

# **Government Business Hotlines**

## *Report*

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This report was prepared by the Allen Consulting Group

## The Allen Consulting Group

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The Allen Consulting Group is a strategic consulting firm working at the interface between business and government, specialising in policy, regulatory and stakeholder analysis.

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# Abbreviations

|        |  |
|--------|--|
| ACCC   | Australian Competition and Consumer Commission                     |
| ACD    | Automatic Call Distribution  |
| ACG    | Allen Consulting Group   |
| APIS   | Australian Passport Information Service                            |
| AS/NZS | Australian Standard/New Zealand Standard                           |
| ASIC   | Australian Securities Investment Commission                        |
| ATO    | Australian Tax Office  |
| BEP    | Business Entry Point   |
| CIC    | Customs Information Centre   |
| CRIS   | Commonwealth Regional Information Service                          |
| CRM    | Customer Relationship Management                                   |
| CTI    | Computer Telephony Integration                                     |
| DEWR   | Department of Employment and Workplace Relations                   |
| DFACS  | Department of Family and Community Services                        |
| DIMIA  | Department of Immigration and Multicultural and Indigenous Affairs |
| DITR   | Department of Industry, Tourism and Resources                      |
| DoTARS | Department of Transport and Regional Services                      |
| DTMF   | Dual tone multi frequency  |
| ECU    | Employer Contact Unit  |
| EMDG   | Export Market Development Grant                                    |
| FTE    | Full Time Equivalent   |
| GST    | Goods and Services Tax   |
| IVR    | Interactive Voice Response   |
| KPIs   | Key Performance Indicators   |
| NBIS   | National Business Information Service                              |
| NLSR   | Natural Voice Speech Recognition                                   |
| NOIE   | National Office for the Information Economy                        |
| OSB    | Office of Small Business   |
| PABX   | Private Automatic Branch Exchange                                  |
| SMEs   | Small and Medium Enterprises                                       |
| SMS    | Short Message Service  |
| TFES   | Tasmanian Freight Equalisation Scheme                              |
| VoIP   | Voice Over Internet Protocol                                       |



# Executive Summary

This project examines the operations of telephone hotlines operated by Commonwealth Government agencies for business users. “Hotlines” are special telephone numbers that provide access to the services of government agencies, often through call centres. They have become the major channel for communication between business and government. The project methodology includes interviews with government agencies, desk research and a national telephone survey of business users of Commonwealth Government Hotlines.

## Commonwealth Business Hotlines

Services delivered by Commonwealth Government call centres are complex and varied and service levels are generally very high. Hotlines are now the major means used by business to access government agencies. Commonwealth Government call centres alone handle upwards of 12 million business related calls per year (combined inbound and outbound). Most agencies receive calls from both businesses and individuals. For some agencies, businesses-related calls comprise only a small fraction of total calls – in the case of Centrelink only 8 per cent of calls are from businesses.

Customer preferences, as reflected in this report, show a strong desire to connect directly with the specialised service that they are seeking. There is no evidence of demand for a centralised ‘hotline of hotlines’ and indeed, such a service could impair rather than improve the strong performance of existing business hotline services from the customer’s perspective.

Latent demand by Australians for government call centre services is a potential resource issue for the Commonwealth. Key delivery agencies should be reviewing and improving their services capabilities (including online transactional capability) and possible expanded use of Interactive Voice Response (IVR)/automated telephone technology as a way to adequately prepare to meet the challenge of continued growth in the demand for telephone services.

Government call centre operations have evolved into sophisticated service centres. There is an opportunity, already being exploited by some agencies, to utilise these resources more effectively by channelling email and other queries to these service centres.

Most Commonwealth hotlines employ leading edge technology. The call centre software packages employed by the larger Commonwealth call centres can generate a remarkable array of performance statistics ranging from call volumes, busy signals, abandonment rates, talk and wait times. They also allow for real time intervention in terms of managing call centre traffic, which includes being able to divert callers to other hotlines if waiting times become too long. In addition, the transactional aspects are supported by information sources and comprehensive databases.

Performance varies with the nature of the services being provided. However, in general agencies report waiting times that are broadly in line with international public sector call centre performance. The Australian Taxation Office (ATO) is particularly subject to a peak/trough phenomenon in its call centres, created by regular reporting deadlines for business. This means

that waiting times for ATO telephone services can be more variable than for other business hotlines. ATO have developed a range of strategies that address this issue.

In general terms, Commonwealth call centres compare well with private sector call centres. However, it is important to understand that private sector calls are often different in nature to those handled by Commonwealth call centres. Also, Commonwealth call centres often provide complex transactional services, which are typically more knowledge and skill intensive than the kinds of services provided by private sector call centres. A better way to gauge performance is to develop service-specific best practice benchmarks for agencies to measure their performance against, and a limited range of whole-of-government benchmark indicators for those measures, which can be legitimately compared across services. Doing this would also ensure that the Commonwealth stays in step with community values in this rapidly changing field.

Established businesses generally know how to track down information on government services related to their business. However, 'start up' businesses often do not know what information they need or where to obtain it from (which hotline to call and which website to visit for different needs). To assist these start-up businesses, a referral or 'cradle' service could be established to provide a one-stop, integrated government referral service. Rather than institute a centralised telephone referral service, a better approach (for established businesses) would be to improve the visibility and availability of referral information that customers use to find relevant specialised government telephone numbers. This could be supported by an equivalent online referral package that could be available for self-service by customer, or as a referral aid to all Commonwealth call centre operators.

All Commonwealth key delivery agencies have strategies in place to manage customer relations. Some agencies seek to leverage outcomes through providing special services to priority customers. There is scope for more holistic ongoing monitoring of customer behaviour, expectations, preferences and perceptions in relation to Commonwealth hotlines.

There has previously been little or no regular contact between Commonwealth hotline agencies. Building on the success of the Business Hotlines Project Steering Group, there is scope to establish an Informal Interagency Hotlines Group to discuss government hotline issues on an ongoing basis. The facilitation agency should be funded and charged to commission further and ongoing research into these areas.

There is a need for increased coordination between agencies in terms of collecting and presenting referral information on hotlines and websites. In addition there are no clear incentives for agencies to aim for best practice in the provision of hotline and website services. Creating an annual award that recognises best practice among Commonwealth agencies could help to institutionalise a best practice mindset, and maintain a focus for regular review and feedback.



## Business Hotlines Survey

Respondents to The Allen Consulting Group/RyderSelf Business Hotlines Survey 2002 indicate that their most preferred channel method for contacting agencies for a range of transactional services is the telephone, followed by the Internet. The most commonly cited reason for choosing both these channels is that they save time. Given these preferences, and a likely continuation of rapid growth in demand for telephone services, there is scope for agencies to encourage more business customers to consider changing from hotlines to other channels such as the Internet.

Agencies should be encouraged to adopt a Channel Management strategy for service delivery to fully realise the potential advantage of a coordinated approach to service delivery. The United Kingdom has adopted a principle-based channel management strategy to help its agencies get the best out of their investment in service delivery capacity, and a similar approach, based on the Commonwealth's specific requirements, would be useful in the Australian context. Survey respondents accept that being transferred 1 to 2 times before speaking to the right person is reasonable. Their experience seems to match their expectations. Call resolution times, as reported by agencies, are within respondents' expectations.

Respondent expectations of the waiting time and the experience seem to be broadly in line (modal waiting time across government hotlines is 2 minutes). Respondents are willing to wait longer on Commonwealth hotlines than on private sector hotlines, but have high expectations that their issue will be resolved in a timely and accurate way.

Just over half of the survey respondents had visited a Commonwealth website in the last 12 months. Around 30 percent of total hotline users consult a relevant website prior to calling a government hotline.


Most respondents prefer that Commonwealth hotlines operate within business hours (9am to 5pm, Monday to Friday). However, a significant proportion of respondents also expect Commonwealth hotlines to operate for extended (or shoulder) hours, Monday to Friday. Only around 7 percent of respondents indicated that they expected government hotlines to operate 7 days a week. There is scope to effectively achieve an extension of operating hours to shoulder periods and beyond through more intensive use of online transactional capability and IVR. Respondents appear to discount their expectations of operating hours when it comes to government hotlines compared to private sector hotlines.

While people would generally prefer to speak to a person, most accept IVR systems as a fact of life. IVR is used by most Commonwealth hotlines. There is scope to make greater use of IVR/automated telephone technology by diverting some hotline traffic to this form of service.




# Findings

## 1. Centralised telephone referral service


 Finding: Businesses (particularly established ones) are generally more interested in finding the right information first time, rather than being handed around between agencies. In general, centralised telephone referral services do not attract the call volumes that specialised services do and suffer from the need to hand the customer on which adds another layer for customers to deal with (or another queue to 'wait in'). There are also technical and logistical complexities associated with 'hand off' arrangements that make them expensive and unwieldy to maintain. In addition, legislation relating to the various services being provided contains privacy and other constraints on the transfer of information between agencies. There is a need for increased coordination between agencies in terms of collecting and presenting referral information on hotlines and websites. Government hotline information in telephone books is not always presented in a consistent format and is sometimes difficult to find there is a need to improve the visibility and availability of referral information that customers use to find relevant specialised government telephone numbers.

## 2. Special one-stop referral service for new businesses – 'cradle service'


 Finding: While most established businesses know how to track down information on government services related to their business, one group that does need some further assistance are 'start up' businesses. They may not initially know which government agencies they need to contact when setting up their businesses or where to go to access the information they need.

'Start-up' businesses are crucial to the country in terms of generating new jobs and are the seeds of economic growth more generally. AusIndustry receives a considerable number of calls from start-up businesses and where possible, directly transfers the calls to other agencies; most of which do not have specialist areas dedicated to assisting start-up businesses. The ATO also receives a considerable number of calls from start-up businesses with non-tax related queries. Agencies delivering services to business should be encouraged to develop suitable procedures for dealing with enquires from new businesses.

## 3. Informal interagency group to discuss government hotlines and channel management issues more generally


 Finding: There is considerable scope for agencies to learn from each other's experiences in all aspects of establishing and maintaining hotlines. Currently, however, there is only occasional contact between Commonwealth hotline agencies. There is also scope for regular contact between government agencies in relation to channel management issues more generally. Knowledge sharing and coordination on key issues in an informal setting is an effective way for agencies to manage and continually improve government call centre operations and channel management.

#### 4. Develop complementary web and automated telephone services


 Finding: While a great deal of effort by agencies has been devoted to improving websites, most acknowledge that there is still room to improve the quality of electronic information resources and take better advantage of synergies between various communication channels. Most Commonwealth agencies already actively use feedback from hotlines to inform website content. While an encouraging 30 percent of businesses that contact hotlines first visit the related agency website, 70 percent do not. Latent demand by Australians for call centre services is a potential resource issue for the Commonwealth – Centrelink alone expects overall annual compound growth in demand for its telephone services (including businesses and beneficiaries) of around 11 percent. Existing call centres can be better utilised by using staff to answer online queries – this opportunity is already been exploited in some agencies. Online services, together with possible expanded use of IVR/automated telephone technology, represent the cheapest and most effective tools available to manage:

- non-complex or standardised service requests;
- the extension of services into shoulder periods that cannot be economically serviced through extensions to full call centre operations;
- demand diversion during the height of the peak/trough cycle for business reporting services;
- the growth in demand for call centre services;
- requests for information or service that can be satisfied with extended turnaround times, eg, next business day rather than instantly;
- the transition of customers towards self-service channels; and
- the development of integrated approaches to service delivery.


#### 5. Further research (1) on channel management issues and (2) to support continuous improvement in agency performance

 Finding: While the Hotlines Project answered many questions, it also raised a number of important questions that are beyond the scope of the project. For instance, while it revealed which communication channel government business customers prefer, there is a need for further research into the interrelationships between channels more generally and what it would take to encourage or influence customers to move from one channel to another. Also, while the project identified customer expectations and perceptions in relation to the performance of government hotlines, it would be preferable to monitor these on an ongoing basis. Doing this would assist in framing service-specific best practice performance benchmarks for agencies to measure their performance against. (It could also ensure that the Commonwealth service standards reflect current community values in this rapidly changing area.) Benchmarks could be developed for variables such as waiting times, numbers of transfers and operating hours. These benchmarks could then be incorporated into Agency Service Charters. Further (ongoing) customer surveys would enable these issues to be addressed.


## 6. Adoption of industry standards for telephone hotline technology

-  Finding: Commonwealth agencies do not currently employ a consistent standard for their hotlines in relation to the IVR user interface. Standards Australia and Standards New Zealand are currently developing a standard for IVR Systems User Interface in relation to DTMF (or using telephone keypads). There would be strong merit in the Commonwealth adopting this standard to ensure that users have consistent experience in using IVR regardless of whether it is public or commercial. In the future, similar standards will need to be considered for other IVR applications such as natural language speech recognition.

## 7. Adoption of Channel Management Principles as best practice advice across the Commonwealth

-  Finding: Service delivery to customers is becoming a complex equation, as the technological means to reach customers increases the number of potential channels, and as programs become more targeted. Some of the major agencies, such as Centrelink, ATO and DEWR are very active in developing appropriate strategies to make the best use of their investment in service delivery but the same resources are not necessarily available to smaller agencies. The United Kingdom has adopted a principle-based channel management strategy to help its agencies get the best out of their investment in service delivery capacity, and a similar approach, based on the Commonwealth's specific requirements, would be useful in the Australian context.

## 8. Annual service delivery awards

-  Finding: There are no clear incentive for agencies to aim for best practice in the provision of hotline and website services. Creating an award program that recognises best practice in the provision of services and information among Commonwealth agencies could help to institutionalise a best practice mindset. The award could be sponsored (perhaps by the Institute of Public Administration Australia), guided by service-specific best practice performance benchmarks and feedback from clients. The award could also recognise outstanding achievement in the area of innovation in service delivery and could link in with an existing industry awards process (eg, the Australian Teleservices Association, or the Call Centre Management Association).



# 1 Introduction

## 1.1 Background to the project

The Business Hotlines Project developed out of concerns raised during the introduction of The New Tax System that access for business people to relevant and useful information from government may have been made more complex by the range of information hotlines created. At that time, the possibility of a single referral point (ie, a telephone number) for business was suggested.

Two main issues appear to underlie these concerns.

- Businesses do not know who to contact and therefore often have to make numerous phone calls before finding an agency that can assist them. In some cases, they simply give up; and
- The quality, accuracy and timeliness of the information provided varied markedly between agencies.

Common issues for business included:

- lengthy queues;
- being transferred to numerous operators before receiving help;
- being asked to call other government organisations;
- long recorded messages and decision trees before speaking to an operator;
- operators unable to provide assistance beyond that written in a fixed script;
- use of technical language; and
- operators that have little understanding of business needs.

## 1.2 The Business Hotlines Project

The National Office for the Information Economy (NOIE) and the Department of Industry, Tourism and Resources (DITR) (through the Office of Small Business (OSB)) were tasked with the carriage of a review to identify and consider approaches to address the concerns that had been raised. Subsequently, a Business Hotlines Project Steering Group (the Business Hotlines Steering Group) was established to guide and oversee the Business Hotlines Project. Agencies represented on the Business Hotlines Steering Group included NOIE, OSB, the Department of Employment and Workplace Relations (DEWR), Centrelink, the Australian Tax Office (ATO) and Customs. In addition, Austrade, the Australian Competition and Consumer Commission (ACCC) and the Department of Transport and Regional Services (DoTARS) were kept informed of progress on the project.

The Allen Consulting Group was commissioned to assess business satisfaction with, and needs from, government call centres and information services, and to develop architecture, principles and proposals or measures to underpin the future development of government information and services to business. In doing this, the consultants were required to consult widely (on behalf of the Business Hotlines Steering Group) with Government Agencies. While the focus of the review was on hotlines, other forms of information/service delivery were also considered, so that channel management issues were covered. Although service delivery from State/Territory governments was considered as part of the context of the review, the outcomes focus on improvements to Commonwealth services.

### **1.3 Definition of “Hotline”**

In the absence of an existing satisfactory definition in the literature, ‘hotlines’ are defined in the following way.

A Hotline is a single telephone number that provides access to detailed information and other services. Hotlines are often serviced by call centres in which incoming calls are directed to trained staff, who may provide responses or services with the aid of Internet sites and computer databases.

### **1.4 Report outline**

- Chapter Two outlines the methodology used to collect information for the project.
- Chapter Three presents findings and conclusions following the interviews with personnel from key hotline delivery agencies and wider research.
- Chapter Four presents the results of The Allen Consulting Group/RyderSelf Business Hotlines Survey 2002 and a discussion of preliminary findings.
- Appendix A presents summary descriptions of the call centres and hotlines operated by eight Commonwealth key delivery agencies.



## 2 Methodology

The collection of information for this project involved three main tasks – desk research, interviews with personnel from key delivery agencies and a nation wide survey of business views on government hotlines.

Periodic meetings and ongoing contact between the consultant and the Business Hotlines Steering Group were important features of the process. The outcomes of consultations with key delivery agencies (covered below) were discussed during the meetings and the Steering Group provided important input into the planning of the Business Hotlines Survey.

### 2.1 Desk research – review of existing information

The desk research phase spanned the whole project. A number of research reports from both domestic and international sources were identified. In addition to gathering valuable information, the desk research revealed gaps in the existing literature, which formed the basis for structuring a national survey (discussed below).

Among the many reports obtained during this phase were two major benchmarking studies (one international study that includes Australia and one study of Australia and New Zealand.<sup>1</sup>) and a review of state government service delivery initiatives.<sup>2</sup> A draft copy of the Australian/New Zealand standard for interactive voice response (IVR) was also acquired.<sup>3</sup>

### 2.2 Interviews with personnel from key delivery agencies

In order to develop a deep understanding of Commonwealth Government business hotlines, comprehensive face-to-face consultations were held with personnel from the following key delivery agencies (listing the agencies with the largest numbers of business calls first). It should be noted that, for some of these agencies such as Centrelink, business calls comprise only a small percentage of total calls. While the focus of this report is business calls to government telephone hotlines, there are some references to total numbers of calls in order to set the context in which Government hotlines are operating.

- The Australian Tax Office (ATO)
- Centrelink
- The Department of Employment and Workplace Relations (DEWR)

<sup>1</sup> ACA Research Pty Ltd, 2001, The 2001 Australian and New Zealand Call Centre Industry Benchmark Study: an operational overview of the call centre market.; Prosci Learning Centers, 2001.

<sup>2</sup> Office of Government Online, 1999, Review of State Government Electronic Service Delivery Initiatives, Call Centre Strategies and Information Hotlines / Call Centres. Report prepared by Arthur Anderson Business Consulting.

<sup>3</sup> Standards Australia/Standards New Zealand, 2002, Interactive voice response systems – User interface – Dual tone multi frequency (DTMF) signalling, Draft for Public Comment Australian/New Zealand Standard, Revision of AS/NZS 4263:1997.

- Australian Customs
- The Department of Transport and Regional Services (DoTARS)
- The Australian Competition and Consumer Commission (ACCC)
- Austrade
- The Department of Industry, Tourism and Resources (DITR).

In addition, the consultants undertook site visits to one of the ATO's call centres (in Melbourne) and the AusIndustry call centre in Sydney. Members of the Business Hotlines Steering Group also visited Centrelink Call's National Network Operations Centre.

Stemming from these consultations, summaries of each hotline and associated call centre operation were developed and documented. All the key delivery agencies involved were given the opportunity to comment on a draft version and the final version at Appendix A reflects these comments.

In addition to key delivery agency consultations, the consultants also spoke with key project stakeholders including NOIE, OSB and the Commonwealth Treasury.

The purpose of these discussions was to develop a deeper understanding of what each of these key stakeholders expected to gain from the project. NOIE's interest stems from its role as responsible agency for access to government information and through its expertise in online government and quality issues on Commonwealth Government websites. OSB's interest relates to its role in assisting small businesses to access government services via many channels.

## **2.3 Nation-wide survey**

A search of the Australian and international literature on hotlines/call centres did not reveal specific information about the expectations of Australian business in terms of government hotline/call centre performance. That is, the levels of service that are acceptable to business in terms of a range of indicators including business views on: busy signals; waiting times; messages while on hold; reaction to Interactive Voice Response (IVR); transfers; problem resolution; and accuracy of information provided.

As a consequence, the consultants developed a telephone survey of 500 SMEs to answer these questions, with input from RyderSelf (a survey company) and the Business Hotlines Steering Group. The survey was conducted in September 2002. As well as collecting information about business expectations of government hotline performance, the survey was designed to elicit more general information about business perceptions of call centre performance. This information, when combined with that provided by the key delivery agencies, helped to paint a comprehensive picture of Commonwealth business hotlines/call centres.

In developing the survey, it was important to ensure that the survey sample was as representative as possible of the SME community. This meant that sample had to include companies, sole traders and partnerships. In particular, it was necessary to ensure that SMEs with less than 20 employees were represented. The sample was drawn from a Dun and Bradstreet database that included

5,000 businesses, half of which were companies with less than 200 employees and half which were sole traders or partnerships. It was randomly distributed across industry groups, states, and metropolitan/non metropolitan business locations.

In line with survey industry best practice, the survey was tested with 50 calls in order to check that the options offered to respondents were appropriate and fully captured the range of responses. Some additional adjustments were made during the survey process to ensure that (to the greatest degree possible) all agencies achieved adequate representation in the results, including for some of the less-frequently called agencies. When an agency achieved adequate representation in the results (ie, reached at least a quota of 30 respondents), greater focus was put on boosting the numbers for the agencies with smaller numbers of respondents – that is, the ones that had not reached the quota.

Towards the end of the survey it was clear that there was going to be less than 30 respondents for the smaller hotlines such as AusIndustry, Austrade and Customs. To boost the numbers for these hotlines, partnerships and sole traders (who are less likely to use these hotlines) were excluded from the selection process for the last 200 or so calls, and the survey was completed using companies alone. While this method boosted the results for these hotlines, the quota was not reached in all cases (AusIndustry–17, Austrade–23 and Customs–26). Consequently, the results for these small hotlines/call centres should be considered with caution, and in the context of the hotline/call centre information provided by their respective delivery agencies.



## 3 Commonwealth Business Hotlines

### 3.1 In general

- Services delivered by government call centres are complex and varied. Service levels are generally very high.
- Hotlines are now the major means used by business to access government agencies. Commonwealth government call centres alone handle more than 12 million business related calls per year (combined inbound and outbound). Latent demand by Australians for government call centre services is a potential resource issue for the Commonwealth - Centrelink expects overall annual compound growth in demand for its telephone services (including businesses and beneficiaries) of around 11 percent.
- Key delivery agencies need to review and improve their online services capabilities (including online transactional capability and expanded use of IVR/automated telephone technology, as appropriate) as a way to adequately prepare to meet the challenge of continued growth in the demand for telephone services.
- Government call centre operations have evolved into service centres. There is an opportunity, already being exploited by some agencies, to utilise these resources more effectively by also channelling email and other queries to service centres.
- While a great deal of effort has been devoted by agencies to improving websites, most acknowledge that there is still room to improve the quality of electronic information resources and take better advantage of synergies between various communication channels. Most Commonwealth agencies already actively use feedback from hotlines to inform website content.
- Established businesses generally know how to track down information on government services related to their business. However, 'start up' businesses may not know where to go to access information they need (which hotline to call and/or which website to visit for their different needs).
- To assist these start-up businesses, a referral or 'cradle' service could be established to provide a one-stop, integrated government referral service.

The consultants held discussions with eight major Commonwealth Government Departments and key delivery agencies in relation to telephone hotline/call centre services that they provide to business clients. These discussions were held to assist in developing a 'whole of government' view about how these operations are set up and their current performance.

The discussions reveal a complex and varied array of services provided through Commonwealth Government call centres. These services range from superannuation, personal tax, small business and excise matters at the ATO, through to information about federal award and certified agreement wages and employment conditions from WageLine at DEWR.

The use of telephone hotlines by government agencies has grown rapidly in the last five years. This is because telephone hotlines have significant advantages over other forms of delivery and are popular with individuals and businesses needing to contact government agencies. A number of indicators demonstrate the size of Commonwealth's investment in hotlines and call centres. Centrelink's call network has 27 centres distributed around Australia, employs 4,000 staff and its infrastructure requirements makes it Telstra's biggest customer.

While the ATO's operation is different, it is approaching Centrelink's operation in size. Both agencies can and do treat the development of a new hotline and the employment of substantial numbers of new staff as, effectively, marginal additions to the existing investment. Call centre volumes are massive in comparison to other channels, and the figures are even more impressive when it is realised that the calls are overwhelmingly transactional rather than purely informational. Latent demand by Australians for government call centre services is a potential resource issue for the Commonwealth - Centrelink expects overall annual compound growth in demand for its telephone services (including businesses and beneficiaries) of around 11 percent and this rate of growth is likely to come a resourcing issue in the medium to long term.

Hotlines are now the major means used by business to access government agencies. Commonwealth Government call centres alone handle upwards of 12 million business related calls per year (combined inbound and outbound). Given that hotlines are the preferred communication channel of business, the massive existing and potential future investment by the Commonwealth in call centre operations needs to be carefully managed.

While a great deal of effort has been devoted by agencies to improving websites, most acknowledge that there is still room to improve the quality of electronic information resources and take better advantage of synergies between various communication channels. Most Commonwealth agencies already actively use feedback from hotlines to inform website content.

Key delivery agencies need to review and improve their online services capabilities (including online transactional capability and expanded use of IVR/automated telephone technology) as a way to adequately prepare to meet the challenge of continued growth in the demand for telephone services.

Government call centre operations have evolved into service centres. There is an opportunity, already being exploited by some agencies, to utilise these resources more effectively by also channelling email and other queries to service centres. (For further discussion of the types of services, transactions and customer experience offered by the Commonwealth in the call arena see Appendix A Discussions with Delivery Agencies).

### Warm hand off

There is no satisfactory definition for government of what a “warm hand off” or “warm handover” of a customer’s call is. Generally the term is used within the call centre industry to describe a situation where a caller is handed from one line to another without having to call again or re establish the context in which the call is being made. This can mean for example, that the customer service operator makes the new connection and explains the customer’s request to the new operator. It can also encompass situations where the necessary customer data is also electronically transferred or made available to the new operator. In commercial practice most of if not all, such transfers are made within the same company. In Government there are opportunities for considering transfers both within and between agencies. Such a capacity can appear highly attractive both from the customers perspective and from a whole of government service viewpoint. There are business strategy, technical, legislative and customer preference constraints on implementing “warm hand off” arrangements in Government.

- Business Strategy: Agency demand management strategy depends on effective queue management. “Warm hand offs” have the potential to disrupt or circumvent such strategies. An unfair advantage can be obtained in some cases by deliberately starting in a short queue in order to jump a longer queue.
- Technical. Data transfer without shared or at least highly interoperable infrastructure between agencies makes effective transfer difficult to achieve without substantial manual intervention.
- Legislature. There are some legislated constraints on the sharing of some personal information between agencies to protect individual privacy and there is a lack of harmonised authentication or proof of identity.
- Customer Preference: The current willingness of customers to accept the free transfer of personal information between agencies eg: Centerlink to the ATO, is currently uncertain.

## 3.2 Facilities and capacity

### Establishing a Hotline

Establishing a hotline supported by a dedicated call centre is not a straightforward enterprise. A wide variety of factors need to be considered before a hotline is set up.

From the client’s perspective, hotlines offer immediate two-way communication (a real person to talk to), unlike other forms of information delivery, which are uni-directional or involve delayed feedback. They also help to identify the particular information or service which is being sought (getting the question right) and provide rapid, time saving and usually single-call resolution of callers’ needs (immediate action with no travel time).

From the viewpoint of government agencies, telephone hotlines offer lower cost solutions than for counter services or paper-based processes and scope for workload management to reduce queues. They also provide an ability to respond rapidly to a changing policy environment (eg,

Ansett worker hotline), improve consistency in responses and better quality of service, and an opportunity to monitor and address problems as they arise.

The nature of government hotlines varies between agencies. Typically, the larger agencies have a core set of hotlines that are widely advertised. In addition, these agencies have other hotline numbers that are used for special purposes. These numbers may be provided to particular groups in order to meet special needs, such as tax agents. Other numbers are established for short-term requirements – for example, providing assistance to former Ansett staff. In each case, the allocation of a special hotline number allows inbound calls to be managed in a way that best meets the needs of the callers and of the agencies providing services.

The ways in which agencies inform potential clients of the existence of telephone hotlines appear to be logical. Hotline numbers can be found in the Telstra White Pages™, in other directories, in printed material distributed by agencies, in media advertisements and on relevant Internet sites.

Established businesses generally know how to track down information on government services related to their business. However, 'start up' businesses may not know where to go to access information about what they need to do to (which hotline to call and which website to visit for different needs). AusIndustry receives a considerable number of calls from these businesses, which it is currently not well positioned, to assist with. These businesses are crucial to the country in terms of generating new jobs and are the seeds of economic growth more generally.

To assist these start-up businesses, a referral or 'cradle' service could be established to provide a one-stop, integrated government referral service. It could possibly be located within the Government's existing range of services to start-up businesses, for example through the existing AusIndustry hotline or through a telephone equivalent to the Business Entry Point (BEP) website. Such a service could encompass telephone numbers and website addresses to be given over the telephone, sent by facsimile or directions be given to appropriate information obtainable through the BEP website. Relevant Commonwealth agencies would need to develop suitable procedures for assisting start up businesses. Strategies could include separate numbers or IVR options for new businesses, or the routing of new business callers to more experienced operators. Such strategies should be coordinated with the proposed cradle information service.

### Commonwealth Hotline facilities

- The total number of business calls handled by call centres (both inbound and outbound) varies greatly – from around 5,500 calls per annum for the DoTARS hotline to 11.5 million calls for the ATO hotlines.
- Operating hours for most Commonwealth hotlines are generally within traditional business trading hours of 8.00am to 6.00pm Monday and Friday.

The majority of larger Commonwealth call centres are located 'in-house'. The experience of the ATO provides an example of how a decision to run a call centre in-house provides advantages and challenges for an agency:



- A major advantage is that call centres have become a rich source of staff recruitment and provides opportunities for promotion or transfer to other positions within the ATO. Another key benefit is that staff members who first join with an ATO call centre invariably develop skills across a wide range of 'products' and progress through the organisation with a critical understanding of client needs (client focus) due to their work at the 'coalface'. In addition, for ATO (and other agencies such as Centrelink), in-house operations help maintain the confidence of callers in these agencies' ability to ensure confidentiality of personal and commercial data.
- With the combination of growth of its call centres and staff turnover, the ATO finds it necessary to be continuously recruiting staff, which carries obvious substantial ongoing costs. In relation to staff, a particular challenge is that ATO call centres require access to a pool of individuals who are sufficiently well educated to be able to master the complexities of the tax system and operate effectively in an online computer environment.

There were a couple of examples, however, of external providers being used, for instance, AusIndustry, whose hotlines are serviced by Connect Interactive Business Services, and DEWR, which contracts out some call centre operations to Telstra. Some government agencies contract their call centre services to other agencies. Examples include the Department of Immigration and Multicultural and Indigenous Affairs, the Department of Family and Community Services, which provide hotlines serviced by the ATO and Centrelink, and DEWR.

The total number of business calls handled by call centres (both inbound and outbound) varies greatly – from around 5,500 calls for the DoTARS hotline to 11.5 million calls for the ATO. Operating hours are generally within traditional business trading hours of 8.00am to 6.00pm Monday to Friday. Some of the bigger agencies operate outside these hours during busy periods. Some of the smaller agencies have tested the demand outside these hours and have found it to be insufficient to warrant staying open.

Table 3.1 provides summary statistics on facilities and capacity for all the key delivery agency hotlines/call centres.

**Table 3.1 – Hotline/call centre facilities and capacity 2001-2**

| General                       | ATO                       | Centrelink (1)   | DEWR  |                            | Customs   | DoTARS                  | ACCC                                | Austrade                      | AusIndustry             |
|-------------------------------|---------------------------|--|---|----------------------------|---|-------------------------|-------------------------------------|-------------------------------|-------------------------|
|                               |                           |  | Workplace Relations   | Employment                 |   |                         |                                     |                               |                         |
| Call centre locations         | 10                        | 27 (2)   | 10  | 9                          | 8   | 1                       | 1                                   | 2                             | 1                       |
| Total inbound calls           | 16 million                | 23 million (3)   | 657,805   | 208,000                    | 202,964   | 27,187                  | 87,078                              | 35,500 (plus 12,600 e-mails). | 33,341                  |
| Total outbound calls          | 22 million                | Not measured   | Not measured  | Not measured               | Not measured  | 200 approx              | 15,000                              | Not measured                  | 4,479                   |
| Total inbound business calls  | 6.5 million (4)           | 176,000  | Not measured  | Not measured               | Not measured  | 5,437                   | 87,078                              | 35,500                        | 24,222                  |
| Total outbound business calls | 5 million                 | Nil  | Not measured  | Not measured               | Not measured  | 40 approx               | 12,480                              | Not measured                  | 4,479                   |
| Opening hours at 30 June 2002 | 8 am - 6 pm<br>Mon to Fri | Im: 8am - 6pm<br>Mon to Fri<br>Cp: 8am - 5p.m.<br>Mon to Fri | 8.30am - 5pm<br>Mon to Fri,<br>except in NT<br>(to 4.30pm). | 8.30am - 5pm<br>Mon to Fri | 8.30am - 5pm<br>Mon to Fri,<br>except in<br>NT (8am - 4.21pm) | 9am - 6pm<br>Mon to Fri | 8.30am<br>- 5.30pm<br>Mon to<br>Fri | 8:30am - 5pm<br>Mon to Fri    | 8am - 6pm<br>Mon to Fri |

Source: The Allen Consulting Group from data supplied by agencies.

Notes:

1. Centrelink provides services in relation to immigration (Im), childcare providers (Cp), employer contact and Australian Passport information.

2. Centrelink operates 6 centres processing calls from businesses, which comprise about 8 per cent of total calls to Centrelink.

3. Does not include the Australian Passport Information Service (APIS).

4. ATO handled 5.9 million business calls.

### 3.3 Technology

- Most Commonwealth hotlines employ leading edge technology. Major agencies maintain close contacts with leading technology providers to ensure that they are aware of new developments.
- Commonwealth agencies do not currently employ a consistent standard for their hotlines in relation to the DTMF IVR user interface. Standards Australia and Standards New Zealand are currently developing a standard for IVR Systems User Interface in relation to DTMF (or using telephone keypads). There would be merit in the Commonwealth either adopting this standard or using it as a model for developing a Commonwealth DTMF standard. In the future, similar standards would need to be considered for other IVR applications such as natural language speech recognition.
- The call centre software packages employed by the larger Commonwealth call centres can generate a remarkable array of performance statistics ranging from call volumes, busy signals, abandonment rates, talk and wait times. They also allow for real time intervention in terms of managing call centre traffic, which includes being able to divert callers to other hotlines if waiting times become too long.
- While most hotlines have a protocol that refers callers to the Internet for the same or additional information, there is scope to improve the consistency of information available through both channels.

Table 3.2 (page 16) presents a selection of indicators for all the key delivery agency hotlines/call centres.

Resource type indicators (such as calls handled per staffer per day) are not always useful in distinguishing good performance between hotlines because they are often a reflection of the different roles played and the kind of information being provided. For example, DEWR or Austrade staffers handle between 60 to 70 calls per day. ATO staffers, however, handle an average of around 30 business calls per day. The average talk time for these operators is longer, reflecting the fact that the queries are often complex and can traverse a range of topics for each caller. A better approach may be to use call volume (number of calls x call handle time [talk + work time]) per FTE.

A call to an ATO hotline can involve questions about company tax, the GST, income tax instalment deductions in relation to staff and personal tax. The ATO hotlines also have a transactional capability, which add to average talk time and complexity, unlike more pure information intensive hotlines. Transactional capability also brings with it responsibilities in terms of proof of identity protocols, which again add to average talk time and complexity. These different elements are reflected in the resource type indicators.

Most Commonwealth hotlines employ leading edge technology. Major agencies maintain close contacts with leading technology providers to ensure that they are aware of new developments. Extensive use is made of Interactive Voice Response (IVR) systems and sophisticated call centre software is employed usually in the larger call centres to track and manage call traffic, and generate performance statistics.

The most common IVR application is DTMF (dual tone multi frequency), which involves interactions by pressing keys on a telephone keypad. Commonwealth agencies do not currently employ a consistent standard for their hotlines in relation to the DTMF IVR user interface. While service wide hotline standards are not generally favoured because of differences in the kinds of services being delivered, it makes good sense to have a degree of standardisation in relation to IVR reasons include:

- IVR standardisation can facilitate customer acceptance of the technology more generally by providing a common user interface (or experience), even if the topic matter differs.
- IVR standardisation is important because callers do not have the opportunity to read an instruction manual each time they access a different IVR service. As IVR becomes more prevalent, users will become frustrated if they have to cope with variations between IVR systems.
- While an IVR standard cannot address every aspect of the interface (because each application is unique and requires a degree of customisation) there are logical ways to handle common IVR situations.<sup>4</sup>

Areas where standardisation is desirable include the use of language (statement phrasing), use of particular keys (such as the hash or star keys) or the availability of 'key ahead' functions.

Standards Australia and Standards New Zealand are currently developing a standard for the DTMF IVR user interface. There would be merit in the Commonwealth either adopting this standard or using it as a model for developing a DTMF standard for Commonwealth agencies. In the future, similar standards should be considered for other IVR applications such as natural language speech recognition (NLSR). Centrelink is currently trialing an IVR NLSR application.

Speech recognition software is already in use in some call centre applications such as telephone betting. This software allows callers to provide spoken responses to IVR questions. The spoken responses are "recognised" by the software and used to provide an appropriate response to the caller.

Online services, together with possible expanded use of IVR/automated telephone technology, currently represent the most cost effective tools available to manage:

- non-complex or standardised service requests;
- the extension of services into shoulder periods that cannot be economically serviced through extensions to full call centre operations;
- demand diversion during the height of the peak/trough cycle for business/Government interactions;
- the growth in demand for call centre services;

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<sup>4</sup> Standards Australia/Standards New Zealand, 2002, Interactive voice response systems – User interface – Dual tone multi frequency (DTMF) signalling, Draft for Public Comment Australian/New Zealand Standard, Revision of AS/NZS 4263:1997.

- requests for information or service that can be satisfied with extended turnaround times, eg, next business day rather than instantly; and
- the transition of customers towards self-service channels.

The call centre software packages employed by the larger Commonwealth call centres can generate a remarkable array of performance statistics ranging from call volumes, busy signals, abandonment rates, talk and wait times. They also allow for real time intervention in terms of managing call centre traffic, which includes being able to divert callers to other hotlines if waiting times become too long. The ATO uses one of the world's most sophisticated call centre software packages.

Messages while on hold are common features of most hotlines, as is the ability to divert calls between call centres. While most hotlines have a protocol that refers callers to their Internet presence for the same or additional information, there is scope to improve the consistency of the information available across channels.

Voice over Internet Protocol (VoIP) is now being used in some call centres. It enables the simultaneous transmission of data and voice over data networks. For example, a call centre operator can speak to a caller while simultaneously viewing the caller's computer screen. This can be useful when helping a caller to, for instance, complete an on-line application form. There are certain technical requirements in relation to the quality of network services that must be achieved before VoIP can be used successfully. The AusIndustry call centre has the capability to use VoIP but is not yet implemented because most callers are not yet able to use it. VoIP can reduce business telecommunications costs and is widely regarded as an important next-generation communications technology.

Computer Telephony Integration (CTI) is expected to become more important as customer relationship management (CRM) software is introduced. For most call centres, getting best value from CRM is likely to require the implementation of CTI. This technology involves using computers to help direct incoming calls and to add intelligence in the processing of those calls. By linking with IVR, CTI can be used to direct incoming traffic to a specialist call centre operator and to provide information of that operator's computer screen that will enable the call to be processed more efficiently.

Software to support decision making by call centre operators can also play an important role in raising the efficiency and consistency of call centre services. This technology feeds information provided by a caller into rule-based decision software that can then determine eligibility for a payment and/or the amount to be paid.

Text-to-speech translation is also being used to "read" to a caller information stored in a computer. This technology can be activated through IVR or by a call centre operator, saving operator time and increasing call centre efficiency. Text-to-speech technology is currently being used by Telstra's directory assistance services. However, its application in government hotline services may be limited.

**Table 3.2 – Hotline/call centre resource and technology indicators 2001-2**

|   | ATO | Centrelink                         | DEWR   |  | Customs | DoTARS          | ACCC                      | Austrade                                     | AusIndustry |
|---|-----|------------------------------------|--|--|---------|-----------------|---------------------------|--|-------------|
| Technology                              |     |                                    | Workplace Relations                          | Employment                                     |         |                 |                           |  |             |
| Interactive Voice Response (IVR)        | Yes | Yes                                | Yes  | Yes for outsourced<br>No for in-house          | No      | No              | No                        | Yes in Melbourne.<br>No in Sydney.           | Yes         |
| Messages while on hold                  | Yes | Yes                                | Yes (but not in contracted States).          | No   | Yes     | Yes             | Yes                       | Yes  | Yes         |
| Ability to divert calls between centres | Yes | Im – Yes<br>Cp – Yes<br>Other - No | Yes. Current diversions are intrastate only. | Yes for in-house<br>Not applicable outsourced. | Yes     | Not applicable  | Yes, to regional offices. | Yes (used, during public holidays, training) | Yes         |
| Channel integration                     |     |                                    |  |  |         |                 |                           |  |             |
| Callers referred to Internet            | Yes | No                                 | Yes  | Yes  | Yes     | Yes             | Yes                       | Yes when appropriate.                        | Yes         |
| Information also available on Internet  | Yes | Yes                                | Yes  | Yes  | Yes     | Yes (partially) | Yes                       | Yes  | Yes         |

Source: The Allen Consulting Group from data supplied by agencies.

Note: 1. Centrelink provides services in relation to immigration (Im), childcare providers (Cp), employer contact and Australian Passport information.

### 3.4 Performance

- Unsurprisingly, performance varies with the nature of the services being provided. However, agencies report waiting times that are broadly in line with international public sector call centre performance. The ATO is subject to a peak/trough phenomenon caused by regular reporting cycles in its call centres like no other Commonwealth agency, which means that waiting times at ATO call centres can at times be higher than for other Commonwealth call centres.
- While ‘warm hand offs’ are, on the surface attractive, they are not generally a feature of Commonwealth hotlines because related technical and logistical complexities make them expensive and unwieldy to maintain. In addition, legislation relating to the various services being provided contains privacy and other constraints on the transfer of information between agencies.
- Rather than institute a centralised telephone referral service, a better approach (for established businesses) would be to improve the visibility and availability of referral information that customers use to find relevant specialised government telephone numbers. This could be done by placing a special Commonwealth Government business directory in widely available or visible directories such as the Telstra White Pages™, Yellow Pages™ or CitySearch (Australia’s Internet and Phone Directory), with the most important (perhaps the top 20) government business hotline telephone numbers and associated website addresses listed. This approach could also include information on services provided by State Governments to Business.
- This could be supported by an equivalent online referral package that could be available for self-service by customer, or as a referral aid to all Commonwealth call centre operators.

The experience of hotlines in terms of key performance indicators (KPIs) is variable. Performance standards are under continuous review. Agencies are working to improve information and service delivery and are making major investments in hardware, software and training, although there is no Commonwealth service wide standard for hotlines/call centres.

The KPIs used in most industry survey’s and reports (and for which data is available) are the call abandonment rate and average wait time, both of which vary according to the nature of the services provided. Call abandonment rate results are likely to be overstated due to individual callers trying multiple times in a single session.

Agencies report average wait times that are generally in line with international public sector call centre performance. Most government hotlines achieve results of under one minute waiting time. Often a better statistical measure is the mode, which is the value that occurs with greatest frequency. The various statistical measures of location are discussed in more detail in the next chapter.

In relation to KPIs, the ATO deserves a special mention. Of all the agencies examined in this report, the ATO is faced with managing perhaps the most complex of business call centre tasks. The calls handled by the ATO call centres are largely transactional and often cover more than one topic. Moreover, the ATO is subject to a peak/trough phenomenon in its call centres like no

other Commonwealth agency, which has important implications for managing staff resources. Importantly, the peak periods are ‘givens’ (such as for tax returns) that are imposed on the ATO from external sources. These factors combine to give it the longest average wait time for Commonwealth call centres (around four minutes).

Talk time and the time required, after a call is completed, to enter details into a database and/or take some follow-up action (wrap up time) reflect the complexity of the issues being addressed and services being provided.

The data on calls that should have been directed to other agencies shows that most calls are directed to the correct agency most of the time. The major inconsistency in this area is the number of these calls received by the AusIndustry hotline. These callers seek information in relation to business start-ups and to State and Territory business-related functions. With the exception of AusIndustry, transfers to other agencies are generally handled by providing callers with a contact number rather than attempting to transfer the call.

Where there is a requirement to divert callers to a different hotline – for instance, the ATO receives a call on a customs matter – the majority of these transfers are ‘cold hand offs’, which means that callers are usually given another phone number to call. Direct transfer of a caller to the hotline of another agency is rare, with only AusIndustry offering this service. It is not generally a feature of Commonwealth Government hotlines because related technical (hardware and software compatibility) and logistical complexities (coordinating staff across multiple agencies and locations) make them expensive and unwieldy to maintain. In addition, legislation relating to the various services being provided contains privacy and other constraints on the transfer of information between agencies. Government hotline information in telephone books is not always presented in a consistent format and is sometimes difficult to find. For a discussion of the merits and constraints of “warm hand offs” see Section 3.1.

In view of the survey results that show a preference and an ability to contact agencies directly, one way of facilitating this process would be to improve the visibility and availability of specialised government telephone numbers. This could be done by placing a special Commonwealth Government business directory in widely available or visible directories such as the Telstra White Pages™, Yellow Pages™ or CitySearch (Australia’s Internet and Phone Directory), with the most important (perhaps the top 20) government business hotline telephone numbers and associated website addresses listed. This could be supported by an equivalent online referral package available for self-service by customer, or as a referral aid to all Commonwealth call centre operators.

Callers need to be able to rely on the accuracy of information provided by hotline staff. Agencies that provide incorrect information may face public criticism and potential legal liabilities. For these reasons, most agencies have arrangements in place to check accuracy of a sample of calls. Assessing the accuracy of information provided by hotline staff can involve a degree of judgement. Where accuracy is particularly critical, some agencies use scripted responses and provide supporting documentation by fax or by mail. Highly skilled staff not just technically but in the program/policy objectives are an essential component of the success of these operations.



### 3.5 How do Commonwealth call centres compare with private sector call centres?

- In general terms, Commonwealth call centres compare well with private sector call centres. However, it is important to understand that private sector calls are often different in nature to those handled by Commonwealth call centres. Also, Commonwealth call centres often provide complex transactional services which are typically more knowledge and skill intensive than the kinds of services provided by private sector call centres.
- A more appropriate way to gauge performance would be to develop service-specific best practice benchmarks for agencies to measure their performance against. Doing this would also ensure that the Commonwealth service standards reflect current community values in this rapidly changing area. This would require ongoing monitoring of things such as customer expectations and perceptions in relation to the performance of individual hotlines. Benchmarks could be developed for variables such as waiting times, numbers of transfers and operating hours. These benchmarks could then be incorporated into Agency Service Charters.
- There are no clear incentive for agencies to aim for best practice in the provision of hotline and website services. Creating an award program that recognises best practice among Commonwealth agencies could help to institutionalise a best practice mindset.

Comparisons of performance between the call centres that support hotlines should only be made where they provide services of a similar nature. That is, it is reasonable to expect that 'best practice' will look different in sales orientated call centres than in service-related centres.<sup>5</sup> Moreover, even within call centres that, on the surface, look similar, it is reasonable to expect differences in performance between those that simply provide information as opposed to those that also offer a transactional capability.

In general terms, Commonwealth call centres compare well with private sector call centres. However, it is important to understand that private sector calls are often different in nature to those handled by Commonwealth call centres. Commonwealth call centres often provide complex transactional services which are typically more knowledge and skill intensive than the kinds of services provided by private sector call centres.

There is no shortage of publications that claim to benchmark call centre performance in Australia and overseas. A notable feature of all the major reports is that they tend to use large and varied samples, but present results in terms of 'average performance'.<sup>6</sup> For this research exercise, such aggregation of results is not particularly helpful because it 'hides' information such as the performance of individual government call centres. This means that they do not allow a comparison of industry and government hotline performance. A recent benchmark study of Australia and New Zealand recorded the Australian average speed of answer at 32 seconds for 2000

<sup>5</sup> New South Wales Office of Information Technology (NSWOIT), 2002, Call Centre Operation Guideline – discussion draft.

<sup>6</sup> For instance, see ACA Research Pty Ltd, 2001, The 2001 Australian and New Zealand Call Centre Industry Benchmark Study: an operational overview of the call centre market.

That said, there are some theoretical industry benchmarks or targets for call centres that are a useful starting point for Commonwealth call centres. (It should be noted that many private sector call centres do not meet these targets, apart from areas such as telephone banking.)

1. 80 percent of calls answered within 20 seconds
2. average call wait time is 20 seconds or less
3. call abandonment rate of less than 5 percent<sup>7</sup>

These benchmarks or targets are only really useful as a starting point because they do not account for differences in the kind of services delivered. For this reason it is unsurprising that Commonwealth call centres do not, on average, meet these targets.

The first of the metrics is currently met by the ACCC, Austrade, AusIndustry and probably met by Customs. A recent performance benchmark report (the Anton Report)<sup>8</sup> found that US public sector call centres (including local, state and federal call centres) on average answered 80 percent of calls in around 35 to 40 seconds. Unfortunately, this statistic is an average and is likely to hide considerable variability across different types of call centres.

Taking into account the number of callers receiving a busy signal, the second metric listed above is met only by AusIndustry. The Anton Report found that most US public sector call centres had an average wait time of above 45 seconds. Only AusIndustry, Austrade, Customs and DEWR meet the third metric. The Anton Report found that most US public sector call centres had an abandonment rate above 5 percent.

There are also standard productivity measures used in relation to hotlines and call centres. However, from the viewpoint of government services provided to business, these are less important than speed and quality of response.

A more appropriate way to gauge performance would be to develop service-specific best practice benchmarks (that is, appropriate to the particular nature of services provided by different agencies) for agencies to measure their performance against doing this would also ensure that the Commonwealth service standards reflect current community values in this rapidly changing area. This would require ongoing monitoring of things such as customer expectations and perceptions in relation to the performance of individual hotlines. Benchmarks could be developed for variables such as waiting times, numbers of transfers and operating hours. These benchmarks could then be incorporated into Agency Service Charters.

There are no clear incentives for agencies to aim for best practice in the provision of hotline and website services. There are no clear incentive for agencies to aim for best practice in the provision of hotline and website services. Creating an award program that recognises best practice in the provision of services and information among Commonwealth agencies could help to institutionalise a best practice mindset. The award could be sponsored (perhaps by the

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<sup>7</sup> Gartner Group, 1997, in New South Wales Office of Information Technology (NSWOIT), 2002, Call Centre Operation Guideline – discussion draft.

<sup>8</sup> Anton, J., 2002, Government Call Centers – Performance Benchmark Report. Centre for Customer-Driven Quality, Purdue University.

Institute of Public Administration Australia), guided by service-specific best practice performance benchmarks and feedback from clients. The award could also recognise outstanding achievement in the area of innovation in service delivery and could link in with an existing industry awards process (for instance, the Australian Teleservices Association and the Call Centre Management Association).

### 3.6 Customer relations strategies

- All Commonwealth key delivery agencies have strategies in place to manage customer relations. However, the ability to actively manage customers varies between agencies, which means that some give higher priority to these strategies than others.
- Some agencies seek to leverage outcomes through providing special services to priority customers.
- There is scope for ongoing monitoring of customer behaviour, expectations, preferences and perceptions in relation to Commonwealth hotlines.

All Commonwealth key delivery agencies have strategies in place to manage customer relations. However, the ability to actively manage customers varies between agencies, which means that some give higher priority to these strategies than others. The use of specific technology to facilitate better customer management already plays a significant role. For instance, the AusIndustry website allows businesses to 'self select' for things such as web bulletins about certain industry developments. The ATO, on the other hand, employs sophisticated call centre technology that enables operators to have a full range of information about individual business clients at their fingertips. (Centrelink operates similarly sophisticated call centre operator support technology.)

One way to channel important information of a service to customers or end users is to target intermediaries such as business advisors, tax and customs agents. This kind of strategy is useful in leveraging outcomes because the message can be spread widely through the intermediaries rather than having to target end users individually. The ATO operates a 'Premium' telephone service for tax agents which provides leverage for the organisation through priority service for a customer grouping who represent many of its individual clients. The Australian Customs Service is also seeking similar leverage, with a pilot in place for its proposed Accredited Client Program, which involves allocating specific client managers to customs agents and some of its largest clients.

All Commonwealth key delivery agencies are aware that there is scope to use an understanding of customer behaviour, expectations, preferences and perceptions to their advantage. However, there is no systematic, ongoing monitoring of this important information from a whole of government perspective, which raises the prospect government falling out of touch with what customers expect of Commonwealth hotlines. There is scope for ongoing monitoring of customer behaviour, expectations, preferences and perceptions in relation to Commonwealth hotlines. This task could be overseen by NOIE or DITR and tie in with the performance benchmarks referred to in the previous section (3.5).

### 3.7 Proof of identity (POI)

- There is not a great deal of scope for key delivery agencies to move towards a common telephone POI protocol because relevant agencies tend to have unique identifiers based on the particular information that they use, such as tax file numbers or Centrelink client numbers.
- In relation to other communication channels (such as the Internet), there is greater potential to move towards a common POI protocol, through digital encryption technology.

POI is an important issue for Commonwealth agencies with responsibility for larger hotlines, particularly in respect of transactions. Agencies need to be confident that they know to whom they are speaking in order to ensure client privacy. In the same way, it is important that customers are able to verify that they are being called by a particular agency and not by someone purporting to be that agency.

The ATO is currently refining an existing POI Protocol for its various hotlines to use in relation to tax practitioner access to client information. The objective of the new protocol is to strike a balance between servicing clients and meeting its privacy/security obligations. The protocol allows taxpayers or their representatives to access or update particular information over the phone after they have been appropriately identified using certain information peculiar to the taxpayer.

There is not a great deal of scope for key delivery agencies to move towards a common telephone POI protocol because relevant agencies tend to have unique identifiers based on the particular information that they use, such as tax file numbers or Centrelink client numbers.

In relation to other communication channels (such as the Internet), there is more potential to move towards a common POI protocol, through digital encryption technology.

### 3.8 Is there a whole of government approach to hotlines?

- There has previously been little or no regular contact between Commonwealth hotline agencies. Building on the success of the Business Hotlines Project Steering Group, there is scope to establish an Informal Interagency Hotlines Group to discuss government hotline issues on an ongoing basis.
- There is a need for increased coordination between agencies in terms of collecting and presenting referral information on hotlines and websites.

There has previously been little or no regular contact between Commonwealth hotline agencies and there is little or no coordination or links between agencies in terms of infrastructure. There is considerable scope for agencies to learn from each other's experiences in all aspects of establishing and maintaining a hotline.

Knowledge sharing and coordination on key issues in an informal setting is an optimal way for agencies to develop government call centre operations.

Building on the success of the Business Hotlines Project Steering Group, there is scope to establish an Informal Interagency Hotlines Group to discuss government hotline issues on an ongoing basis. There is a need for increased coordination between agencies in terms of collecting and presenting referral information on hotlines and websites.

## 4 Business Hotlines Survey

In relation to interpretation of the survey results, it is important to understand that the survey asked not only about expectations of government hotlines but also about perceptions of performance. That is, respondents were asked questions about their experience in using hotlines over the previous 12 months. As a consequence, the results should not be seen as verifying or refuting the performance data provided by agencies. Rather, they should be viewed as the perceptions of businesses that use the hotlines and should be considered in the context of the hotline/call centre information provided by delivery agencies.

### 4.1 Background

In total, 500 small to medium sized enterprises (SMEs) participated in the survey of business hotlines conducted in September 2002. Of the 500 samples, 420 completed the interviews in relation to one of the eight Government hotlines while 80 completed interviews for company or private sector hotlines.

Because the numbers of callers to some of the smaller hotlines/call centres were small (AusIndustry – 17, Austrade – 23, Customs – 26) the results of the survey in relation to these centres should be treated with some caution.

In terms of the respondent profile, 'small' business made up the bulk of the respondents with 78 percent of the interviews completed with enterprises with 'less than 20 persons'. In terms of business structure, there were 62 percent companies and 38 percent sole trader/partnerships.

While all States and Territories were covered in the survey, most respondents were from NSW (31 percent), Victoria (24 percent) and Queensland (20 percent). The key industry groups were Retail and Wholesale (32 percent), Construction, Transport and Utilities (16 percent) and Manufacturing (15 percent).

Most respondents have been in business for a considerable period of time with 31 percent for 10 and 20 years and 36 percent for more than 20 years. Only 2 percent of respondents had been in business for less than 2 years.

This longevity reflects the age profile of the respondents: 34 percent 40 to 50 years old; 26 percent 50 to 60 years old; and 8 percent over 60 years old.

Around 90 percent of the respondents had used one or more of the 8 specified government hotlines in the last 12 months. While respondents could indicate their use of any of the 8 government hotlines, the most common in descending order were:

- The ATO (78 percent)
- DEWR / WageLine (30 percent)
- Centrelink (27 percent)
- DoTARS (14 percent)

- Customs (10 percent)
- The ACCC (10 percent)
- Austrade (7 percent)
- AusIndustry (4 percent)

The table below highlights the most frequently contacted Government business hotlines, with the top three being Centrelink (12.41 times on average), DoTARS (7.83 times on average) and the ATO (5.5 times on average).

**Table 4.1 – The most frequently contacted government hotlines (percentages)**

| How many times have you called that hotline in the last 12 months? | Once Only | 2 to 3 times | 4 to 5 times | 6 to 10 times | 11 to 20 times | More than 20 times | Don't know | Total Numbers | Average Number of Times Called |
|--|-----------|--------------|--------------|---------------|----------------|--------------------|------------|---------------|--------------------------------|
| Centrelink   | 31.0      | 43.1         | 8.6          | 10.3          | 3.4            | 3.4                | 0          | 58            | 12.41                          |
| DoTARS   | 22.2      | 27.8         | 11.1         | 25            | 11.1           | 2.8                | 0          | 36            | 7.83                           |
| ATO  | 12.2      | 39.1         | 16.7         | 19.2          | 7.7            | 2.6                | 2.6        | 156           | 5.50                           |
| DEWR   | 35.4      | 33.8         | 12.3         | 10.8          | 6.2            | 0                  | 1.5        | 65            | 3.39                           |
| Austrade   | 30.4      | 39.1         | 17.4         | 8.7           | 4.3            | 0                  | 0          | 23            | 2.96                           |
| ACCC   | 33.3      | 48.5         | 15.2         | 3             | 0              | 0                  | 0          | 33            | 2.39                           |
| Customs  | 42.3      | 38.5         | 7.7          | 7.7           | 0              | 0                  | 3.8        | 26            | 2.36                           |
| AusIndustry  | 29.4      | 58.8         | 11.8         | 0             | 0              | 0                  | 0          | 17            | 2.12                           |

Source: ACG/RyderSelf Business Hotlines Survey 2002

## 4.2 Survey findings

The survey results are analysed in terms of:

- Channel preferences
- Client expectations versus experience
- Use of the Internet
- Hotline operating hours
- IVR

## Channel preferences

- Respondents indicate that their most preferred channel method for contacting government for a range of services is the telephone, followed by the Internet. The most commonly cited reason for choosing both these channels is that they save time. Given these preferences, and a likely continuation of rapid growth in demand for telephone services, there is scope for agencies to shift more business customers from hotlines to other channels such as the Internet.
- Agencies should be encouraged to adopt a Channel Management strategy for service delivery to fully realise the potential advantage of a coordinated approach to service delivery.
- The United Kingdom has adopted a principle-based channel management strategy to help its agencies get the best out of their investment in service delivery capacity, and a similar approach, based on the Commonwealth's specific requirements, would be useful in the Australian context.

There are a number of ways (or channels) available for clients to contact and transact with government. Having an understanding of client channel preferences allows agencies to provide better service in terms of aligning the various service channels with what the clients want and use most. Understanding this also provides agencies with an opportunity to realign the mix of channel options available to keep unnecessary costs to a minimum. For instance, it doesn't make sense for an agency to spend large sums of money on maintaining a particular channel if clients do not use that channel. Such information can also expose opportunities for agencies to encourage greater use of certain channels.

It should be noted that governments often have to take into account issues of access to services, which means that a channel with low patronage that might otherwise be 'wound up' in the private sector, may need to be maintained in the public sector.

The majority of survey respondents (62 percent on average) report that they prefer to use the telephone for dealing with the Commonwealth Government (see table 4.2). The results for individual services reveal that businesses prefer to deal with tax matters (ATO) on the phone 69 percent of the time, whereas the result for export assistance (Austrade) is 49 percent. Most survey respondents report that they prefer to use the telephone because it saves time and brings a quicker and more immediate response (51 percent) or it allows them to speak to a person about their query (24 percent).

The Internet is the next overall preferred method (18 percent on average) for dealing with the Commonwealth Government. For this communication channel, trade practices matters (ACCC) stand out as being the service that most businesses prefer (26 percent). On the other hand, only 13 percent of survey respondents report that they prefer to use this channel for matters to do with licences and permits.

The most commonly cited reasons for choosing the Internet are that it saves time (74 percent), is easier and more convenient (26 percent) and the user is able to access information/research directly (26 percent).<sup>9</sup>

In terms of locating the telephone number of a government agency, the most popular methods are the Telstra White Pages™ (70 percent), Internet/website (30 percent), and correspondence or printed matter from the government agency (40 percent).<sup>10</sup>

<sup>9</sup> Percentages do not sum to 100 percent as respondents are able to choose more than one reason.

<sup>10</sup> Percentages do not sum to 100 percent as respondents are able to choose more than one preference.



Given these preferences, and a likely continuation of rapid growth in demand for telephone services, there is scope for agencies to shift more business customers from hotlines to other channels such as the Internet. Agencies should be encouraged to adopt a Channel Management strategy for service delivery to fully realise the potential advantage of a coordinated approach to service delivery.

While the survey revealed which communication channel government business customers prefer, there is a need for further research into the interrelationships between channels more generally and what it would take to encourage customers to move from one channel to another.

Service delivery to customers is becoming a complex equation, as the technological means to reach customers increases the number of potential channels, and as programs become more targeted. Some of the major agencies, such as Centrelink, the ATO and DEWR are very active in developing appropriate strategies to make the best use of their investment in service delivery but the same resources are not necessarily available to smaller agencies. The United Kingdom has adopted a principle-based channel management strategy to help its agencies get the best out of their investment in service delivery capacity, and a similar approach, based on the Commonwealth's specific requirements, would be useful in the Australian context.

To achieve this, a set of best practice principles will be developed to support the development of channel management strategies by individual agencies. Suggested high level principles could include:

#### No Wrong Door

- The goal being to direct the customer to the right service, no matter where they enter.

#### Fix it first time

- Complete the transaction or satisfy the need without further referral or call back.

#### What Channel When?

- Use the characteristics of each channel to best service advantage.
- Direct demand to the most appropriate channel to service the need.
- Understand how the customers move between each channel and design to take advantage of this knowledge.

#### Self Service

- Invest to enable self service whenever applicable through convenience, empowerment and opportunity.

#### Policy and Service Delivery Combined

- Consider the implications of service delivery when the program is designed.



**Table 4.2 – Channel preferences for dealing with government**

|                                    | Over the counter |     | Internet |      | Email  |      | Telephone |      | Letter |      | By appointment |     | Fax    |     | Not one preferred method, depends on the type of service |     |
|------------------------------------|------------------|-----|----------|------|--------|------|-----------|------|--------|------|----------------|-----|--------|-----|--|-----|
|                                    | Number           | %   | Number   | %    | Number | %    | Number    | %    | Number | %    | Number         | %   | Number | %   | Number   | %   |
| Grants (1)                         | 5                | 4   | 20       | 16.1 | 8      | 6.5  | 68        | 54.8 | 14     | 11.3 | 1              | 0.8 | 3      | 2.4 | 5  | 4.0 |
| Export assistance (2)              | 4                | 5.1 | 14       | 17.9 | 11     | 14.1 | 38        | 48.7 | 4      | 5.1  | 4              | 5.1 | 2      | 2.6 | 1  | 1.3 |
| Trade practice matters (3)         | 3                | 1.9 | 41       | 26.1 | 7      | 4.5  | 92        | 58.6 | 9      | 5.7  | 0              | 0   | 4      | 2.5 | 1  | 0.6 |
| Customs matters (4)                | 3                | 2.9 | 16       | 15.4 | 7      | 6.7  | 65        | 62.5 | 5      | 4.8  | 0              | 0   | 6      | 5.8 | 2  | 1.9 |
| Tax matters (5)                    | 1                | 0.2 | 70       | 17.0 | 18     | 4.4  | 284       | 68.9 | 24     | 5.8  | 0              | 0   | 3      | 0.7 | 12   | 2.9 |
| Employment or Award conditions (6) | 2                | 0.6 | 70       | 22.4 | 10     | 3.2  | 209       | 67.0 | 12     | 3.8  | 2              | 0.6 | 5      | 1.6 | 2  | 0.6 |
| Licences and Permits               | 26               | 9.8 | 35       | 13.2 | 5      | 1.9  | 148       | 55.6 | 40     | 15.0 | 3              | 1.1 | 4      | 1.5 | 5  | 1.9 |
| Total Preferences                  | 44               | 3.0 | 266      | 18.3 | 66     | 4.5  | 904       | 62.2 | 108    | 7.4  | 10             | 0.7 | 27     | 1.9 | 28   | 1.9 |

Source: ACG/RyderSelf Business Hotlines Survey 2002

Notes:

1. AusIndustry, DoTARS
2. Austrade
3. ACCC
4. Customs
5. Not land and payroll tax. ATO.
6. Employment or Award conditions (Centrelink, DEWR)

## Client expectations versus experience

### *Transfers within agencies.*

- Survey respondents expect that being transferred 1 to 2 times before speaking to the right person is reasonable. Their experience seems to match their expectations.

In general, the majority of survey respondents (91 percent) expect 1 to 2 transfers for either government hotlines or private sector hotlines as being reasonable in 'getting to the right person'. This expectation broadly gels with actual experience, which is that most respondents are transferred 1 to 2 times when calling government hotlines (39 percent). For private sector hotlines most respondents are transferred 3 to 5 times (38 percent) or 1 to 2 times (34 percent). This pattern for government hotlines is broadly consistent across all 8 business hotlines as shown in table 4.3 below.

**Table 4.3 – Number of transfers on government hotlines 2001-2 (%)**

|                  | Did not get transferred | 1 to 2 times | 3 to 5 times | 6 to 7 times | 8 to 10 times | More than 10 times | Don't know | Total Number of respondents |
|------------------|-------------------------|--------------|--------------|--------------|---------------|--------------------|------------|-----------------------------|
| AusIndustry      | 8                       | 50           | 17           | 0            | 0             | 0                  | 25         | 12                          |
| Austrade         | 0                       | 38           | 19           | 0            | 0             | 0                  | 44         | 16                          |
| ACCC             | 22                      | 33           | 19           | 0            | 0             | 0                  | 26         | 27                          |
| Customs          | 5                       | 47           | 11           | 0            | 0             | 0                  | 37         | 19                          |
| ATO              | 16                      | 40           | 24           | 2            | 1             | 0                  | 17         | 144                         |
| Centrelink       | 15                      | 28           | 26           | 0            | 0             | 0                  | 30         | 46                          |
| DEWR             | 23                      | 40           | 10           | 0            | 0             | 0                  | 27         | 52                          |
| DoTARS           | 15                      | 44           | 19           | 0            | 0             | 3                  | 19         | 27                          |
| Totals (govt)    | 16                      | 39           | 20           | 1            | 0             | 0                  | 24         | 343                         |
| Totals (private) | 20                      | 34           | 38           | 2            | 0             | 0                  | 7          | 61                          |

Source: ACG/RyderSelf Business Hotlines Survey 2002

Notes: Totals for percentages may not add to 100 percent due to rounding.

### *Waiting*

- Respondent expectations and experience seem to be broadly in line in relation to waiting time (modal waiting time across government hotlines is 2 minutes).
- Respondents are prepared to wait longer on Commonwealth hotlines than on private sector hotlines.

When gauging metrics such as waiting times (and indeed many others such as number of transfers or number of successful attempts at getting through) it is tempting to look at averages. However, there are a number of pitfalls associated with deciding on an appropriate statistical measure of location. Using a simple average (or mean) involves adding the data values and dividing by the number of items (or observations). Another measure is the median, which is the value of the middle item where all items are arranged in ascending order. The mode, on the other hand, measures the value that

occurs with greatest frequency. When a data set is normally distributed (ie, when plotted on a graph the observations look like a symmetrical bell curve) there is no difference between the average, the median and the mode. However, if the distribution is not normal (ie, it is skewed one way or another) there can be differences between the various measures of location.

In this case, where the survey results are not normally distributed, the preferred measure is that of the mode because it captures the values or observations that occur with the greatest frequency – using either of the other two measures (average or median) could lead to an ambiguous outcome.

Nearly half the respondents (49 percent) report that they consider waiting 1 to 2 minutes to be reasonable to speak to a person on a government hotline, and less than 1 minute when speaking to someone on a private sector hotline (41 percent), indicating that respondents seem to be willing to wait longer on government hotlines than private sector hotlines.

Actual experience is that modal waiting time (the response that occurs with the greatest frequency) for government hotlines is 2 minutes. The modal waiting time for private sector hotlines is less than 1 minute (see table 4.4). These experiences of waiting times are broadly in accord with client expectations.

**Table 4.4 – Waiting time on government hotlines 2001-2**

|  | Actual Experience            | Expected Standards           |
|--|------------------------------|------------------------------|
|  | Modal waiting time (minutes) | Modal waiting time (minutes) |
| Total Government Hotline Respondents     | 2                            | 2                            |
| AusIndustry                              | 2                            | 2                            |
| Austrade                                 | Less than 1 minute           | 2                            |
| ACCC                                     | 5                            | 5                            |
| Customs                                  | 5                            | Less than 1 minute           |
| ATO                                      | 5                            | 2                            |
| Centrelink                               | 2                            | 2                            |
| DEWR                                     | 2                            | 2                            |
| DoTARS                                   | 2                            | 2                            |
| Total private sector Hotline Respondents | Less than 1 minute           | Less than 1 minute           |

Source: ACG/RyderSelf Business Hotlines Survey 2002

### **Resolution time**

- Call resolution times, as reported by agencies, are within respondents' expectations.

This refers to the time taken for a query to a hotline to be resolved or transaction completed.

Most survey respondents (61 percent) report that they expect an immediate resolution of problems. Interestingly, a higher proportion of respondents expect their query to be completed within 1 day (16 percent) than within 1 hour (8 percent), perhaps reflecting an understanding that some queries will take longer than others to service.

Agency records indicate that resolution times are usually within a few minutes, which are within respondent expectations.

## Use of the Internet

- Just over half of the survey respondents have visited a Commonwealth website in the last 12 months. Around 30 percent of total hotline users consult a relevant website prior to calling a government hotline.
- Previous research suggests that Internet access for SMEs in Australia is almost universal (98 percent).
- As noted earlier in the report, agencies should urgently review and improve their online services capabilities as a way to adequately prepare to meet the challenge of continued growth in the demand for telephone services.

Having a effective website is an important alternative or complimentary communication channel for a hotline. Encouraging clients to refer to the web can result in them being better informed during a hotline interaction or even lead to an answer without the need to use the hotline, which can take pressure of demand for hotline services.

Just over half of the survey respondents report that they have visited a Commonwealth agency website in the last 12 months. The top five Commonwealth websites visited are:

- the Australian Taxation Office (64 percent);
- DEWR/WageLine/WageOne/WageNet (16 percent);
- Centrelink (7 percent);
- ACCC (6.3 percent); and
- Austrade and ASIC (5.6 percent each).

Of these websites, the 3 most nominated in terms of their usefulness are the ATO (49 percent), DEWR/WageLine/WageOne/WageNet (10 percent) and ASIC (4 percent).

- A particularly interesting survey finding was that more than half of the sample who have visited a Commonwealth government website in the last 12 months (59 percent) actually look at the website first, before contacting that particular agency (see table 4.5

Previous research by The Allen Consulting Group suggests that Internet access is almost universal for the SME community in Australia,<sup>11</sup> which suggests that there is considerable scope to explore encouraging hotline traffic to using the Internet.

As noted earlier in this report, high demand for hotline services is expected to continue to increase in the future, therefore agencies should urgently review and improve their online

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<sup>11</sup> The Allen Consulting Group, 2002, Building a case for an ABN-based Central Directory – The Business Exchange. Report prepared for the Department of Industry, Tourism and Resources.

services capabilities (including online transactional capability and possible expanded use of IVR/automated telephone technology) as a way to adequately prepare to meet the challenge of continued growth in the demand for telephone services.

**Table 4.5. Businesses that had looked at a Commonwealth website in the last 12 months - before contacting a government agency, did they look at their website first?**

|                             | Yes % | No % | Number of Respondents |
|-----------------------------|-------|------|-----------------------|
| AusIndustry                 | 53    | 47   | 15                    |
| Austrade                    | 69    | 25   | 16                    |
| ACCC                        | 56    | 44   | 25                    |
| Customs                     | 63    | 38   | 16                    |
| ATO                         | 55    | 45   | 75                    |
| Centrelink                  | 54    | 46   | 35                    |
| DEWR                        | 46    | 54   | 41                    |
| DoTARS                      | 75    | 25   | 16                    |
| Total Respondents (Average) | 59    | 41   |                       |
| Total Respondents           |       |      | 269                   |

Source: ACG/RyderSelf Business Hotlines Survey 2002

### Hotline operating hours

- Most respondents prefer that Commonwealth hotlines operate within traditional business hours (8am – 6pm, Monday to Friday). However, a significant proportion of respondents also expect Commonwealth hotlines to operate for extended (or shoulder) hours, Monday to Friday.
- Only around 7 percent of respondents indicated that they expected government hotlines to operate 7 days a week.
- There is scope to effectively achieve an extension of operating hours to shoulder periods and beyond through more intensive use of online transactional capability and IVR.
- Respondents appear to discount their expectations of operating hours when it comes to government hotlines compared to private sector hotlines.

A recent benchmark study identified that around half of Australian hotlines (for government and business) operate 5 days a week, 13 percent operate 6 days a week and 40 percent operate 7 days a week.<sup>12</sup>

<sup>12</sup> ACA Research Pty Ltd, 2001, The 2001 Australian and New Zealand Call Centre Industry Benchmark Study: an operational overview of the call centre market.

Most respondents to The Allen Consulting Group/RyderSelf Business Hotline Survey 2002 (44 percent) report that they expect government hotlines to operate within business hours (9am to 5pm, Monday to Friday). In addition, 37 percent of respondents also expect Commonwealth hotlines to operate for extended (or shoulder) hours, Monday to Friday. Only around 7 percent of respondents indicated that they expected government hotlines to operate 7 days a week (see table 4.6).

These results suggest that a significant proportion of businesses would prefer that Commonwealth hotlines extend their hours of operation to shoulder periods, Monday to Friday. There is scope to effectively do this through more intensive use of online transactional capability and IVR.

Respondents appear to discount their expectations of operating hours when it comes to government hotlines compared to private sector hotlines.

**Table 4.6 What hours would you expect a government hotline to operate for, in a day?**

|   | Frequency of Respondents | % of Respondents |
|---|--------------------------|------------------|
| 9am to 5pm-Monday to Friday (Business hours)          | 182                      | 44.1             |
| Other extended hours Monday to Friday                 | 53                       | 12.8             |
| 8am to 6pm-Monday to Friday                           | 39                       | 9.4              |
| 8am to 5pm-Monday to Friday                           | 39                       | 9.4              |
| 8am to 10pm-Monday to Friday                          | 21                       | 5.1              |
| Other extended hours including Saturday and/or Sunday | 18                       | 4.4              |
| 24 hours-7 days a week                                | 15                       | 3.6              |
| Other extended hours, days not specified              | 9                        | 2.2              |
| 24 hours-Monday to Friday                             | 8                        | 1.9              |
| 9am to 5pm-7 days a week                              | 7                        | 1.7              |
| 8am to 6pm-Monday to Saturday                         | 7                        | 1.7              |
| 8am to 10pm-7 days a week                             | 6                        | 1.5              |
| Cover WA business hours                               | 5                        | 1.2              |
| 8am to 6pm-7 days a week                              | 3                        | 0.7              |
| 8am to 8pm-Monday to Friday                           | 3                        | 0.7              |
| Total Number of Respondents                           | 413                      |                  |

Source: ACG/RyderSelf Business Hotlines Survey 2002

### Interactive Voice Response (IVR)

- While people would generally prefer to speak to a person, most accept IVR as a fact of life. IVR is used by most Commonwealth hotlines.
- There is scope to make greater use of IVR/automated telephone technology through diverting some hotline traffic to these channels.

IVR technology allows a customer making an inbound call to interact with a data system by responding to a menu of options, usually by pressing keys on a telephone pad, although voice recognition is becoming more commonly integrated into the process, particularly in the US.<sup>13</sup> The idea behind IVR technology is to reduce costs through encouraging ‘self service/navigation’ by customers and to facilitate ‘front end sorting’ of telephone traffic. Other studies have found that although customers believe that IVR reduces overall wait time, their preference is still to speak with an agent directly.<sup>14</sup>

The majority of survey respondents (69 percent) report that they have to use IVR when they called government hotlines (69 percent for private sector hotlines). This IVR utilisation rate is higher than the average rate of 46 percent reported (for government and business) in a recent benchmark study.<sup>15</sup> Only 16 percent of survey respondents report that they get straight through to a person (21 percent for private sector hotlines). Very few respondents get a busy signal (1 percent for government hotlines and none for private sector hotlines).

Of the respondents that use IVR, 52 percent said that the recorded message was “OK” (40 percent for private sector hotlines) and 20 percent said that they prefer to speak to a person (35 percent for private sector hotlines). 22 percent of respondents said that the recorded message is too long or there are too many choices/options. (see Table 4.7)

While people would generally prefer to speak to a person, most accept IVR as a fact of life. Therefore there is scope to make greater use of IVR/automated telephone technology through diverting some hotline traffic to these channels.

**Table 4.7. Did you find the selection of recorded options/choices useful or helpful?**

|   | Frequency of Respondents | % of Respondents |
|---|--------------------------|------------------|
| Yes, it was OK  | 152                      | 52.4             |
| No, there were too many options/choices               | 22                       | 7.6              |
| No, I wanted to speak to a person                     | 57                       | 19.7             |
| No, it was too long                                   | 42                       | 14.5             |
| No, options too broad / general / not specific enough | 11                       | 3.8              |
| No, options didn’t match what I needed / didn’t apply | 7                        | 2.4              |
| No, it was annoying / frustrating                     | 2                        | 0.7              |
| Don’t know  | 8                        | 2.8              |
| Other (please specify)                                | 8                        | 2.8              |
| Total Number of Respondents                           | 290                      |                  |

Source: ACG/RyderSelf Business Hotlines Survey 2002

<sup>13</sup> Anton, J., 2002, Government Call Centers – Performance Benchmark Report. Centre for Customer-Driven Quality, Purdue University.

<sup>14</sup> ACA Research Pty Ltd, 2001, The 2001 Australian and New Zealand Call Centre Industry Benchmark Study: an operational overview of the call centre market.

<sup>15</sup> ACA Research Pty Ltd, 2001, The 2001 Australian and New Zealand Call Centre Industry Benchmark Study: an operational overview of the call centre market.





# Appendix A

## Discussions with Delivery Agencies

This Appendix presents summary descriptions of the call centres and hotlines operated by eight Commonwealth delivery agencies. The summaries reflect face-to-face meetings with agencies and feedback provided by them on an earlier draft. Agencies also provided summary call centre statistics, which can be found in the Tables in Chapter four.

The agencies covered in this Appendix, listing the agencies with the largest numbers of business calls first, are:

- The Australian Tax Office (ATO);
- Centrelink;
- Department of Employment and Workplace Relations (DEWR);
- Australian Customs;
- Department of Transport and Regional Services (DoTARS);
- The Australian Competition and Consumer Commission (ACCC);
- Austrade; and
- AusIndustry.

The summaries in this Appendix have been prepared following face-to-face meetings. Agencies have been given the opportunity to comment on a draft version and the revised version in this report takes into account agency inputs. Agencies have provided summary statistics, which can be found in the Tables in Chapter four.

### A.1 The Australian Tax Office (ATO)

The ATO operates a large number of general and specialised hotlines in response to customer demand and to provide a targeted, cost-effective means of handling a high volume of inquiries on a wide range of tax matters.

The ATO introduced a hotline in 1997 to handle complaints. Since then the numbers of hotlines and the call centres which service them have grown as the ATO has sought to meet customer needs while handling major tax changes and seeking to cut costs. The ATO has seen a growing preference for telephone services and a significant drop in the numbers of customers coming to ATO offices. Today it operates four main groups of hotlines for:

- Superannuation;
- Personal tax;

- Small Business; and
- Excise.

The ATO hotlines received about 16 million inward calls in the past year, and made about 22 million outward calls to customers, in addition to 6 million internal calls.

The ATO has 10 in-house call centres located around Australia. Each of these call centres has the capacity to handle multiple 'product lines'. Each call centre has some specialist staff able to process more complex issues. Incoming calls are normally received by the appropriate call centre in each State. Call centre traffic and loads are monitored and managed from a centre in Melbourne.

The ATO operates 11 mainframe applications and a network of high-powered servers that play a major role in supporting call centre operations. To be cost-effective these facilities need to be located in or near major metropolitan centres. They require hardware support from the major equipment suppliers. These supporting operations comprise databases of personal and company tax data. They also provide information on tax matters that call centre staff can read to callers.

The ATO provides services to business in relation to the GST, Company Tax, Capital Gains Tax and related tax issues. The Small Business hotlines handle the largest number of calls received by the ATO. Up to 1,300 call centre seats can be allocated to handling business-related calls. These operate from 8am to 6pm five days per week, extended to Saturdays in the four (quarterly) peak periods. These services receive approximately 7 million calls per annum.

There has been particularly strong growth in calls from Tax Agents, which has led the ATO to make special arrangements for handling the needs of this group. Since the introduction of the new tax system in the year 2000, the numbers of calls from business (and Tax Agents calling on business tax matters) have increased significantly. The ATO has consultative arrangements involving practicing Tax Agents.

In terms of recruiting staff, ATO call centres require access to a pool of individuals who are sufficiently well educated to be able to master the complexities of the tax system operate effectively in an online computer environment. The call centres are a source of staff for promotion or transfer to other positions in the ATO.

The ATO integrates its hotline services with information in print and available on the Internet. However, it is estimated that 80 percent of calls to the ATO involve transactions rather than the simple provision of information. Some ATO transactions can be initiated and/or lodged over the Internet.

The ATO defines some levels of service in its Service Charter. This Charter sets the normal maximum delay in answering a call to a hotline at 2 minutes. In peak periods the Charter allows this to rise to 5 minutes, recognising that there are peak periods during the tax year when the number of inwards calls rise very sharply. In these periods, some callers receive a busy signal. The ATO seeks to process calls with no more than one transfer. However, some calls require assistance from several different specialist groups necessitating additional transfers. The ATO record and review a sample of calls for quality control purposes. The ATO is currently developing new service protocols.

One major issue for the ATO is Proof of Identify. For a number of transactions, the ATO needs to be confident that it knows whom it is speaking to in order to ensure taxpayer privacy. In addition, some of those called by the ATO want to be able to verify that they are being called by the ATO and not by someone purporting to be the ATO. The ATO is currently trailing Public Key Encryption.

The ATO would support a commitment to common levels of service across all Commonwealth Government telephone hotlines.

## A.2 Centrelink

Centrelink provides integrated access to Commonwealth and State Government services distributing over \$51 billion in payments through 140 different products and services to over 6.4 million Australians on behalf of 20 Commonwealth and State government departments and agencies. These services are provided on behalf of clients, such as the Department of Family & Community Services (DFACS), the Department of Employment and Workplace Relations (DEWR), the Australian Passport Information Service (APIS) and the Employer Contact Unit (ECU), amongst others through the purchaser/provider principle. Only a small percentage of calls to Centrelink are business calls.

Centrelink has two service objectives - to make government simpler and more responsive and to help people through transitional periods in their lives so that they can return to, or maintain, their independence. Centrelink delivers these services under a customer centric service delivery model - based on the events that customers may experience in their lives, rather than just the particular payment or payments for which they may be eligible and for which they have obligations. Centrelink has some 300 million contacts with customers each year and deliver services through:

- I. **On-call** through 27 in-house call centres that are geographically dispersed around Australia, with approximately
- II. 4,600 staff and operating as a virtual network. Primary services include Families, Employment, Youth & Students, Retirement, Childcare, Disability and Carers and ABSTUDY, with specialised service areas such as the Multilingual, Indigenous, Rural, Social Work and TTY Services – also known as a telecommunications device for the deaf, or TDD);
- III. **Online** (Internet and Intranet) Centrelink is working toward enabling the use of the Internet (e-business) for customer transactions. The Internet has introduced a challenge for Centrelink, requiring careful business analysis and design of online interactive products and services to ensure the protection of customer and citizen information and of Centrelink's position as a 'trusted provider'. For example, notifying a change of address over the Internet would appear quite straightforward. In practice, a change in address may result in a change of entitlements and other payments (eg. to a public housing authority). Centrelink recognises that Internet services are highly likely to lower costs. However, understanding the different customer segments that are likely to use the internet is significantly important to the success of services on the internet or any other digital form. For example, Centrelink's customers (particularly older customers) show a strong preference for paper-based transactions, whereas the Youth and Students group show particular preference for the Internet and other digital forms (such as SMS messaging).

**IV. On paper** – Centrelink sends about 100 million items per annum through the post as well as producing some 140 information products; and

**V. On-site**, with 450 offices and about 1,000 “points of presence”.

Centrelink’s Call Centres handle 23 million inbound calls per year, with a compounded growth rate of 11 percent per annum in call volume. It is the largest single purpose Call Centre network in Australia. Some inbound calls to main service lines are estimated to be business-related (such as self employed customers calling in relation to Family Assistance Office payment eligibility).

Centrelink Call Centres generally specialise in two or three service areas (such as Employment Services and Youth & Students) although they may also have other functions. The management of Centrelink’s call load is complex, with a central co-ordination point based in Canberra. Centrelink’s Call Centre technology enables the direction of calls to the first available customer service officer, regardless of their geographic location. Centrelink supports an extensive online reference suite to assist customer service officers.

One of the most significant hotlines for business is the Centrelink Employer Contact Hotline, which handled over 134,000 calls in the year 2001-2 and currently operates 8am to 6pm five days per week. Centrelink Call also operates a Childcare Provider line handling 23,000 calls in 2001-2 (this line handles calls from Qld, Vic and some of NSW. Calls from other regions are handled by the relevant Area Office) and a Work Rights line for the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA), handling over 18,000 calls in 2001-2.

Centrelink also provides hotlines to address particular needs of customers and citizens, generally during major change initiatives or an emergency situation. Examples include Centrelink’s response with special arrangements to meet the needs customers and citizens affected by the collapse of Ansett; and its response to the NSW bushfire situation for individuals/businesses affected by the bushfires. Other business hotlines which have been managed by Centrelink on behalf of other clients include the: Dental Health hotline for Department of Health - Hunter Area, Family Hotline for Department of Attorney Generals, HIH hotline for Department of Treasury. Situations such as these blend individuals and business together, resulting in Centrelink striking a balance between a government and business approach.

Centrelink receives some calls that relate to State and Territory Government responsibilities. For example, there are special arrangements in place with Tasmania, for which Centrelink operates the Tasmanian Freight Equalisation Scheme (TFES).

Centrelink Call undertakes customer satisfaction surveys using an independent survey firm, which contacts a sample of customers within 2 to 5 days of their contact with a call centre. Currently customer satisfaction is greater than 85 percent. Other performance data is also collected by the Call Centres.

Continued development of call centre technology including Interactive Voice Response (IVR) options enable the fast tracking of simple enquiries. The performance of Centrelink Call Centres and their ability to meet the needs of clients, business partners and customers are also acknowledged through numerous industry awards (Australia Teleservice Association awards).

### **A.3 Department of Employment and Workplace Relations (DEWR)**

DEWR operates a number of hotlines providing services to both individuals and businesses. These hotlines fall into two broad groups related to employment services and workplace relations.

#### **Employment Services**

Through employment services, including Job Network, Work for the Dole, Transition to Work and Indigenous Employment Centres over 200 private, community and government organizations are dedicated to assisting job seekers become ready for work, find work, place them in jobs, and place participants in Work for the Dole. The employment services hotlines provide advice to job seekers involved in Job Network, Work for the Dole, Transition to Work, and Indigenous Employment Centres. The employment services related hotlines also include one for Post Programme Monitoring.

Employment Services also has a complaints line, known as the Customer Service Line, which operates in each State. One of the services facilitated through the hotlines is Australian JobSearch, whereby employers can lodge vacancies, and job seekers can make their resumes available to employers. Of these hotlines, 4 are operated in-house by Departmental staff, and 5 are outsourced.

Reorganisation undertaken since 1 July 2002 provides one hotline (in place of three), known as the Job Seeker Employment Services Network Information Line to answer the enquiries made by job seekers. In addition, all calls to the Customer Service Line are now filtered through the Employment Services Network Information Line. In the recent past, callers were using this line as an alternative means of obtaining information – it now focuses solely on complaints.

In 2001-2002, approximately 208,000 calls were made to the hotlines. The hotlines operate from 8.30 am to 5.00 pm weekdays. The hotlines managed by the Department employ about 18 staff, and outsourced hotlines employ 25 staff. Interactive Voice Response technology has not been used for hotlines operated by Departmental staff, but the technology is used for the outsourced hotlines. It is possible to divert calls that are managed by Departmental staff, while it is not necessary to divert the calls managed by an outsourced agency. DEWR provides information about employment services on Internet sites accessible from [www.workplace.gov.au](http://www.workplace.gov.au), and staff on the hotlines may refer callers to them.

It is not possible to report on the general and performance categories because of inconsistencies in reporting. Most of the hotlines operated by Departmental staff were implemented in relation to particular programmes and at the time no consideration was given to monitoring or performance. However, performance data is available for outsourced hotlines. The benchmark set for the outsourced hotlines is 95 per cent of calls answered in 15 seconds, and calls have an average waiting time of 6 seconds. Calls received by the outsourced hotlines have an average duration of 1 minute and 44 seconds. Along with the reorganisation, referred to above, measures are being developed to monitor calls and assess customer satisfaction.

## Workplace relations

On the workplace relations' side of the Department the major hotline is WageLine, which provides information to employers and employees about wages and employment conditions in federal awards and certified agreements. It is advertised in the White Pages and via the Internet.

WageLine services callers in New South Wales, Victoria, Northern Territory and the Australian Capital Territory. Federal WageLine services are provided by State Government workplace relations departments in Queensland, South Australia, Western Australia and Tasmania under contract from the Commonwealth.

WageLine call centres operate between 8.30am - 5.00pm weekdays (4.30pm in the Northern Territory). All call centres have IVRs that give callers 24 hour a day/seven day a week information about the most common awards.

In 2001-2002 WageLine answered 658,000 calls nationally, including in the contracted States. The 5 WageLine call centres operated by the Department vary from one-person operations in the smaller centres through to an average of 4 operators in Sydney up to an average 12 operators in Melbourne. Operators also undertake other jobs such as responding to written inquiries and emails.

In the past, there has been some confusion amongst callers in States about which level of government to call because there are also State awards and agreements. However, this no longer applies to the one stop shops in Queensland, South Australia, Western Australia and Tasmania, (through the contracting of Commonwealth services)). It is only in NSW that referral between jurisdictions is an issue for clients. When NSW calls to WageLine are determined to be a State matter, the caller is referred to the NSW State Department of Industrial Relations.

Call centre operators need to have a good technical knowledge of federal awards and agreements, the federal Workplace Relations Act and the industrial relations system generally. Inquiries can sometimes be complex and considerable training is required. Operators are a source of recruitment for other workplace relations' areas of the Department.

The corresponding Internet site, WageNet, amongst other things, provides some tools to help clients self-assess their obligations and entitlements. Users have the option of phoning or emailing WageLine at any time if they cannot find the information they need. Email numbers have been increasing significantly. Some evidence is emerging that people may be increasingly lodging inquiries by email rather than by telephone. An aim is to facilitate transactions on WageNet.

WageLine operators (and WageNet) are supported by OSIRIS, an Internet accessible database containing the full texts of federal awards, certified agreements, decisions, award variations and decision summaries from the Australian Industrial Relations Commission.

State and Commonwealth agencies have agreed on performance benchmarks for workplace relations' hotline services. The key agreed national benchmark for hotlines is 90 per cent of telephone inquirers queuing for three minutes or less. In 2001-2002 the Commonwealth (including the contracted states) exceeded this benchmark, with 94 per cent of calls being answered in three minutes or less. The average queuing time for these calls was 41 seconds and the average call duration was three minutes 59 seconds.

Regular client surveys indicate an ongoing high level of satisfaction with operators' professionalism and the quality of the information provided.

The Department also operates a smaller hotline for people who have lost their job due to the insolvency or bankruptcy of their former employer, and believe they are owed outstanding entitlements. The hotline provides details on eligibility for one of the Commonwealth employee entitlements schemes.

## **A.4 Australian Customs**

Customs are currently reviewing their telephone-based services and are considering establishing a centralised service centre applying appropriate call centre concepts and processes. At present, Customs operates a number of telephone numbers (mostly free calls) for different services and also to enable the public to report matters that may require Customs' attention. A single 1 300 number is in operation for callers requiring information from Customs Information Centres (CIC) – calls are routed to the CIC in the State/Territory from which the call originates. These calls are handled by experienced staff, who have prompt sheets, scripts and printed material available to them. Customs received more than 200,000 calls in 2001-02.

Customs also maintains a helpdesk to assist importers, exporters and their agents with electronic lodgement of Customs documentation. Most of this assistance is provided by telephone. Customs is looking at options for integrating this service with its CIC functions to coincide with impending business reengineering.

Many calls originate from individuals in relation to international travel and the importation and exportation of goods. Some calls are redirected to the Australian Quarantine Inspection Service, Immigration, the ATO and other agencies. Because of the way that calls are handled (in particular, the absence of call centre technology), performance data is not routinely collected. However call traffic reports are generated on the Customs 1 300 information number and provide basic data in relation to call costs, call duration, abandonment rates and spread of calls. Customs has undertaken occasional customer satisfaction surveys and participated in an Australian Quality Council Call Centre Benchmarking Network from 2000-2.

Customs is upgrading its Internet site but does not anticipate a consequential reduction in telephone traffic.

## **A.5 Department of Transport and Regional Services (DoTARS)**

DoTARS currently operates sixteen hotlines that aim to provide information, primarily to Australians living outside capital cities but in many cases these services are national. Some of these are specialised services such as the National Office of Local Government. In addition, the Australian Maritime Safety Authority, a DoTARS portfolio agency, operates hotlines for shipping emergencies and marine pollution.

The major general purpose hotline currently operated by DoTARS was originally established in 1989 as "Countrylink Australia", serviced by an in-house call centre with a strong focus on



the needs of primary producers. This became the Commonwealth Regional information Service (CRIS) in August 2001, providing a whole-of-Government service to regional Australia, from an outsourced call centre located in Cooma. This call centre is operated by the Cooma-Monaro Technology Centre Ltd, which was established in March 1999 with Government funding. It handles inbound traffic only.

Calls to CRIS are free (using a 1 800 number). CRIS provides information, referrals (cold hand offs) and references to Websites. It also receives and passes on requests for DoTARS' publications. DoTARS estimates that 15 percent of calls to CRIS are from businesses, including primary producers.

Because Countrylink is also the name of NSW State Railways, the hotline received a number of misdirected calls. CRIS continues to use the same 1 800 number and continues to receive some of these calls. The CRIS number is widely advertised in the media, in the White pages, on the relevant websites and on information stands at regional events.

The CRIS hotline handles about 300 calls per day, although since the recent marketing campaign commenced, calls have been as high as 600 on some days. The call centre does not use IVR and calls are not transferred. If callers need to contact another agency, they are provided with a number to call and, if possible, the name of a contact person. Calls are not monitored for quality and no customer satisfaction surveys have been undertaken, although satisfaction levels are believed to be high. Complaints about service levels are virtually non-existent.

In providing information, call centre staff work from the Countrylink database. Much of the information in this database is provided by other government agencies. As a consequence, DoTARS faces a major challenge in keeping the information in this database up-to-date. Staff members and members of the outsourced call centre contact other agencies on a regular basis. All documents in the database have expiry dates and the contents are checked at that time. If callers advise the Call Centre that information provided is no longer current, action is taken to correct the database. Call centre staff are sent press releases and media monitoring information, have access to the DoTARS website to assist awareness of current issues and for database update purposes.

DoTARS has achieved a degree of integration between the Department's website and hotline.

## **A.6 Australian Competition and Consumer Commission (ACCC)**

The ACCC's two hotlines service the needs of business and consumers. One provides information on general trade practices and consumer issues while the other addresses indigenous community needs such as Storecharter. These hotlines have two main purposes: they provide information and they handle regulatory matters (mainly Parts IV and V of the Trade Practices Act). Both hotlines are serviced from a small in-house call centre in Canberra.

The ACCC has been operating its hotlines since May 2001. In the financial year 2001-2 a total of 75,108 calls were handled. The hotlines operate from 8.30 am to 6.00 pm. Prior to May 2001 the ACCC operated a GST hotline relating to the introduction of the GST.



Given the complexity and sensitivity of the issues it manages, the ACCC needs intelligent staff on its hotlines. Some staff are part-time university students. Training involves one week covering the Trade Practices Act and a further two weeks on operational issues. Of about twenty-five staff recruited, only one has resigned. Some staff are on transfer to other positions in the ACCC (they can be called back if demand requires) and some have been promoted.

The ACCC uses Grapevine, an Intranet information base, to provide call centre staff with information. Responses are not scripted. Complaints are recorded in MARS, an ACCC-wide database. Standard key words are used in order to facilitate database searches and monitor traffic.

Quality control is ensured by the Director of the ACCC Infocentre, who monitors new entries into the database and checks the advice provided. The ACCC's senior management and regional office directors receive a weekly report from the Infocentre. In addition, trends are monitored and traffic volumes can vary widely, especially after statements by the ACCC Chairman. No client satisfaction surveys have been undertaken.

All Part IV and significant Part V Trade Practices Act matters are escalated to the appropriate regional ACCC office. In addition, the Infocentre can flag matters to the regional offices. In 2001-2 some 1,690 matters were escalated and 2,693 matters were flagged. The Infocentre Director may also flag issues with State Fair Trading Offices.

At times as many as 50 percent of calls received are not actionable by the ACCC. Where appropriate, such callers are provided with the telephone numbers of State Fair Trading Offices, or other agencies. The call centre maintains a database of contact numbers for this purpose.

The average call length is about 6 minutes. On Monday 8 July (a typical day) 329 calls were received, of which 252 were answered without delay and 77 served after an average delay of 22 seconds.

The ACCC advertises the hotline numbers and also advertises its Internet site. Callers to the hotline hear a recorded message advising them of the Internet site, and call centre staff may also refer callers to the site. The ACCC hotlines do not use IVR. Call centre staff are also responsible for answering email enquiries. In 2001-2 there were 12,333 email contacts. Where possible, call centre staff respond to emails by telephone (about 50 percent of contacts).

## **A.7 Austrade**

Austrade operates a single hotline serviced by two small in-house call centres – one in its Sydney office and the other in its Melbourne office. Such is the strategic importance of the Austrade hotline to its objective of increasing the number of exporters that Austrade prefers not to use the “call centre” terminology but to instead refer to it as an advisory service. Austrade believes that this new label better reflects the strategic services provided through their hotline.

Austrade sees its hotline advisory service as the critical first point of contact with potential future clients. For this reason, the call centre does not have dedicated staff. Instead Austrade rosters its professional staff on the hotline, including its senior specialists.

In the past, with dedicated staff, the hotline tended to be a gatekeeper rather than a frontline marketing arm of the organisation.

When not taking calls, staff on the hotline answer email enquiries and do other work. Email traffic is a growing channel of communication with Austrade. Austrade clients also like to work face-to-face. Austrade also makes some outward calls – they have a staff member dedicated to follow-up calls.

Austrade has found that callers to the hotline appreciate being able to talk to someone who has real overseas experience. Austrade is focussed on providing what clients need and want, rather than being overly concerned about the cost of providing a hotline service. Austrade sees their hotline as an important element of their strategy to double the number of exporters by 2006.

The purpose of the hotline, from Austrade's perspective, is to determine the ability/capacity of callers to enter export markets and then to provide them with the necessary advice and other assistance to achieve that end. Austrade advertises its hotline number and Internet address widely.

The Austrade hotline receives on average 30 calls a day from potential exporters and 30 calls from established exporters. Of these, on average about six will become exporters with Austrade's assistance.

Austrade's clients comprise about 80 percent SMEs, and 20 percent larger businesses whose inquiries relate mainly to tariffs.

Although the hotline service is mainly to provide advice to exporters (or potential exporters), Austrade also handles Section 23AF of the Tax Act. This Section relates to the tax treatment of Australian consultants working offshore.

About 8 percent of calls received by the hotline are seeking services or information outside Austrade's remit. These callers are given an external contact name and telephone number to call that is relevant to their enquiry.

The Sydney call centre has no IVR because it is not supported by the PABX. However, the Melbourne number uses IVR and Automatic Call Distribution (ACD). The IVR is used to direct enquiries about EMDG grants to staff with particular expertise in those areas.

Austrade does not monitor calls for quality control. However it surveys its clients through two separate processes. Satisfaction levels with Austrade's services are high. In peak months the numbers of calls are just over double those received in the quietest month.

Austrade has established an Exporter Hotline Database to support its operations. The information on this database will soon be available via the Internet. Austrade are planning to implement interactive Web-based services and is looking at the feasibility of simultaneous Internet and telephone communication with clients. Austrade are working to develop a self-diagnostic for and registration arrangements for would-be exporters to help Austrade assess and service their needs.

## A.8 AusIndustry

AusIndustry sees its business hotline as a core business channel and uses it to provide information to business on a range of government assistance programs. AusIndustry uses its hotline to provide information to business on a range of government assistance programs. The AusIndustry hotline has been able to respond quickly to changes in administrative responsibilities and the introduction of new programs at short notice. The Holiday Incentive program, introduced with one week's notice, saw more than 30,000 calls to the hotline over a six-week period.

Until October 2001 the AusIndustry hotline also operated as a general business hotline which provided an integrated delivery channel for AusIndustry's products and services and for National Business Information Service (NBIS) general business information. This included information for start-up companies and information regarding State and Territory Government assistance, licensing and services. The operation of this hotline was contracted out to the same call centre company. Although funding for the NBIS service has ceased, the AusIndustry hotline continues to get calls requesting assistance and advice on these matters – most commonly on setting up new companies.

The AusIndustry hotline is outsourced to a company operating in central Sydney. This call centre has other clients, including some from the private sector. It currently operates from 8am to 6pm. Trials of longer hours have encountered low demand outside these hours.

The AusIndustry call centre uses the Internet as the primary source of information. Call centre staff are provided with updated material as required and this is incorporated into the call centre database. The AusIndustry Website has been redeveloped, taking into account input from call centre staff.

In the year 2001-2 the AusIndustry hotline received 33,000 inbound calls (of these 24,000 were from business) and made around 4,500 outbound calls (all of which were to businesses). The call centre that receives AusIndustry clients last year handled 1.2 million calls (nearly 900,000 inbound and 350,000 outbound). Of these, 60 percent sought information on assistance measures administered by AusIndustry. A significant number (40 percent) of calls were received from businesses seeking information on matters other than the programs for which AusIndustry is responsible. Where possible, these calls are transferred to other agencies using a 'warm hand off' (the other agency is called and the caller's needs explained before the caller is transferred).

AusIndustry has established protocols for its call centre services. AusIndustry specifies the service levels to be provided by its call centre contractor. The call centre's software monitors abandoned calls and measures response times. In addition, the call centre staff collect other performance data.

AusIndustry has a targeted marketing program to inform the business community of its hotline services. AusIndustry uses an integrated mix of information channels – printed material, media campaigns and the Internet. It actively encourages use of the Internet.

The AusIndustry hotline answers 95 percent of calls within 10 seconds. Quality control is assured through call monitoring and ongoing training of agents. A statistically valid monthly survey of customers is undertaken to determine the level of satisfaction with the service. In 2001-2,

the survey showed that 98 percent of the customers contacted found the AusIndustry Hotline representative helpful and 93 percent of those referred to AusIndustry rated the service provided between “good” and “fantastic”.

The call centre has software that can allow staff to view the computer screen of a caller who is also connected to the Internet. This can be useful in helping callers to understand forms on the AusIndustry website.