

CITIZENS AND SOCIAL GOVERNMENT AGENCIES

a new approach to relationship management

Paris, november 9th 2000

Citizens needs and expectations

- Communicating with the government
- Joined-up government
- Access to technology channels: the perception gap
- The challenge: a new business model

Postelink: a lead in citizen-centric services

- Leadership in customer services: Contact Center
- Government meets citizens' needs: Contact Center
- A success case, INPS/INAIL: **Integrated Contact Center**

Currently contact is very face-to-face based partially driven by an expectation of better service via this channel, but also by citizen desire as they view it as the key priority for government investment.

The second most popular contact method is via telephone suggesting that personal contact is culturally important which may be a challenge in driving more technology based communication.

As in most countries, younger citizens, and those with third level education are adopting internet based communication more readily. This generational divide emphasizes the need for a combination of channels going forward to meet all citizens needs.

An increasing number of Italians (65%) are contacting the same government department or service numerous times, 42% of which say that none of their details from the previous contact were remembered. Only 16% experienced all their details being recalled.

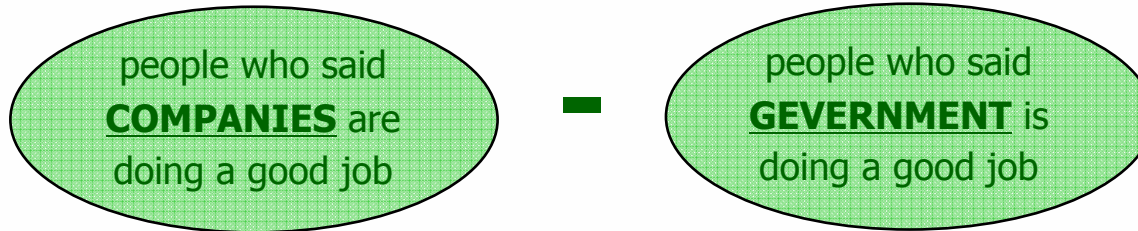
As a result 'Joined Up' government is not seen as that effective even by those who had all their details recalled. Suggesting that recall of details is only part of what 'Joined Up' government means to people.

As in most countries, it is a common perception that the Italian government lags behind national businesses in the development of on-line resources, however this delay may not be as significant as in the governments of some other countries.

CITIZENS PERCEPTION GAP

The **perception gap** is the difference between citizens who said **companies** were doing a good or excellent job developing online services and those who said **government** was doing a good or excellent job.

PERCEPTION GAP



Italy
- 11%

Perception Gap

Country	%
Singapore	+11
Norway	-2
Malaysia	-1
Portugal	-6
Sweden	-8
Brazil	-9
Italy	-11
Spain	-14
Belgium	-15
Finland	-15
Netherlands	-16
South Africa	-18
Denmark	-19
France	-19
Ireland	-19
Canada	-20
Germany	-20
Australia	-21
Japan	-21
UK	-24
USA	-27

Even though the perception gap in Italy is as low as -11%, citizens still feel that the **government lags behind businesses** in developing online services.

To be successful, governments should embrace new business models which vary dramatically from the past. **Efficiency, integration** and **easy-access** are pivotal to realize services which meet citizens' expectations.

It is apparent that only government agencies with **strong sensitivity towards both business and citizens** can lead the way to a new modus operandi based on the following key factors:

- competitive technologies
- refined business processes
- integration of services
- multi-channel access (face-to-face, telephone and internet)
- citizen-centric model

THE CHALLENGE

The challenge was to gather technologies, knowledge and expertise and to drive them on a project.

Poste Italiane S.p.A. had a **competitive advantage** on other Italian companies for three main reasons:

- it is deep-rooted in the territory with 14.000 offices (easy integration of face-to-face channel with internet and telephone)
- it is the largest italian company focused on retail and network corporate services
- citizens trust the company because of its experience in dealing with people

The transformation from being a government agency to gradually evolving into a business-oriented company made it possible to develop this potential.

Thus was created the **Poste Link consortium** (100% controlled by Poste Italiane S.p.A.) which has the mission to capitalize Poste Italiane assets into new business models.

POSTE ITALIANE BUSINESS GROUP

With a workforce of 150.000 employees Poste Italiane generates 16 billion Euros revenue

Business Units

Gruppo Posteitaliane

BU Mail

Postel

BU Express and Parcels

SDA

BU BancoPosta

BancoPostaFondi
Postevita

BU Philately

Poste.com

Postelink

Management and Support

Group's Profile (*)

Employees

~ 150.000

- PO personnel ~65.000
- Delivery personnel ~41.000
- Branch personnel ~ 8.600

Network

- Postal Offices ~14.000
- Agencies ~140
- Territorial Areas 9

Revenues (**)

~ 16 B€

- Correspondence services ~ 5,2 B€
- Logistic services ~ 4,0 B€
- Financial services ~ 6,9 B€
- Other services ~ 0,3 B€

(*) Source: Official Balance Sheets 2005

A SUCCESS CASE: INPS/INAIL CONTACT CENTER

INPS and INAIL are two Italian government agencies. The former supplies pension services to citizens, the latter health insurance to workers.

INPS and INAIL were provisioning citizens **distinct access points** to Insurance and Pension services. Citizens did not feel 'joined up' by institutions, experiencing frustration and losing confidence in the government as a social services provider.

In July 2004, Postelink with its partners, in competition with multinational companies, awarded the European tender to carry out INPS/INAIL **Integrated Contact Center**. The Contact Center provides a **single** virtual access point to services and support for citizens.

Provisioning of contact center services covers the following activities:

- design and realization of the multichannel Contact Center, including supplying of hardware and software logistics and technological infrastructures and technical assistance
- 33 months Contact Center management with specialized and dedicated staff
- CRM platform development
- KM platform development
- Related application software development

THE BUSINESS GROUP

Postelink assembled seven companies, identifying the ones with **cutting-edge capabilities and innovative technologies**. The business group includes international firms like Bull, EDS, Intouch and italian companies like Omnia Network, Offnet, Postel and Wind (italian then):

Postelink “POSTE Link” consortium (steering committee)

Postel POSTEL S.p.A

 EDS Electronic Data Systems Italia S.p.A.

 WIND Telecomunicazioni S.p.A.

 OMNIA NETWORK S.p.A.

 BULL Italia S.p.A

 OFFNET Italia S.p.A.

 InTouch S.p.A.

CUSTOMER RELATIONSHIP MANAGEMENT

Customer Relationship Management (CRM) technology is fundamental to manage contacts with customers, in order to give them immediate and structured support. A CRM platform represents thus the component for the realization of an Integrated Contact Center.

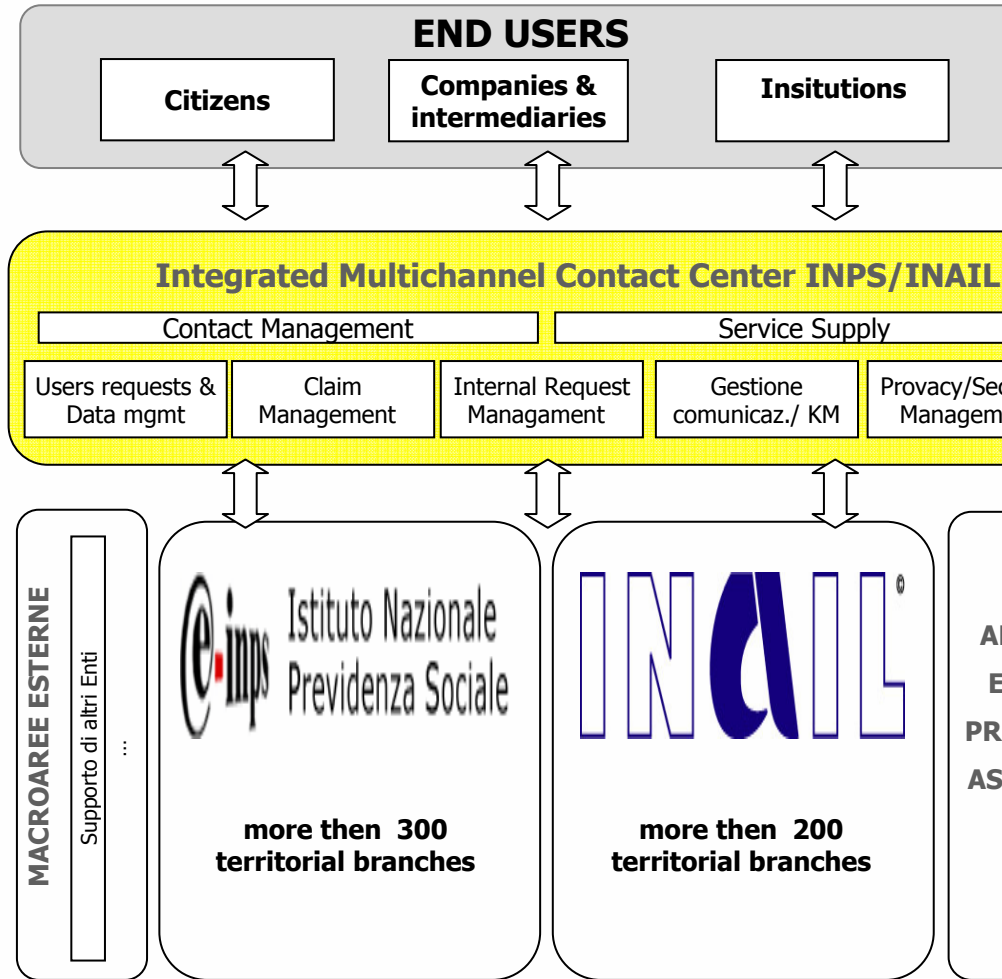
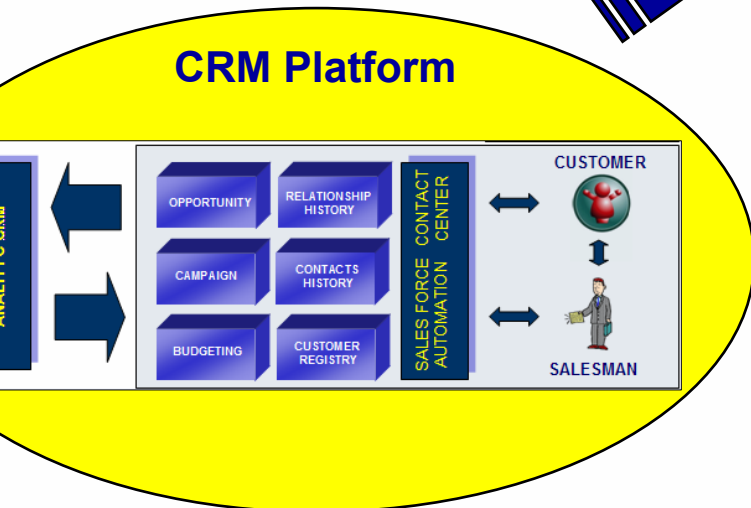
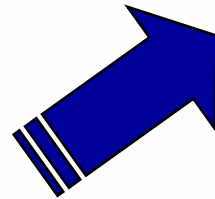
CRM covers methods and technologies used by companies to manage their relationships with clients. Information stored regarding existing customers (and potential customers) is analyzed and used to the end.

Automated CRM processes are often used to generate automatic personalized marketing based on the customer information stored in the system .



INPS/INAIL CONTACT CENTER: CRM IMPLEMENTATION

changing the business model, integrating customer data using CRM capabilities and "front-ending" the complex IT environment, citizens are able to **easily understand** how to engage with the Pension and Insurance Services.



FEATURES OF THE BUSINESS MODEL

- Supplies virtual services, integrating the INPS/INAIL Contact Center with territorial branches (face-to-face channel).
- Increases customer contact effectiveness by addressing the proper structure.
- Increases institutions presence in the territory through Postal Offices.
- Provides standard and certified information (InpsInforma/InailInforma).
- Paperless thanks to the virtual Postal-Room.
- Based on an Integrated documentation system.
- Supplies institutions with integrated services (i.e. DURC).
- Represents the only virtual access point to Welfare Services.
- Supplies institutions with payment reminder services (i.e. tax payment remainder)

SERVICE QUALITY

Customer satisfaction surveys can deliver powerful incisive information and provide ways to gain a competitive edge, because they highlight the issues critical to the success of business.

INPS/INAIL Contact Center customer satisfaction surveys are carried out on a periodical basis.

They are services-oriented surveys, focused on:

- Automatic online service: easy navigation, clarity of information
- Inbound service: efficiency, speed and courtesy
- Outbound service: efficiency and usefulness (from a CRM point of view)

Service quality is of the utmost importance to Postelink consortium. The contact center was certified compliant to the ISO9001:2000 standard.

Furthermore, internal audits are carried out every six months, in addition to periodical checks by external companies.

The INPS/INAIL Contact Center has been rated by industry press as the best Contact Center in Italy

The expected income for the project is €60,000,000

Service Considerations:

- The proposed contract envisages the handling of approximately 17,600,000 contacts within a period of three years, of which 3,200,000 would be dealt with via IVR and 14,400,000 via Operators (inbound and outbound by way of telephone, fax, email, and Voip)
- At present (Oct. 06) the call center has received more than 9,000,000 inbound contacts of which 7,160,000 were handled by our operators; the call center has handled more than 2,400,000 outbounds contacts, of which 260,000 via email and fax.
- There are 300 work stations available and at present the contact center boasts a workforce of more than 500 Operators, employed in the four sites of Bari, and Rome (1 and 2).