



# Federal experience reimagined:

### ENHANCING CX AND EX SIMULTANEOUSLY

#### By Amanda Bonser and Robert Parris

Think, for a moment, about the interactions you've had with brands world-renowned for their customer experience — Disney, Chick-fil-A, Apple, Ritz Carlton, Starbucks. Now imagine that same excellence was possible within our federal agencies.

When it comes to <u>customer experience in the</u> <u>public sector</u>, there are significant improvements needed to bring the sector's strategy up to par with commercial and retail standards. Outdated systems, complicated structures, process inefficiencies, and a lack of standardization across federal agencies and departments all affect the quality of customer service. There's a great deal to navigate and a great deal at stake.

Yet, the Biden administration has made customer experience a lynchpin of its 2024 budget proposal, making swift improvement paramount. With the majority of federal agencies operating as solesource service providers (i.e., there's no competition because there's only one place to pay your taxes), delivering an exceptional customer experience could be considered even more vital than in the heavily competitive commercial sector

"The federal government must deliver a simple, seamless, and secure customer experience, on par with, or more effective than leading consumer experiences."

— The White House 2024 Budget Proposal

## The correlation between customer (CX) and employee experience (EX)

In our work in the public and commercial sectors, we have seen clear anecdotal evidence of the correlation between customer and employee experience. It stands to reason that employees who have a good experience at work are more likely to contribute innovative ideas for improving processes and services. These innovations can lead to a better customer experience by making interactions with the public more efficient and effective.

Individuals in the workforce who perceive themselves as appreciated, supported, and involved in their roles are inclined to claim responsibility for their tasks. This leads to a heightened commitment to delivering top-tier service. One study indicates that institutions boasting high levels of employee engagement surpass their counterparts with lower levels in customer satisfaction metrics.

A Glassdoor study also found a clear link between a happy workforce and satisfied customers, especially in industries that have a good deal of direct contact between the two groups.

In order to achieve the stringent goals set out for the sector by the current administration, we'd posit that a concurrent focus on both CX and EX is the most expeditious path forward.

### 7 areas of focus for improved CX and EX

To make real strides toward federal mandates for improved customer experience, the public sector must up the ante on their CX and EX bets, investing time, resources, and focus into generating improved outcomes. We recommend the following seven areas be integrated into each agency's strategy to ensure success.

1. Recruitment, retention, and turnover: With an estimated 30% of the federal workforce eligible to retire by 2027, navigating the challenges associated with retention and turnover in federal agencies are significant. High turnover is often indicative of deeper issues within the organization, such as lack of engagement, poor job fit, or inadequate career development opportunities. By fostering an environment that values collaboration, innovation, and improvement, organizations can advance retention rates and reduce turnover.

To determine your agency's current maturity in this area, consider the following questions:

- Have we conducted a thorough audit of existing initiatives related to CX and EX and their effectiveness?
- Do we have robust training programs in place to provide employees with the skills necessary for success in their roles?
- Is there an effective system for gathering, analyzing, and taking action on employee and customer feedback?

#### 2. Standardized expectations and outcomes:

Due to a variety of factors, in many federal agencies, there is a lack of clarity regarding expectations and outcomes. This lack of clear direction can lead to confusion, lower productivity, and decreased morale among employees. By setting clear and realistic expectations that are standardized (as much as possible), agencies can ensure that all staff members understand their roles and responsibilities, thereby leading to more consistent outcomes.

To determine your agency's current maturity in this area, consider the following questions:

- Are there documented expectations and descriptions for each role within the agency?
- Are we conducting regular performance reviews to provide employees with constructive feedback that empowers them to progress in their careers?
- Do we have a system for tracking and measuring outcomes to identify areas where expectations are not being met?

"To make real strides toward federal mandates for improved customer experience, the public sector must up the ante on their CX and EX bets, investing time, resources, and focus into generating improved outcomes. 3. Maintaining reasonable employee ratios: In the realm of workforce planning, it is imperative for a federal agency to ensure that the number of employees aligns with the volume of work. This alignment not only guarantees the efficiency and effectiveness of operations but also fortifies the agency's credibility. A carefully planned workforce can also contribute significantly to prudent budgeting. When an organization has a clear understanding of its staffing needs, unnecessary expenditures related to overstaffing or costs incurred due to understaffing can be avoided.

To determine your agency's current maturity in this area, consider the following questions:

- Is there a process in place to regularly and systematically review workload analyses to ensure a proper balance is maintained?
- Do we offer professional development opportunities for employees that focus on project and workload management?
- Are we regularly soliciting honest feedback from employees about their workload?
- 4. Effective, accountable leadership: Leadership plays a crucial role in shaping the culture of an organization. Leaders who embody professionalism and confidence inspire their teams to strive for excellence. Additionally, when leaders are held accountable for their actions and decisions, a culture of integrity and trust is reinforced.

To determine your agency's current maturity in this area, consider the following questions:

- Is there an agencywide program in place to ensure leaders are measured by objective, standardized metrics?
- Do we have a system for evaluating the effectiveness of leaders, rewarding those who are doing well, and offering support for those who need it?
- Are there opportunities for leaders to receive regular constructive feedback from their teams to improve their performance?

5. Centralized, efficient shared services: The implementation of centralized, efficient shared services can greatly enhance the operational efficiency of federal agencies. These services can streamline processes. reduce redundancies, and promote collaboration among different departments.

To determine your agency's current maturity in this area, consider the following questions:

- Have we completed a review of our current shared services to identify areas of opportunity for centralization and improvement?
- Are we providing training on the use of centralized services to all employees?
- How regularly are we evaluating the effectiveness of our centralized services?
- 6. Personalized customer interactions: In today's digital age, customers expect personalized experiences. Federal agencies can leverage data and technology to understand citizens' needs and preferences, enabling them to deliver personalized services that enhance customer satisfaction and loyalty.

To determine your agency's current maturity in this area, consider the following questions:

- How is customer data analyzed currently to gain a better understanding of their needs and preferences?
- Have we developed strategies for personalizing customer experiences to enhance satisfaction and loyalty?
- Are regular evaluations of customer satisfaction being conducted to provide insights into the effectiveness of current strategies?

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7. Continuous process improvement: Continuous process improvement is key to enhancing the efficiency and effectiveness of federal agencies. By regularly reviewing and refining processes, agencies can identify areas for improvement, implement changes, and monitor their impact, eliminating areas of frustration for both employees and citizens.

To determine your agency's current maturity in this area, consider the following questions:

- How regularly are we assessing processes to identify areas for improvement?
- Do we consistently change processes to improve them based on assessment findings?
- Are we monitoring the impact of process changes to highlight wins and opportunities?

### The path forward

In the face of a rapidly evolving customer experience landscape, it is abundantly clear that federal agencies must adopt a more customer-centric approach. The federal government must rise to meet the expectations set by the commercial and retail sectors.

The correlation between customer experience (CX) and employee experience (EX) cannot be overstated. Both anecdotal evidence and empirical studies suggest a clear link between an engaged workforce and satisfied customers. A commitment to improving both CX and EX is, therefore, crucial to meeting the stringent goals set out by the current administration.

The path to improved customer experience in the public sector is multifaceted and requires a comprehensive, collaborative approach. By focusing concurrently on customer and employee experiences, federal agencies can navigate the complexities of their unique environments and deliver services that not only meet but exceed the expectations of the people they serve..



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