Embed formal action plans for customer satisfaction and trust gaps

Step 3

- Formalise Customer Satisfaction Strategy and associated plan
- Quartely CSAT and Trust survey measurement
- Comprehensive PoS measurement
- Industry/peer benchmarking
- Fully embed customer satisfaction and trust into performance objectives, assessment and culture

Maturity

Recommendations (2024/25)

Customer Satisfaction:

- Expand the scope of satisfaction measurement across broader suite of Council services (beyond RFS's and consents)

- Address timeliness issues through use of digital survey channels

- Adopt Point of Service measurement where practical – e.g. Snap Send Solve, in field samples, customer inquiries

- Reporting centralised and aligned with KPI reporting

- Utilise Community and Services Committee for governance and oversight

Trust:

- Explore removing the 3 existing whole of Council satisfaction questions from the Quality-of-Life Survey (satisfaction with Elected Members, Council's preparedness for the future and overall Council performance) & replacing with TrustID questions, taking into account Policy and Data considerations.

Timeline

End to end plan – Step 1

Months 1-3	Months 4-6	Months 7-9	Months 9-12

Months 1-3
- Confirm CSAT scope changes
- Confirm changes to Trust Measurement
- Scope changes to 2024 QoL survey
- CE KPIs for 2024/25 confirmed

Months 4-6
- Implement changes to QoL survey
- Confirm changes to RFS and Consent survey to broaden scope
- Confirm budget implications

Months 7-9
- Snap, Send, Solve PoS measurement data
- Implement changes to external service delivery reporting
- Design enhanced data capture, reporting and governance methodology
- Reporting to Community and Services Committee

Months 9-12
- Implement enhanced reporting and governance of all CSAT and Trust measures