

## ***What can Mystery Shopping offer to local authorities?***

Primarily - as with commercial organisations - mystery shopping is used to measure both the tangible and intangible elements of customer service. Such measurement is important because (as they say) "you can't manage what you can't measure".

Mystery shopping can be used to measure service levels met by customers using all the usual communication channels – telephone, email, face-to-face, letter and website.

Many local authorities use mystery shopping to monitor (and measure) the effect of organisational changes such as moving from DDI telephone lines to Contact Centres.

There are of course some limitations. Services which are provided to specific groups such as housing tenants and benefits claimants can be mystery shopped but only in terms of general enquiries – it is usually not practical to recruit actual tenants or benefits claimants for calls where actual records will be checked and possibly changed. Customer Satisfaction surveys are usually more appropriate for such services.

## ***Are all mystery shopping companies the same?***

Many market research companies offer mystery shopping and there are also a number of mystery shopping specialists. There are two quite different approaches to mystery shopping.

One is what might be termed the 'market research' approach, where a reasonably representative sample is used to create a report which provides a snapshot of what a customer encounters when communicating with an organisation, with all data reported at a level which means individuals cannot be identified. This approach certainly provides accurate data but (due to the large sample size) is usually quite expensive. The report will normally provide a set of recommendations but it is left to the organisation's management to take any action required.

The other might be termed the 'performance management' approach, where a quite small sample is used. It is based on a very simple philosophy. If three calls are made to a Switchboard at random times over four weeks, and all score very highly, the chances are that any caller will get a good response from that Switchboard. It doesn't guarantee that they will, but it does indicate that there are standards in operation and that those standards are good ones.

The 'performance management' approach focuses less on providing data (though of course it does) than on what is usually the primary objective – performance improvement. This even holds true for a Call Centre with many

staff – three good calls will give a good idea of the general performance because it is unlikely that a Call Centre will consist of a mix of excellent and awful performers.

### ***What can be measured?***

All contact channels can be measured:

- ❑ Telephone enquiries (contactability, speed of answering, efficiency, quality, call handling, transfers)
- ❑ Out-of-Hours calls (what do callers meet when ringing out of office hours, what facilities are there for leaving messages and how quickly are they called back)
- ❑ Callbacks (returned calls in response to messages left on answerphones or voicemail during office hours)
- ❑ Language line (what facilities are there for callers who do not speak English?)
- ❑ Textphone / Minicom (contactability, speed of answering etc)
- ❑ Fulfilment track (how reliably and quickly is material requested by phone received by post?)
- ❑ Emails (contactability, speed of answering, efficiency, quality, language, layout)
- ❑ Webforms (as for emails)
- ❑ Websites (are telephone numbers and email addresses shown valid and up to date? How useable is the site? How quickly can simple tasks be achieved?)
- ❑ Face-to-face (are premises easily accessible, well-signed, clean and in good condition, how welcoming are staff, how smart, was there a wait and if so how long, how well did staff handle the enquiry?)
- ❑ Letters (contactability, speed of answering, efficiency, quality, language, layout)

### ***What can they be measured against?***

Where published Customer Service standards exist they would usually be the basis for assessment criteria, although we have over the last two years or so developed a set of measures which we apply to all members of the Local Government Customer Service Benchmarking Group.

### ***How can Mystery Shopping be part of the solution?***

Mystery shopping can (if implemented correctly) not only give a good picture of strengths and weaknesses but it can also be the most effective mechanism for addressing any weaknesses found.

Operational managers will almost certainly agree that getting large groups of staff to change their behaviour is extremely difficult and takes a considerable amount of time and effort. This is even more so when staff are spread over a large number of units. We have however shown that mystery shopping used as a Continuous Improvement Programme can achieve more change in a shorter timescale than even very expensive options such as staff training courses.

This is because so often the reason staff are not complying with the laid-down Customer Service Standards is not because they don't know how to do their job, nor because they are taking a slack approach, but simply because they don't get regular feedback. They may be rushing a transaction because they are concerned about the number of calls waiting to be answered, or by the length of the queue in front of them.

They may not be able to tell the difference between an external and an internal call. They may not realise that even if there is only one person in the queue, but they need to complete the documentation for the last person they saw before dealing with the next, that an apology for keeping them waiting would be appropriate even if the wait was only for two minutes.

Using mystery shopping as a Continuous Improvement Programme gives individual staff feedback so they know how they come across to their customers. We all know we should be proactive in telling staff when they've done a good job as well telling staff when we see something that could be handled in a more effective way. Mystery shopping assessments can provide just that – a piece of paper which gives supervisors and managers an excuse to talk with an individual staff member about their personal customer service style. Whether it's a pat on the back or a discussion on how the situation could be handled better next time it will have a beneficial effect as long as everyone understands its about everyone trying to improve rather than an exercise in catching people out.

Even more effective though is team action planning, a simple but very effective tool which should be a key part of any Continuous Improvement Programme. After each Wave of mystery shopping each unit reviews its performance and picks three things it did well and three things that they need to address (because they are important to the customer and are within staff's ability to influence in a reasonably short time).

The team ensure every member is aware of the things they did well, then get together to create an action plan to address the three things which weren't so good. Sometimes for high performing teams even the weaker issues might be scoring better than most other units, but in the spirit of continuous improvement the issue will be about doing even better. The team discuss the issues and different ways of achieving improvement and end the session

having decided on an action plan which all have agreed is do-able and that they will support. Action plans are sometimes published, to maximise staff commitment.

Once the Action Plans have been made it is important that before too long another Wave of mystery shopping can test whether the Action Plans have been successful. If they have, teams choose what are now the three weakest issues. Where an Action Plan has not been successful the team needs to review it and decide why, then replace it with a modified plan. Then a further Wave of mystery shopping will confirm whether they have been successful this time.

### ***Are there any Dos and Don'ts?***

- ❑ DO have the programme actively sponsored at Director or equivalent level - generally, programmes work best if they are because everyone knows the programme is important and it will be much more effective.
- ❑ DO have a clear objective – especially regarding whether the aim is simply a snapshot of the current service level or whether it is to use the programme to stimulate change and service improvement
  
- ❑ DON'T be tempted to pressure the contractor to implement the programme quickly - there is a very clear relationship between a rushed programme and a disappointing one.
- ❑ DO listen to the contractor's professional staff and be prepared to take advice – that's probably what you selected them for and it's what they are charging for.
- ❑ DON'T expect a quotation provided as part of a formal tender process to cost less than one obtained as the result of a few 'phone calls and a one-page brief – the contractor has to recoup the costs of at least three (and maybe five or six) formal tender processes which they didn't win.
- ❑ DO be prepared to provide detailed and accurate data concerning your organisation – such as telephone numbers and email addresses and what types of enquiry the unit concerned deals with. If you want the data analysed and reported by Service and Directorate you'll need to provide the contractor with accurate information about which unit belongs to each Service and which service belongs to each Directorate.

### ***What budget will we need?***

A modest twice-yearly survey covering letters and emails can be achieved for about £4,000 p.a. excluding one-off set-up costs. Joining the LGCSB avoids the set-up costs and takes advantage of standard assessment forms and two Waves a year covering calls, emails, website, visits and letters start from £2,800 p.a., with an option to increase the sample size if required.

## ***How often should we measure our service?***

For 'Continuous Improvement' type programmes we normally recommend a minimum of 2 Waves per annum. This is because in our experience a year is too long a gap to keep any momentum. Typically so much changes over a year – staff, policies, procedures etc – that any year-on-year change may be caused by a number of factors and any improvements – or score deterioration – cannot be attributable to any actual change in staff behaviour. Six months is the longest interval where we can look at the data, compare it with previous scores and say 'this change is a real shift in staff behaviour'.

The reason is the 'Feedback Cycle' – the time taken for staff to be given feedback on their performance, decide what are the priorities for action, then get together to make an action plan, then be measured again, then review how successful they were in tackling the issues they chose.

If it is going to be 10 months or so before they will be measured again our experience is that Action Plans get lost or forgotten. By the time re-measurement takes place the results will only have changed because (say) two experienced staff left and two new staff are in place, or the manager moved on etc.

## ***Won't staff see it as spying?***

Not if the programme is set up and 'sold' correctly, and staff are fully informed and consulted. We offer to present to staff, managers and union representatives as part of the set-up process, and other contractors probably do the same.

## ***Can't we do it ourselves?***

Obviously you can, and some do – but there are some issues to consider. To do it in-house in a thorough and professional manner will be almost the same as setting up a small mystery shopping company from scratch. The costs will be similar and may be disproportionate to the amount of assessment. And after all the effort and expenditure there is a real danger that the results will be undermined by those who feel threatened by the programme - in our experience this can occur at very senior levels. Other undermining can come from those who have just received some disappointing feedback and wish to attack the programme rather than concede their service levels have weaknesses.

The benefits of using a contractor as against in-house Mystery Shopping are:

- An external organisation is seen as impartial and (sadly) the results are often taken more seriously!
- No one can say they know who the Mystery Shoppers are (whereas it's difficult to pay in-house Mystery Shoppers without for example someone who works in the leisure centre and who has had a poor report saying that he has a friend who works in accounts and everyone knows who the Mystery Shoppers are.)
- saves on Management and admin time (which are rarely fully costed for in-house projects)
- Whereas our Mystery Shoppers are able to "tell it like it is" in-house Mystery Shoppers sometimes feel that they can't be too harsh or they'll not keep the job. By the same token, if the weakest department is run by the Chief Executive Designate the messenger of the bad news may discover that the role of in-house mystery shopper is a career limiting move!
- Having staff from one council monitor another council can be fraught – dare the assessors give another council a really bad report because (a) they might not believe it (b) they might retaliate and (c) relationships might be badly affected
- Our mystery shoppers are local residents who are able to act inconspicuously, compile objective reports and provide insights as to how typical customers feel. In-house mystery shoppers come with their own ideas of service standards and how things should be done, as well as about what customers can expect and what they can't.

As a half-way house contractors may be prepared to let you use their forms, data collection system and analysis and reporting but have your own staff or local volunteers act as the mystery shoppers. There is of course still a danger that they will not approach the assessments with a completely fresh outlook and it is possible their identities may become known, but it will achieve your objective while saving you a huge amount of time and will probably be much cheaper if all time and resource costs are taken into account.

### ***What is the Local Government Customer Service Benchmark (LGCSB)?***

An all-authority Benchmark survey was conducted in 2004 following many requests from Clients to compare authorities. One-third of all authorities purchased a copy and a survey of purchasers showed a high level of satisfaction and provided useful feedback.

A key issue was the minimum sample size which in our experience would provide meaningful information. Clearly, for some large Authorities this sample size would be considered by many to be inadequate. However, before the report was published we tested the results against authorities for whom we already carried out programmes and satisfied ourselves that the benchmark was showing a result broadly in line with the larger samples.

Many authorities expressed interest in becoming part of a regular Benchmarking Group and the survey now runs twice-yearly (Spring and Autumn) with over 50 authorities as members for the most recent survey. The assessments now have far more depth and are continuously being fine-tuned. Members also have the option to increase their sample size where they need greater coverage. The Autumn Wave starts in October 2006.

Other surveys planned are Minicom/Textphone, Out-of-Hours, Language Lines, Complaints, SMS Text and Freedom of Information.

The benchmarking group came about because of the feedback we received from the Local Authorities who form part of our client base, and we still feel that they are our best source of information to help the programme grow and evolve. With this in mind we are planning to establish a steering group, with the aim of getting together to share ideas. If you would like to be part of this, do please get in touch.