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CUSTOMER FRAME



CUSTOMER CENTRICITY PROJECT UPDATE

Sharing the research outcomes and progress towards a customer-centric organisation

JUNE 2020

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CEO's Foreword

Delivering services for our customers and our communities is the single most important thing we do each day as a Council. We consider our customers to be anyone who we provide our services to or we have dealings with.

Like all businesses and other levels of government, we are under pressure to provide better customer outcomes and improve our service, and quite rightly so. This is what we need to do, and what we must do.

Over the past two years, under our Refresh and Refocus program, we have proactively pursued a change in our structure and services to better align with our Community Vision. We considered all aspects of Council as part of this - our employees, our customers, our delivery and our assurance. As a result of this focus, the importance of customer service was elevated to the executive structure, with Customer and Regional Prosperity becoming one of four portfolios within the new functional structure.

In parallel, we initiated a Customer Centricity Project to help transform the organisation so that our customers are central to our culture, our processes and our technological solutions. In the long-term, we need to change the way we do business each day to be truly customer-led.

The project was divided into two major phases. The first phase was primarily diagnostic, where we collected a breadth and depth of insight and information from both internal and external stakeholders. We engaged with our customers through a range of activities including intimate external customer focus group sessions, as well as an online Customer Advocacy Survey to measure customer sentiment. The overall aim was to help us understand, empathise and prioritise our efforts to what matters to you, our customers.

As one of the first local government organisations in Australia to adopt this methodology, we now have a clear and robust benchmark for Council to measure itself against as customer improvements, that we are committed to, are implemented.

Phase two of the project used the intelligence and insight gained from the first phase to deliver a clear, strong vision and future direction. Our Customer Charter is the first delivery out of this work and provides the clear vision and intent of the charter and our commitments to our customers. The charter was adopted by Council on 22 June 2020.

We are now finalising a Customer Strategy and Customer Improvements Plan, which will guide the operational improvements that are needed for the organisation to realise the commitments within the charter. These components are critical for us all to make the changes necessary to improve our customers' experiences.

This report openly shares the insights we have gained during this journey. We're grateful for the level of engagement and open and honest feedback we received from across our community.

We have heard you, we know there's work to do to improve, and we thank you for being patient with us as we transform our services so that you have a seamless and consistent experience when you deal with us, regardless of the service we are providing.

We remain committed to developing a contemporary and customer focused organisation, and we have a team of dedicated people who stand collectively proud with our community, and who are driven to putting our customers at the heart of everything we do.

Jon Gibbons

Jone Gibbons

Chief Executive Officer

Scenic Rim Regional Council

Introduction

BACKGROUND

In 2019, the Scenic Rim Regional Council (Council) embarked on a new journey to become a customer-led organisation through the Customer Centricity Project. A central driver to success was to bring the **customer voice to life** to inform the strategy and action plans to create positive change for the region and put the customer at the heart of everything Council does.

PURPOSE

This document summarises the project journey to date, sharing the findings and outcomes from the research and collaborative activities undertaken in 2019/20. It also shares how these insights are being applied to **drive intentional positive change** across the organisation. Rather than present reems of data or graphs on individual findings, it presents the collective view and the collective considerations to truly becoming a customer-led organisation. It is intended to **complete the feedback loop with customers** and acknowledges the key issues and themes that have emerged from their input to help shape the future of the organisation.

Customer: The ultimate reason

The ultimate reason for any organisation is the customer. Therefore, the needs, wants and perceptions of customers are **critical to creating better organisations** that are more efficient and effective. Depending on where you start from, this journey can take many forms.

The customer of the Council comes in many forms. From residents, community groups, local businesses and developers to Councillors, other government departments and the internal team - this complex customer ecosystem is also spread across a diverse and rich geographical landscape. The purpose of the project was to **gather, reflect and combine the views of customers** to inform a clear, intentional improvement program that will drive lasting change.

What we did: Start with the customer voice

Like any journey, there is always a need to **understand where you are starting from**. To help Council understand where it is today with respect to its customers, reveal the gaps and the underlying needs, a stepped program of intentional activities was developed (Figure 1).

This stepped approach takes insight both internally and externally, converting it into tangible action to deliver the greatest impact.

The Phase 1 activities provided the foundation by **engaging with customers at all levels**, both internally and externally, to surface the issues and obstacles that are holding both customers and the organisation back from achieving success.

Using this in-depth insight, Phase 2 activities bring the strategy and plans to life to create unified, intentional change across the organisation.

By engaging with customers and understanding their needs, Council can use this intelligence to







Figure 1: Primary Steps - Customer Centricity Project

become a more effective and efficient Council that delivers on what matters most to customers.



Through the comprehensive project structure, a range of research activities were undertaken to provide both a width and depth to gathering feedback and insight from customers.

Designed to deliver the best balance of quality and quantity of insight for investment, the four main activities covered extensive interactions with Councillors, Council Executive, Council team members (office and field-based) and a diverse array of customers (including local residents, community groups, local businesses and developers) from across the region.

The table below (Table 1) outlines the activities, their purpose and who was engaged in the process.

PART	DESCRIPTION	PARTICIPANTS	
PART 1: COUNCILLOR FOCUS GROUP	As the Primary 'intermediate customer' for Council, Councillors form a vital link between the local community and organisational efforts. Dedicated focus group to unearth Councillor challenges and issues.	Mayor and Councillors	
PART 2: CUSTOMER STRATEGY AUDIT	The strategic view of the current situation, putting the customer at the heart of the organisation strategy and driving alignment from the outset. Session designed to identify where the organisation is today, gaps for the future and what needs to be done to get there.	Executive Management Team	
PART 3: LAUNCH and 'REDISCOVER CUSTOMER' SESSIONS	Large-scale internal events where the concept of a customer-led organisation was introduced to employees, share the organisation's vision to become customer-led, and gather input, ideas and feedback from those at the front line of customer efforts – the team.	Council team members across all functions (field and office based)	
PART 4: INTERNAL and EXTERNAL INSIGHTS	4A: Internal Focus Groups (Internal view) Check the internal alignment across individuals, teams and functions to reveal team perception and orientation to customer. Sessions where team members have their say on what's working, what's not working and how to make things better for employees and customers.	4x groups of 10-12 representatives covering: Technical operations Customer facing operations Field-based operations Executive management	
	4B: Customer Focus Groups (External view) Going deep into the heart of the issues for the customer, these focus groups reveal specific challenges, issues and needs the customers face when dealing with Council, to help identify what's working, what's not working and how things could be better for customers.	4x groups of 10-12 representatives from: Residents Community Groups Developers Local Businesses	
	4C: Customer Advocacy Survey (External view) The Advocacy Survey provides a clear, globally benchmarked view of customer sentiment towards the organisation. The approach delivers deep, accurate insight direct from customers, in a quick, efficient and cost-effective way.	8,252 customers engaged from across the region 1,879 responses (23% response)	

Table 1: Customer Insight activities

Part 1: Councillor Focus Group Summary

SUMMARY

As Council's primary 'intermediate' customer, Councillors views revealed through this process will feed into and direct the priorities in developing the Customer Improvements Program and Plan.

Council is perceived to be delivering a lot of services (90%) to a **satisfactory standard**. Councillors demonstrated a clear acknowledgement of the improvements being delivered through the current period of change and that things are 'moving in the **right direction**'.

Councillors described the organisation as a medieval castle, (or series of individual castles) that keep customers out and with little cooperation between them. They noted that understanding more about who Council's customer are and empowering them with access to information, teams and expertise is paramount to sustainable success. At a cultural level, to become more customer-centric, Council needs to deliver a shift in mindset from being an 'enforcer' to an 'enabler' for customers.

Councillors see opportunity to become **more closely integrated** with the organisation, partnering both at an operational and strategic level to enrich the lives of their primary customer, the rate-paying resident.

Part 2: Customer Strategy Audit Summary

SUMMARY

The Customer Strategy Audit, held with the Council Executive, surfaced three key areas of focus for Council's customer-led change.

Through a process of auditing Council's current strengths and gaps in their customer strategy, the Executive group scored themselves against a set of criteria and global best practice.



The three areas of focus, as outlined in the Customer Frame Customer Strategy Framework™, were identified as:

- **Internal Review** how well is your organisation aligned with your customers, from front-of-house to back office?
- Customer Shoes do you view your organisation through your customer's eyes?
- Customer Satisfaction how satisfied are your customers with your organisation?



Part 3: Rediscover Customer Sessions Summary

SUMMARY

As the lifeblood of Council, sessions with team members from all areas of the organisation were crucial to help hit the tipping point for accelerated change. By engaging early with the internal stakeholders, Council was able to **gather input on the appetite for customer-led change** and **share the vision for the future** of the organisation and team's role in making this change a reality.



Sessions were held in Beaudesert and Boonah to provide access to as many employees as possible and maximise reach across the region.

Employees were highly engaged in the sessions, actively participating in various activities relating to customer and welcoming the change Council has embarked upon to becoming customer-led.

Groups of cross-functional team members worked together to identify who their customers are, what they might need from Council and how Council could improve their services to better service these customer groups. **Team members are motivated** to deliver better service to Council customers and collectively contributed over a hundred improvement actions.

Part 4A: Internal Focus Groups Summary

SUMMARY

The internal focus groups have surfaced a range of common and specific issues that are holding back progress to becoming a truly customer-led Council. Positively, **employees at all levels** indicated a **willingness and openness to change** to become a customer-focused Council. There is a latent energy available to release hidden potential but this is masked by a level of scepticism for whether real change will eventuate.

There is significant variability and inconsistency in the common foundation of customer knowledge and clear customer-led delivery expectations across teams.

Team members seek a more respected and valued relationship with Council leadership and peers, rather than the 'us and them' culture currently in place. At a cultural level, to become more customer-centric, Council needs to deliver a shift in mindset from being an 'enforcer' to an 'enabler' for customers.



Part 4B: External Focus Groups Summary

SUMMARY

Council is perceived to be delivering many services to a **satisfactory standard**. External customers demonstrated a clear acknowledgement of the improvements being delivered within the region but expressed dissatisfaction at issues related to local business **support**, systems and processes for development and business applications, and **transparency** and **accessibility** of Council employees.

Customers described the organisation as **difficult to work with**, a metaphorical 'castle' that keeps them on the outside and makes it difficult to progress developments and community initiatives they wish to pursue.

They seek a **partnership-style relationship** rather than the 'us and them' culture currently in place. At a cultural level, to become more customer-centric, Council needs to deliver a shift in mindset from being an **'enforcer' to an 'enabler'** for customers.

Part 4C: Customer Advocacy Survey Summary

SUMMARY

The purpose of the Advocacy Survey was to provide an enduring benchmark of Council's performance and gain insight into the **level of customer sentiment** towards the organisation. Unlike satisfaction which measures only a point in time, sentiment enables Council to understand how customers feel about the organisation over the longer term.

The Advocacy Survey consists of a two-question email survey that utilises the globally acclaimed **Net Promoter Score (NPS) methodology**. Customer sentiment is measured based on the numerical response to the question: 'How likely are you to recommend Scenic Rim Regional Council to friends or colleagues?', using a 0 to 10 scale. The Net Score is calculated by subtracting the percentage of 0-6 scores from the percentage of 9-10 scores. Qualitative data is then captured through the second question 'Why did you choose this score?' to provide further insight for action. Net scores range from -100 to +100.

The Advocacy Survey engaged a broad customer audience, achieving a 23% response rate, capturing and analysing the sentiment of 1,879 customers across Council's core customers.

Overall, Council scored a Net Advocacy of -22, indicating that there is a larger proportion of **negative sentiment towards the organisation** than positive. It should be noted that the scores vary across industries and sectors and whilst a score of -22 may seem low in isolation, it is difficult to interpret without comparable scores from other government organisations. As Council is one of the first local government organisations to adopt this methodology, reliable comparative industry benchmarks are limited. However, this score sets a **clear and robust benchmark** for Council to measure itself against as customer improvements are implemented.

Results demonstrate **variances in the sentiment levels** between customer groups and within the geographic clusters (Divisions) of the region. Whilst the overall net score is -22, when examined by customer group, the scores **ranged from -34 to +35**, demonstrating that some groups hold higher sentiment than others.

Within the six Council divisions, there was a **significant difference between Urban and Rural divisions**, with Rural divisions indicating markedly higher levels of sentiment for Council. Customers from **Division 1 displayed exceptionally high levels of negative sentiment** towards Council and are a **key driver of influence on the overall score**.

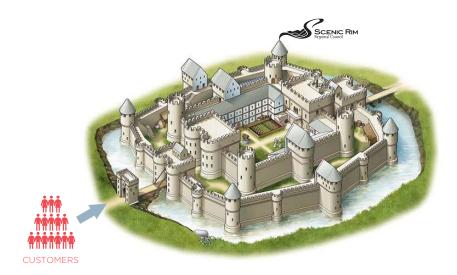
At the highest level, **perception of value** (fees and rates), **inconsistency** (of service and information) and a general lack of **feeling engaged** (inauthentic consultation and being heard) are the primary issues that surfaced across the customer groups.

What we heard: a shared need for change

SUMMARY

Customers reflected that their relationship with Council is **like that of a kingdom and medieval castle,** with some customers referring to the Beaudesert offices as the 'Red Brick Castle'.

Council is seen as having **limited entry points** for customers, with little two-way engagement, communication or feedback between employees and customers. The perception is that customers are kept on the 'outside' of the castle walls. This dynamic is also reflected internally, with teams within Council forming somewhat **distinct yet disconnected** rooms within the castle walls, sometimes with limited understanding or knowledge of what each other is doing.



Extending on the analogy, Council is perceived to **hold the key** to the resources and information needed by customers but is **perceived to sometimes get in the way** of them achieving their goals. Customers have limited sight of the layout of the castle, who to talk to or where to go, often needing to start at the 'front gate'. Council and council offices are also seen by some customers as **not accessible or 'for the people'.**

The customer service team are regarded positively across all customer groups +, within the castle concept, form the 'gatekeeper' function between employees and customers.

Particular processes and systems are perceived to have been **dehumanised** with little direct emotive connection between employees and customers - though both parties indicate a yearning for it.

An opportunity exists to **open-up the castle**, make it accessible for customers and remove the internal walls between functional teams. This requires intentional and strategic changes throughout the organisation - not just tactical **band-aid solutions** or quick fixes.

COMBINED CUSTOMER PERSPECTIVES ON COUNCIL

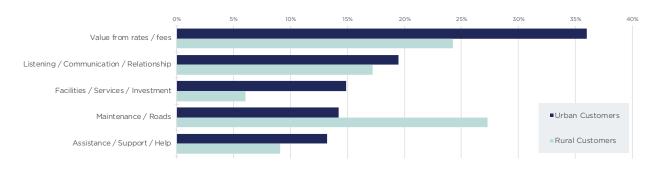
Whilst the aim of the Customer Centricity Project is to form a collective view, it is also useful to share some of the specific findings from across the customer groups:

- There is a common awareness and appreciation across all customer groups that the Council
 is doing some things very well, such as events, tourism, parks and facilities for families
- Local Businesses in particular have concerns about the future economic sustainability of the region's towns, in particular Beaudesert, with vacant shops, urban development spread, public transport and accessibility, and development restrictions of specific concern
- There is a view across some groups that the Council is 'getting in the way' of region development, in particular for businesses trying to develop and improve their sites and offerings, with a fear that businesses will be driven out of the region to other areas nearby
- There is a common view that the Council appears **fragmented and difficult to deal with**, both from a systems and processes perspective and a team/resource viewpoint
- There appears to some distrust of the Council and its motives towards local business and developers, likely influenced by a lack of transparency, accessibility and past history
- A view that Council is reactive, particularly with business and development issues, where the
 customer feels they must manage the process with little understanding, knowledge or
 expertise 'we're doing the Council's job for them'
- There is mixed sentiment towards Council, with some customers believing Council are doing an excellent job, while others believe it depends on which department you deal with. This highlights an inconsistency in the level of service and customer-focus across the organisation
- A shared view that process and procedure has overtaken common sense leading to distrust, frustration and apathy towards Council and towards being valuable, active community members.

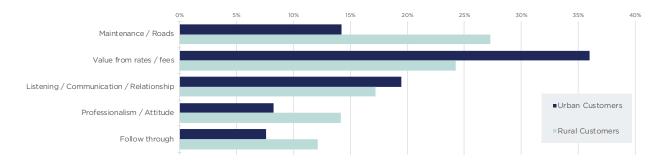
CUSTOMER ISSUES TO ADDRESS

Based on the survey feedback comments, a range of issues were identified by customers. Depending on their location, the priority issues vary based on whether they are in an urban or rural location.

For Urban residents, the following issues were identified as their top five to address:



For Rural residents, the following issues were identified as their top five to address:



THEMES TO ADDRESS

The combined view of all customer perspectives has highlighted a number of issues, which can be bundled into specific themes, as outlined below:

- Councillors, customers and employees experience similar challenges the themes identified are experienced by all stakeholders, internal and external. This mirroring is an important consideration when realising that 'we're all in this together' and that cooperation and collaboration can create the change needed.
- **Trust** across all areas, trust is a big issue. A significant scepticism exists as to whether Council will follow through (or follow up). Trust has been eroded over time and can only be restored through listening, promising and delivering time and time again.
- Communication and listening the quality and volume of communication needs to be improved both for employees and for customers. A perceived lack of transparency is fed by a lack of timely information and a somewhat 'reactive' nature to customer queries.
- **Perception of value** pertinent for external customer groups, low awareness of Council activities and a perceived lack of communication, results in a low perception of value ('what I'm getting for my rates'). Linking investment with results and regular communication between Council and customers can help alleviate this knowledge and perception gap.
- Accessibility in line with the Castle concept, customers are frustrated by the inability to
 quickly and directly reach the person who can help them. The facelessness of processes and
 responses creates a distance (real or perceived) between Council and its customers.
- **Expectations** Customers are increasingly expecting that organisations can use their knowledge of the customer to personalise the provision of services. When expectations are not met, dissatisfaction results and negative sentiment grows. Customers are saying that their expectations are not being met and that a 'one-size' fits all approach is no longer appropriate.

What we need to do

Council is perceived to be delivering many services to a **satisfactory standard**. External customers demonstrated a clear acknowledgement of the improvements being delivered within the region but expressed dissatisfaction at issues related to local business support, systems and processes for development and business applications, and transparency and accessibility of Council employees.

Customers seek a **partnership-style relationship** rather than an 'us and them' culture, requiring a focus on addressing the key themes of trust, communication and listening, perception of value, accessibility and expectations.

In summary, the insight from customers has provided Council with an opportunity to:

- 1. **Become the enabler -** shift internal behaviours and processes from being the enforcer or blocker to supporting and catalysing outcomes for customers. Communicate this intent and then follow through to live it. Celebrate successes to breed more success and engagement
- 2. **Become an educator** acknowledge the role of customer and set about in all activities to educate them and impart knowledge to actively improve their understanding of the systems, processes and environment in which Council operates
- 3. **Become a partner** create more channels and remove the barriers to positive customer interaction. By stating the intended relationship Council wishes to have, customers can understand where they fit and begin to rebuild trust and co-ownership in the creation of a strong, healthy and prosperous community.

What we've done so far

Council is now part way through the journey to becoming a truly customer-led organisation. Now is the time to move from insight into action. The initial findings and implications form a **robust, clear and comprehensive** platform on which to design and build the **focused solutions** for change.

Beyond the new levels of awareness and knowledge provided by the insights to date, a range of new initiatives have been implemented including:

- Creation of a compelling and energising Customer-led Vision and Customer Charter for Council, collaboratively designed and grounded in the rich customer insights obtained through this process. The Customer Charter (see Appendix), adopted by Council in June 2020, outlines the promises and commitments to customers, both for them and for the internal team to understand and embrace. It helps to close the gap between customer expectations, team delivery and organisational strategy
- Assembly of the Customer Centric Steering Committee a cross-functional taskforce to oversee and direct the program of customer improvements, moving the ownership beyond only 'customer service' to addressing the core issues across the organisation
- Appointment of Customer Culture Champions delegates from across the organisation who are empowered to challenge existing operations and drive customer-led improvements, enacting the overall plan for change and shifting the culture forwards
- Tactical improvements within specific teams a range of initial 'quick wins' as members
 of the Council team become re-energised and re-engaged for change around the
 customer

Where we're heading next

MOVING INTO PHASE 2

To deliver on the Customer-led Vision and Customer Charter, the following pieces of work will now be undertaken within the Customer Centricity Project: development of a Customer Strategy and a Customer Improvements Plan.



The **Customer Strategy** is the vital link that accelerates insight into action. Through an intentional strategic process, the laundry list of tactical issues is sorted and clustered, creating clarity for maximum impact. Taking the insights, outcomes and issues identified, the strategy provides the necessary areas of focus for the organisation to become truly customer-led.

The **Customer Improvements Plan** is the link between strategy and operational improvements. It plans out, prioritises and focuses Council's efforts to turn improvement ideas into reality - all grounded in what matters most to customers both now and for the future.



"The journey of a thousand miles begins with one step." - Lao Tzu



Appendix:

SCENIC RIM REGIONAL COUNCIL CUSTOMER CHARTER



Scenic Rim Regional Council: Customer-led Vision and Customer Charter

Our customer charter sits at the heart of our organisation and drives everything we do.

ELEMENT	SCENIC RIM Regional Council	EXPANSION AND TONE
VISION Where we want to be in 10 years from now, lived now	Collectively proud	We're proud, together. As community, we're proud to be part of the thriving region that is the Scenic Rim. As a team, we're proud to work for Council and of what we stand for and deliver. Council and Community are united, working together to achieve our goals for the common good. We sit together at the table, in unity, not in opposition.
INTENT The intent that gets us out of bed in the morning	To be loved by our community	You're the ultimate reason we're here. It's important to us that you value the work that we do and that you love dealing with us. Just because you can't 'choose' us, doesn't mean we shouldn't try. In fact, if you had the choice, we'd want to be your number one.
FEELING The intentional feeling we want to arouse in our customers	Assured	In all dealings you have with us, we want you to feel assured. Confident that we'll do what we say we'll do, that we'll keep you informed, that we're on your side. We want you to feel safe, certain in the knowledge that we have your best interests at heart, whatever your goal.
TARGET What we are aiming for in our operational delivery, every day	Be a step ahead	Our goal is to ensure we're always on the front foot in everything we do, for you, our community. We anticipate your needs, sometimes before you do. We know what's important to you and actively look for ways to make your life easier. We know the rules and how they impact you and your goals. We help you understand and navigate the complexity to make your journey as easy as possible. We keep you informed on things that are relevant to you, so you don't have to search for it yourself. We're one step ahead, yet we walk beside you, always.





EXPANSION AND TONE

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COMMITMENTS The promises we make to our customers	We'll acknowledge you and listen to your needs	We won't treat you like a number. We'll treat you with the respect and care you deserve. You matter to us. We care about what it is you want to achieve, and we'll do our best to help you achieve it. We may not always give you the answer you'd like, but we'll do our best to get it for you if we can. And if we can't, we'll treat you with care. We don't like it when we can't give you what you want. It affects us too. We're in this together.
	We'll make dealing with us as easy as possible	We'll connect you to who and what you need and help you navigate the tough stuff. Dealing with government authorities isn't easy. There's a lot of us and only one of you. We will do our best to put you in touch with the right person, the first time. We'll keep it simple. We'll put things in plain English, not technical jargon. We'll make our processes as frictionless as we can so you can achieve what you want to achieve. We'll help you make it happen.
	We'll be open and honest, always	We'll be honest and transparent with you. We won't hide facts from you or keep you in the dark. If we can't do something, we will tell you and if possible, we'll work with you to find another way. We will always tell you the truth, as soon as humanly possible. If something goes wrong or we mess up, we'll step up and be there to help. If something is taking longer than expected, we'll keep you informed. If we have to say no, we will own that decision, even if it's not ours in the first place. We're here for you.
	We'll follow through	When we make a promise, we keep it. We'll do what we say we're going to do and keep you informed along the way. If we can do it quicker, we will. If we can save you money, we will. You'll never feel alone. When we begin a journey with you, we see it through to the end, regardless of the outcome. We'll stay in touch and we'll close the loop. We'll be there.
	We'll put our community first	We'll act in the community's best interest, always. Balancing the needs of individuals and the collective can be challenging, but we'll do our best to deliver fair, reasonable, meaningful outcomes for all. We'll make decisions for long-term sustainability over short-term gains, always with our community in mind. We'll avoid waste at all costs, operating for the good of the community in all that we do. We're for the people.



