WORLD
GOVERNMENT
SUMMIT

القمة
العالمية
للحكومات

APPLICATION OF THE GLOBAL STAR RATING SYSTEM FOR SERVICES

INDEX

GOVERNMENT OF THE CITIZENS, BY THE CITIZENS, FOR THE CITIZENS

Across the globe, a service delivery transformation is taking place. It is cutting across sectors, organizations, processes and people. Continuous improvement in service delivery is a strategic imperative in many service-oriented industries and is becoming more vital to the success of their businesses. Organizations are increasingly looking at enhancing their customer service experience in order to stay competitive in a difficult and competitive business climate. This is a shift in focus for many companies, as customer service organizations have historically been managed as cost centers, whose strategy was disconnected from other operations.[1]

Governments are particularly affected by this increased importance on service delivery. EY US reported that in 2013 citizen satisfaction with services provided by the federal government declined by 3.4% in the American Customer Satisfaction Index after two years of gains.[2] Historically, the public sector has often lagged behind the private sector in terms of service delivery. This is due to government's services traditionally being monopolistic in nature, with a narrow view of customer experience. In addition, there is a lack of developed frameworks, tools and methodologies aimed specifically for the sector, which constrains governments to

provide "world-class services" for its citizens. However, increasing expectations and demands of citizens, advancements in technology and a drive toward a more integrated service are serving as catalysts and forcing governments to rethink the concept of delivering public services.

To many citizens their local government is the most tangible form of government. It is the layer of government with which they have most contact with, in their everyday lives.[3] Hence, as a supplier of key services throughout the citizen journey, government entities have a responsibility to provide services that are fast, trustworthy and reliable. However, these services also have to be efficient and cost-effective for the government to be able to sustain itself.

This white paper examines the importance of service delivery in the government sector and introduces a framework and assessment tool for service delivery. An important component of this paper analyzes entities that have implemented Global Star Rating System for Services, a service delivery methodology launched by the UAE Government with the objective to rate the service based on different criteria's related to customer experience and operational excellence.

DRIVERS OF CHANGE

The citizens of today have become much more informed, connected and influential, thus making it difficult for service providers to understand and exceed their expectations. Globally, governments are experiencing challenges to meet the increasing demand of citizens to provide services in timely manner that are at par with the private sector. Citizens are demanding more and more of their governments, and there are a number of forces driving this shift and compelling governments to rethink how they deliver services to citizens. Figure 1 displays some of the key drivers of this change.

Figure 1. Drivers of change of citizen expectations in government service delivery
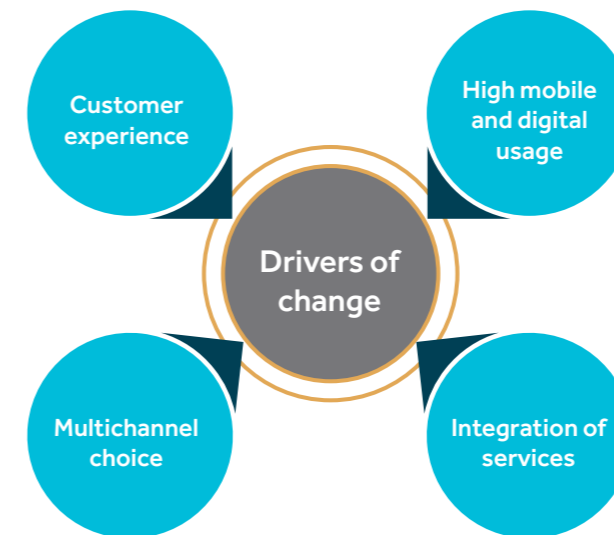
Customer experience:

In recent years, the private sector has made rapid advancements in customer experience. The doctrine of "customer centricity" have greatly improved customer satisfaction, delight and ultimately made a great impact on happiness in most mature organizations. Customer centricity is now a means by which an organization differentiate itself from competitors. As a result, Citizens now expect the same levels of service delivery from their governments. Because citizens are able to shop securely and smoothly on line, to use their credit card to pay bill online, they expect to be able to do the same for their utility bill, official papers etc.

High mobile and digital usage:

The recent decade has witnessed a high adoption of digital technologies and mobile penetration rates. In the midst of this digital transformation, expectations from service delivery have increased from all sectors alike. Citizens are challenging the conventional mediums of providing services and expect to connect to their governments at any time and from any place.

Multichannel choice:

Citizens of today expect and demand multiple channels of reaching their service providers to access information and obtain services. Channels range from physical and traditional channels as such service centers and contact centers to e-channels and smart channels such as social media, SMS and mobile applications. Citizens expect all of these channels to be integrated, ensuring seamless consistency and effectiveness regardless of the channel leveraged. Citizens also aspire for a unified experience across all the channels of interactions. Agencies that don't have a good strategy in place for dealing with channel-bouncing customers won't be able to serve them effectively and will often wind up operating far less cost-effectively than they otherwise could.[4]

Integration of services:

Governments need an efficient integration of processes, systems and information to streamline services between different entities of the organization. Integration among processes increases productivity and breaks down the silos customers face. To deliver an exceptional customer experience, organizations must review their value proposition across all touch points and every type of interaction.[5] Having an end-to-end view helps employees increase efficiency while dealing with a customer.

Successful governments around the world have responded to these drivers by reviewing their process of service delivery and initiating a culture toward customer centricity. Addressing these forces from both an external view (customer experiences) and internal view (organization capabilities), will provide entities with the following benefits and help them achieve a successful service delivery culture:

- **Increase customer centricity:** A customer-centric organization has a deep understanding of its customers and their values, while maintaining focus, growth and competitiveness. Entities adopting a customer-centric approach will be able to improve customer and employee commitment and satisfaction.

- **Improve efficiency and operational excellence:** Under the current economic context and budget constraints, it is vital for governments to provide efficient services across all the channel of interactions. This will result in gaining a competitive advantage.

And yet, not all governments have provided their entities a proper platform to provide exemplary service delivery or develop a culture where customer centricity and efficiency are the norms. This could be due to a lack of incentives, customized public sector service delivery frameworks, agility and responsiveness to change, budget constraints or a lack of awareness in the importance of a service delivery culture for the government sector.

However, it is vital for governments to cascade a vision of service delivery for its entities. To develop a program where service levels are measured, tracked and continuously improved over time and where employees are rewarded and incentivized.

GETTING SERVICE DELIVERY RIGHT

The UAE Government has responded to these drivers of change by initiating a customer-centric transformation across all its service entities.

Moreover, the Government is committed to become one of the leading nations in the world by 2021, providing world-class services to its citizens. To achieve this vision, it has set strategic objectives for "customer-centric government" and "connected and efficient government" to maximize both customer satisfaction and internal operations. In order to achieve these objectives, the Government launched the "Seven Star Rating Program" in 2011. Aimed at improving service delivery across government service centers, the program has been effective in encouraging healthy competition among public sector entities. The program is based on a star system, similar to that of hotels, where service centers are classified on a two star to seven star rating scale.

Success of the program encouraged the UAE Government to expand the scope of the program to cover both private and public sectors and to also cover additional service delivery channels. This updated version of the program was launched in 2014 and is called as the Global Star Rating System for Services.

The Global Star Rating System for Services helps government entities to transform the way they manage, operate, and provide services to citizens. It also plays a key role in motivating the employees. Though the Global Star Rating System for Services has extrinsic motivators such as cash rewards, a key component of the program is the intrinsic motivating factor, which is the recognition the service center receives from the highest leadership of the country.

"We need the Gov. to develop new concepts for delivering quality government services that excel the service across all sectors – be it hospitality, accurate like banking sector, work 24/7 like aviation, to make the government services as efficient as their private counterparts and how the happiness of citizens could be enhanced through transformative government services."

WORLD GOV. SUMMIT 2013

When the program was initially launched, participation was voluntary. In fact, to overcome the initial resistance from entities, the government undertook a number of awareness programs, such as roadshows and workshops. The program now in its third year, has been made mandatory for all government service centers.

Participating entities are evaluated once in every two years and are awarded a classification plate based on the evaluation. To aid and support the entities, the government has provided service standards that include service manuals, tools and training. The program is supported by a service delivery framework (Figure 2), which serves as a guide for entities on the delivery of services. The framework consists of three blocks:

Figure 2. The service delivery framework

Strategy – "The Why"

The entity sets out broad service delivery goals. Centers take their direction from these goals to set their own strategic priorities and objectives.
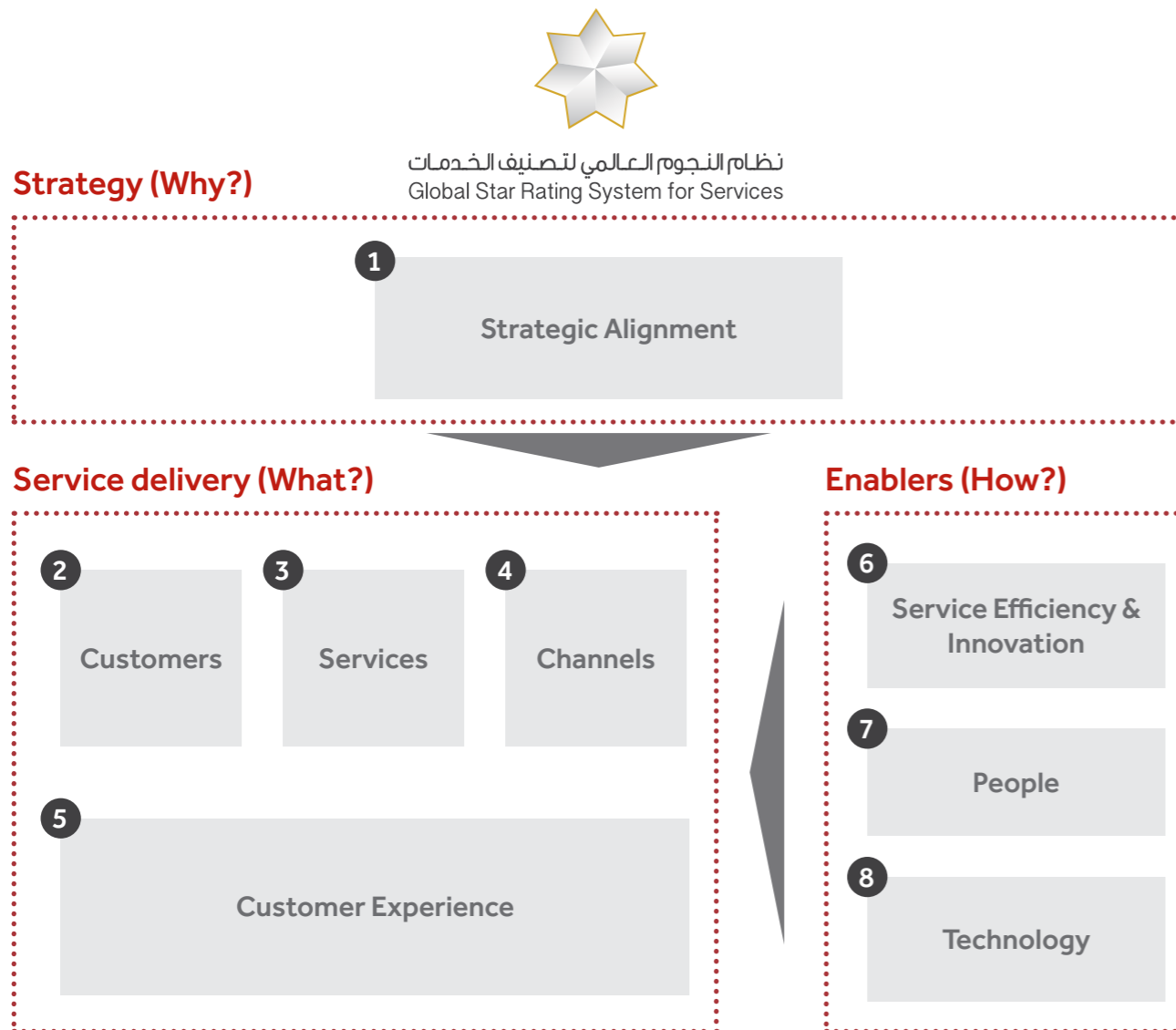
Service delivery – "The What"

Centers serve different types of customers, who receive, through different channels, a service offering associated with specific service standards. This contributes to the overall customer experience offered to customers.

Enablers – "The How"

In order to deliver a great customer experience, centers need to have appropriate supporting processes, human capabilities and information management systems.

نظام النجوم العالمي لتصنيف الخدمات
Global Star Rating System for Services

Strategy (Why?)

1 Strategic Alignment

Service delivery (What?)

2 Customers
3 Services
4 Channels
5 Customer Experience

Enablers (How?)

6 Service Efficiency & Innovation
7 People
8 Technology

Each building block has a series of dimensions:

1. **Strategic alignment:** The dimension describes the level of leadership buy-in, commitment and alignment, and ability and willingness to execute changes.

2. **Customers:** The dimension describes how well federal entities understand their customers and how they use customer data and insights to better deliver their services.

3. **Services:** The dimension describes how well service offerings and service standards are defined and marketed to create value for customers.

4. **Channels:** The dimension describes how effectively and efficiently federal entities communicate with and reach their customers.

5. **Customer experience:** The dimension describes the different types of interactions the customer has with the federal entity, and how they can be used to create a consistent and positive experience for the customers.

6. **Service efficiency and innovation:** The dimension describes how federal entities design, manage and improve business processes (including performance and innovation management) and service level agreements.

7. **People:** The dimension describes how service culture and human resources allow federal entities to create and offer services, reach and serve customers.

8. **Technology:** The dimension describes how well federal entities' technologies and systems support an integrated and customer-centric service delivery.

The service delivery framework is supported by an assessment tool, which measures the service delivery capabilities on a 4 point maturity scale, through a series of exploratory questions (based on eight criteria). Although the questions are general in order for all entities to relate to, they undergo constant improvements in each cycle to be relevant to the market conditions.

Based on the assessment and level of maturity, each entity will be provided with a report that includes their assessment scores and star rating. Entities are requested to display their star rating at the service centers to encourage their commitment to customer service.

Figure 3: An illustrative of an assessment result. The entity has received a consolidated score of 82% placing it in the 4 star category
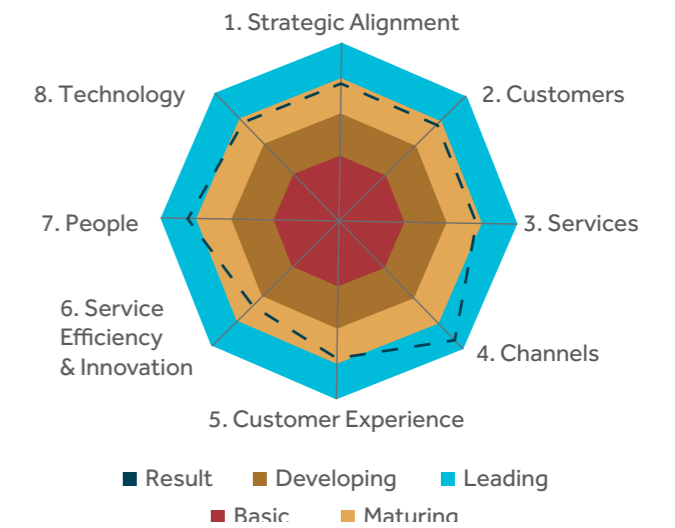
Entities are evaluated once in every two years and continue to be monitored on an ongoing basis through mystery shopper and customer satisfaction studies. There are no formal punitive measures for noncompliance or degradations in service quality. However, if the entity cannot maintain its previous star classification, repercussions may include transfer or replacements of employees responsible for the program at the entity.

MEASURING THE IMPACT OF THE GLOBAL STAR RATING SYSTEM FOR SERVICES

To obtain an independent view of the program, EY Abu Dhabi conducted a study with the UAE applicants that participated in the Global Star Rating System for Services. The purpose of the study was to assess the program, measure the impact upon associated entities and understand the perceived impressions of the program. The study forms a vital part of the paper as it provides a point of view directly from the applicants and includes two main sources for its findings:

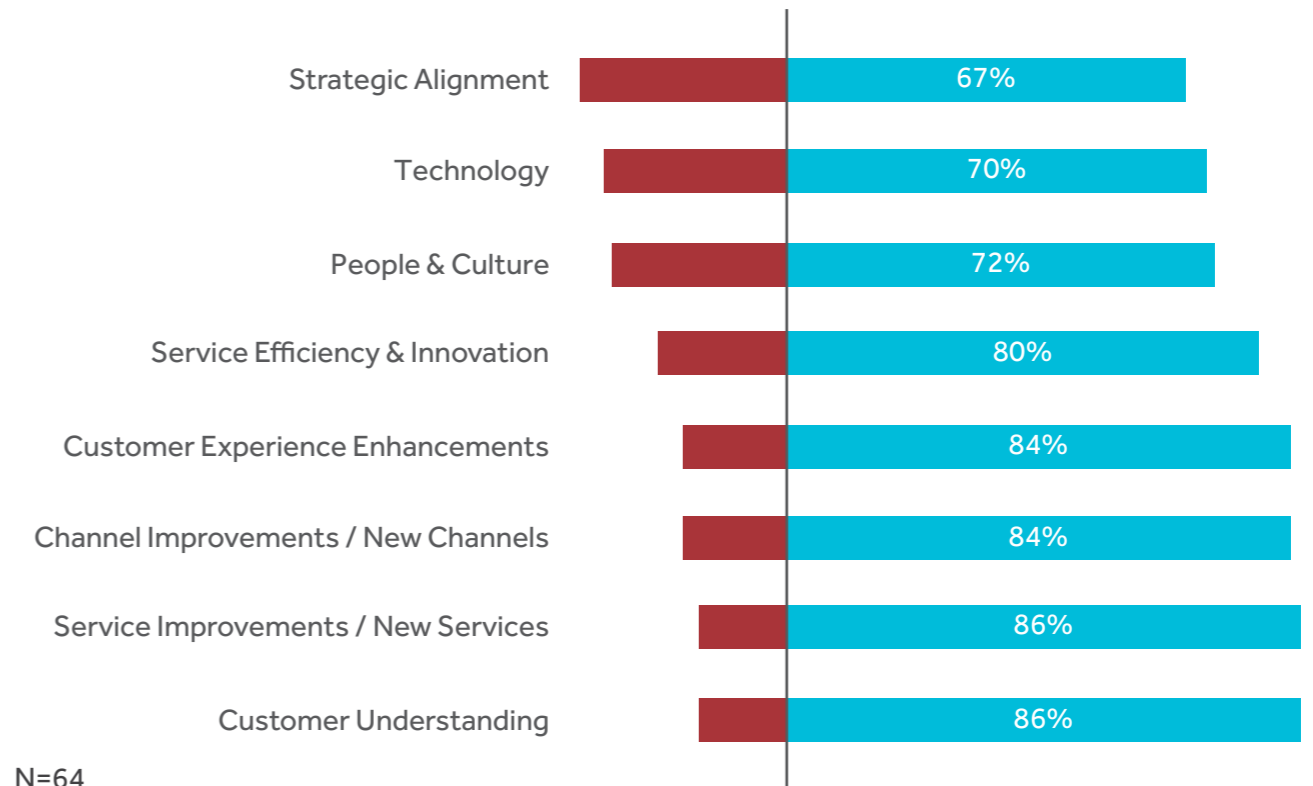• Surveys: Online surveys were conducted for 14 days between Dec. 26, 2016 and Jan. 08, 2017. The findings show that the survey reached its intended audience with majority of the respondents being supervisors and above. Over 60 responses were received from 19 government entities with majority of the entities (79%) being federal in nature. There was an almost equal mix of large (more than 500 employees) and small organizations (1–500 employees).

• Qualitative interviews: Seven independent interviews were conducted with applicants who had taken part in the program. The interviewees were a mix of applicants who received different star ratings

Self-reported service delivery improvements

The Global Star Rating System for Services has eight dimensions as part of its service delivery framework. Respondents were asked to select all the applicable options on which they perceived an improvement upon participating in the program.
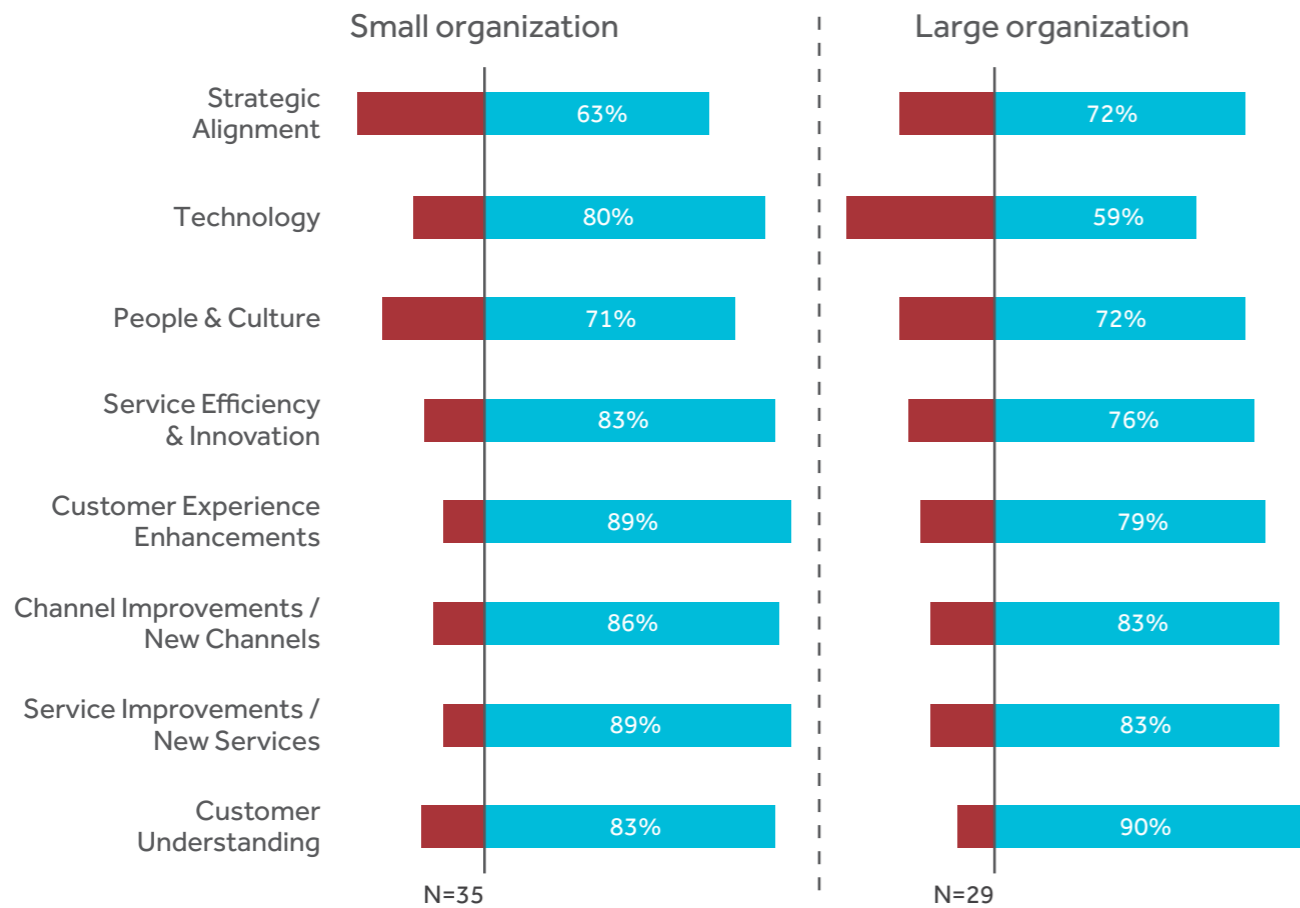
Dimension	Value
Strategic Alignment	67%
Technology	70%
People & Culture	72%
Service Efficiency & Innovation	80%
Customer Experience Enhancements	84%
Channel Improvements / New Channels	84%
Service Improvements / New Services	86%
Customer Understanding	86%

N=64

Key takeaways

• As the survey results show, majority of the applicants focused on improving operational elements of service provision with customer understanding and service improvements/new services ranking the highest at 86%.

• With respect to customer understanding, 60% of the applicants strongly agreed that their organizations have a better understanding of the different customer segments due to the program. (As seen when respondents were asked their views on "customer understanding)

• 90% of the organizations surveyed agreed that they use new technologies to improve service levels (Respondents rated an average of 4.3 on a 5 point scale when asked their views on "technology"). Moreover, data collection was an important component to measure customer experience improvements. (The average response of 4.2 on a 5 point scale).

> Receiving a 5 star rating in 2013, Ministry of Justice, UAE was able to improve the experience of their customers by adopting new technology. Implementing an online queuing system, which allows customers to book their preferred time slot at home while avoiding waiting queues helped the entity to improve the overall customer experience.

Small organization | Large organization

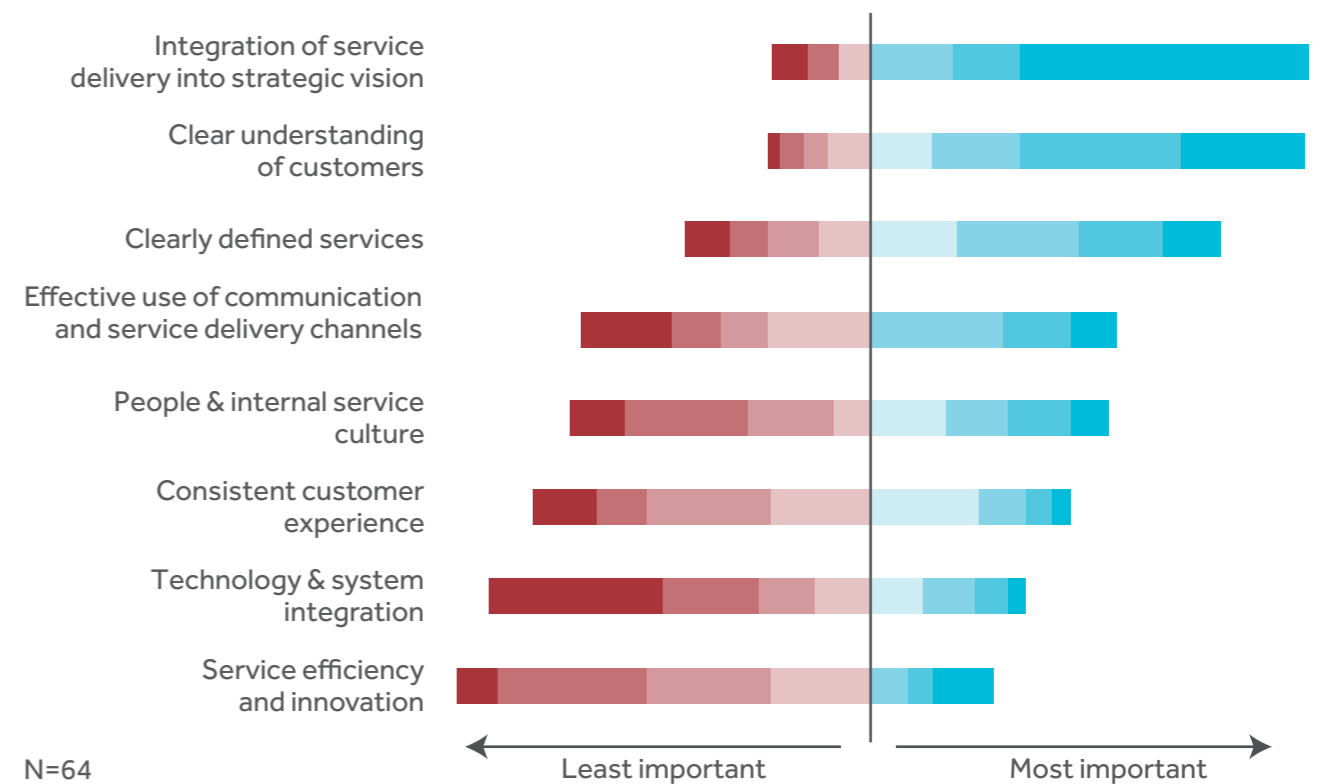| Dimension	Small organization	Large organization
Strategic Alignment	63%	72%
Technology	80%	59%
People & Culture	71%	72%
Service Efficiency & Innovation	83%	76%
Customer Experience Enhancements	89%	79%
Channel Improvements / New Channels	86%	83%
Service Improvements / New Services	89%	83%
Customer Understanding	83%	90%

N=35   N=29

- A few notable differences were observed between bigger (500+ employees) and smaller 1–500 employees) organizations on the improvement dimensions. Though strategic alignment was the least improved factor among the eight dimensions, bigger organizations are focusing more on cascading a customer-oriented strategic vision as opposed to their counter parts (72% for large organizations vs. 63% for small organizations)

- Smaller organizations focused more than their counterparts on improving digital elements and enhancing the integration of technology in their organizations (80% of small organizations improved technology vs. 59% of larger companies)

Ranking of service delivery elements

Organizations tend to focus on improvements in the operational elements when applying the service delivery framework of the Global Star Rating program. However, when rating the program's dimensions, organizations agree on a top-down approach based on incorporating customer centricity into their strategic vision and cascading it down through their organization.

Respondents were asked to rank the eight dimensions of the service delivery framework, based on their level of importance for improving service delivery.

> **A senior executive at a UAE federal government firm, noted how his entity had gone through multiple alterations of the strategy since the launch of the Global Star Rating Program. Initially focusing on operational efficiency, the strategy is now revised to focus on "Customer Happiness."**

Ranking (Least important ← → Most important):
- Integration of service delivery into strategic vision
- Clear understanding of customers
- Clearly defined services
- Effective use of communication and service delivery channels
- People & internal service culture
- Consistent customer experience
- Technology & system integration
- Service efficiency and innovation

N=64

Least important   Most important

Key takeaways

- Respondents ranked understanding of the customer (81%) and clearly defined services (65%) as important elements of the service delivery framework. This is reflected by the organizations' strive to improve their understanding of the customer (86% of organizations reported improvements in this area) and clearly defining their service and channel offerings (84% of organizations reported improvements in both those areas)

- Bigger (500+ employees) and smaller (1–500 employees) organizations ranked several elements differently. Bigger organizations rated "customer experience" as important as opposed to their counterparts (46% vs. 29%). However, it is to be noted that when applying the program, smaller organizations improved on the specific element more (89% vs. 79%).

- Improvements in technology (insights, data analysis, and system integration) were both less implemented and ranked lower when compared to other elements. However, it is worth mentioning that smaller organizations implemented more improvements in this area when compared to larger organizations (80% of small organizations reported improvements vs. 57% of larger organizations). This could largely be attributed to the variation in maturity between both segments in areas of data management and system integration.

An example of moving toward a better service delivery — Emirates Identity Authority (EIDA)

Established in 2004, EIDA is an independent federal authority of the UAE. The entity consists of 65 service centers out of which multiple centers have taken part for the Global Star Rating System for Services. Al Barsha Center, one of the service centers moved from a 4 star rating to a 5 star rating in a consecutive cycle.

The main factors that helped the service center to achieve a 5 star rating were the following:

- Strategic alignment from leadership with a top-down approach

- Achieving service efficiency by setting target time (of 10 minutes) for its front facing staff to serve customers

- Improving customer experience via various initiatives, such as providing knowledge corners for customers to read while they wait, access to in-house computers and printers.

- Adopting new technology, such as applications that allow customers to view the customer traffic at a certain center at a specific point of time.
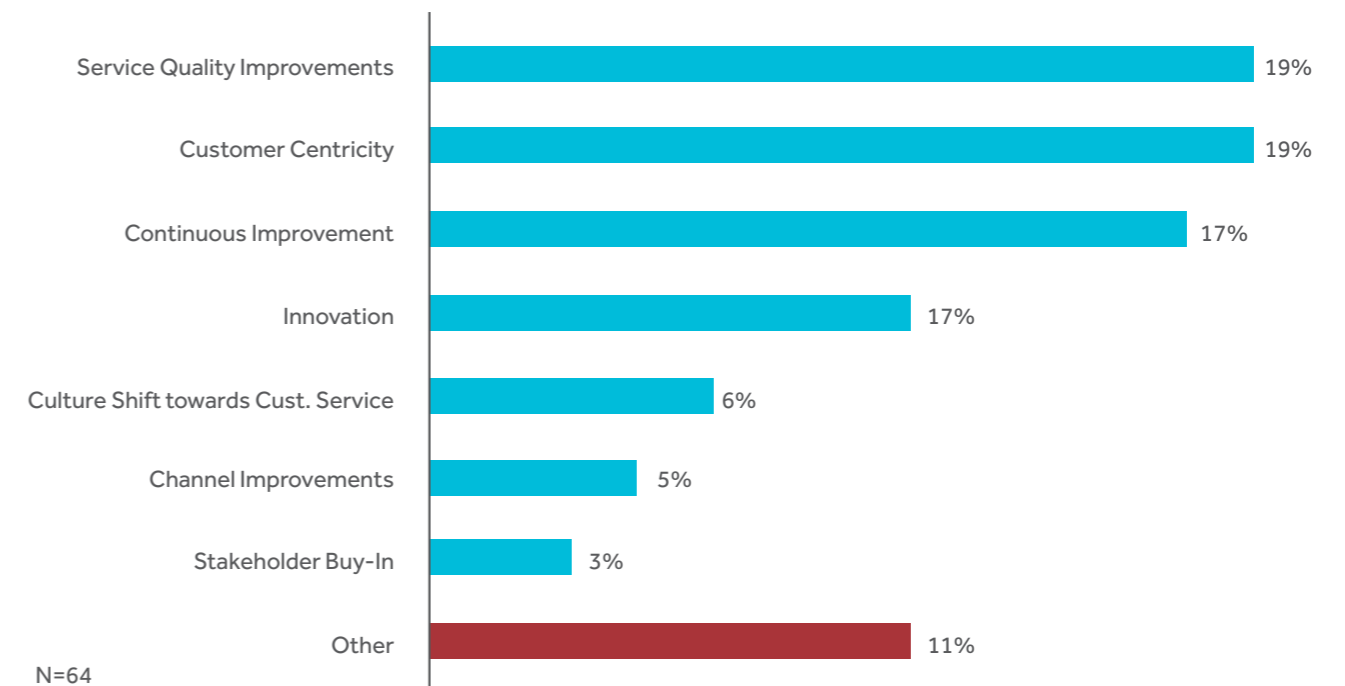
Service assessments and evaluation reports from the Government helped the center to move to a higher rating as it provided actionable feedback on the various dimensions of service delivery.

EIDA will be benchmarking the 5 star rated center — Al Barsha Center with its other service centers to maintain consistency throughout the centers.

Lessons learned

The survey concluded with an open-ended question on what respondents thought they learnt from applying the Global Star Rating System for Services.

The responses were then categorized into eight buckets based on the nature of their answer.

Service Quality Improvements	19%
Customer Centricity	19%
Continuous Improvement	17%
Innovation	17%
Culture Shift towards Cust. Service	6%
Channel Improvements	5%
Stakeholder Buy-In	3%
Other	11%

N=64

Key takeaways

- Overall improvements in service quality, based on understanding customers and their needs, are the main outcomes reported by the participants.

- While respondents see the importance of the integration of service excellence into strategic vision (respondents ranked it the highest in delivery improvements) only 3% reported stakeholder buy-in and the involvement of executive management as a lesson learned from their award submissions

In their own words

"The most important thing is to understand the customer so that we can serve them. We have to recognize their need, be attentive to what they say, so we can provide appropriate services"

"Improving service levels has to be in line with customer expectations and has to be done continuously to help the UAE achieve Vision 2021"

"The Global Star Rating program helped our organization build a clear link between our strategy and the services provided to our customers, as well as aim to consistently exceed customer expectations by tracking and improving customer journeys"

WHAT'S NEXT?

The strong and growing trend toward service delivery is going to exponentiate in the coming years as more entities seek to provide better customer service while maintaining efficiency.

The Global Star Rating System for Services enables governments to provide services that will be at par with private services and provide a continuous assessment of service quality. It also provides entities with a unique way to market their success in service delivery. Display of star classifications generally limited to hotels, highlights an organization's commitment to service. Having the service centers display their ratings improves customer perception of the center and shows the entity's commitment to customer service. Entities are also held accountable to their star rating as public is educated about the awards via newspapers and TV.

The program has had tremendous success in the UAE with an increasing number of entities participating every year. In fact, in 2017 more than 400 entities in UAE are preparing to participate from both the public and private sector (retail, banking etc.) Since the program offers a set of common guidelines, measures services through the same set of standards and since evaluations are by performed by a neutral independent party, it raises service delivery to global standards. The program will soon be awarded the ISO/IWA standard in order for other governments/private entities to adopt the program easily

It is absolutely essential for all governments around the world to meet citizen expectations of service delivery. Citizens are customers who pay for a service and expect to be provided fast, reliable services. Missing these expectations will erode trust, impact citizen happiness and create frustrations toward government organizations. Improvement in service delivery takes place only through a cycle of continuous evaluation. However, governments must step up and take the first step towards enabling a culture of service delivery for its entities. Governments must act now to gain the advantages of service delivery.
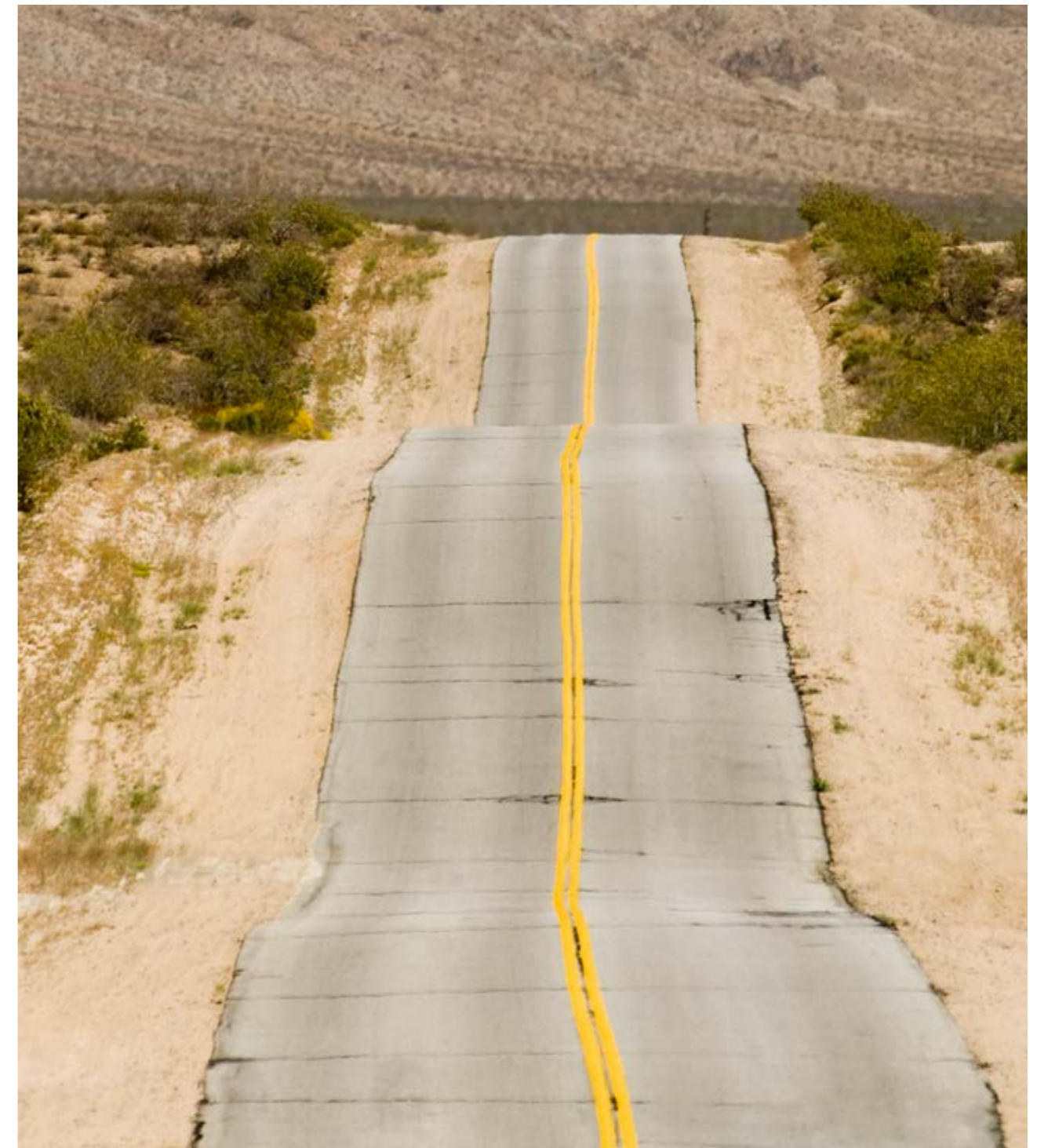
Please visit www.egsep.ae to learn more about the application of the Global Star Rating System for Services and how we can help you achieve excellence in service delivery.

TABLE OF REFERENCES

1. "The Five Imperatives To Delivering Great Customer Service", Forrester Consulting, May 2013

2. "Customer first, Improving the customer experience across government", EY, © 2014 Ernst & Young LLP.

3. "Service Delivery, a challenge for local Governments" , VNG International, © 2007 VNG International

4. "Eight Steps to Great Customer Experiences for Government Agencies", Oracle, March 2012

5. "The Customer Centric Enterprise", Strativity Group , © 2009, Strativity Group, Inc