



“CRM in government & its relationship with trust in government”

City University Hong Kong

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START

Hypothesis

CRM implementation in government



Transparency & **Efficiency**



Trust in government



What is e-CRM about?

1. **Access to Information**

WHAT: how to turn data into info and knowledge?

2. **Customer's Attention**

WHO: how to design my marketing and services to attract customers?

3. **Communication with customer**

HOW to use Web technology for the benefit of the company?

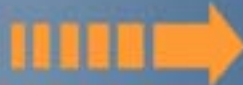
How to improve CRM Implementation?



Knowledge Management



Optimal use of IT



Efficiency

Proper use of IT



Trust in government



Reasons and Obstacles behind eCRM in Government

CRM success in Business & Government

Reasons for unmet expectations in CRM implementation

- ▶ Cost Overruns and missed deadlines
- ▶ Poor usability and unmet performance promises

CRM success in Business & Government

How to improve CRM success?

- To articulate the business goals
- To narrow the focus to meet these business goals
- To provide the necessary organizational and technological support

Reasons to implement CRM

The main reasons for implementing CRM
(‘Customer-citizen-constituent’ Relationship Management)
in Government:

- To promote citizen-centric government
- To promote more effective relationships with business
- To be more responsive and efficient

CRM segmentation in government

- Revenue Agencies = taxes
- Human Resources = ensuring social welfare
- Licensing = motor vehicles registration
- Portal services = information

Main forces behind CRM Gov

The main forces for change in government services are:

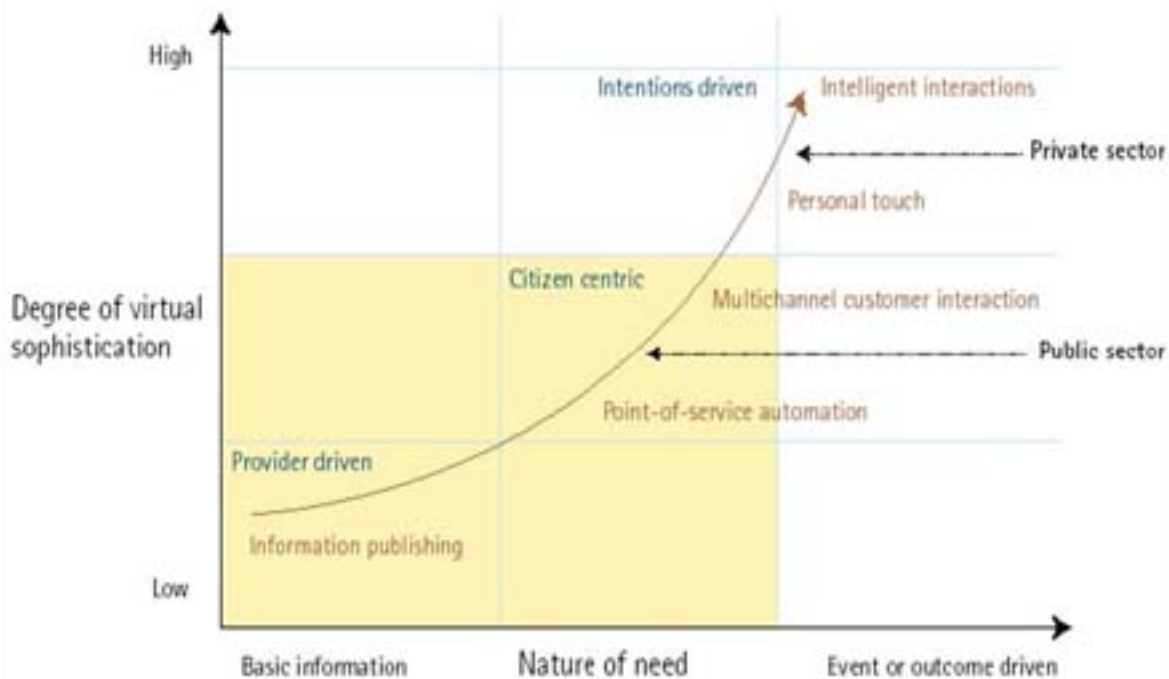
- Rising expectations among citizens and business in more mature democracies
- Budgetary constraints which focus more on efficiency
- Mandate for improved access to government officials
- Call to leverage past Investments in eGov

Major challenges for Gov

- ▶ Opening new channels for customer interaction
- ▶ Technology barriers
- ▶ Human Capital issues
- ▶ Cost pressures



Evolving interaction capabilities



The public sector continues to trail the private sector in the evolution of their interaction capabilities.

Challenges ahead

1. Budget priorities =
*effective use of **financial resources***
2. Information integration challenges =
*the optimal and smart use of technology – effective use of **data-mining management** and analytical capabilities*
3. Lack of management skills and expertise =
*implementation of **"Knowledge Management"** – People & Process approach*

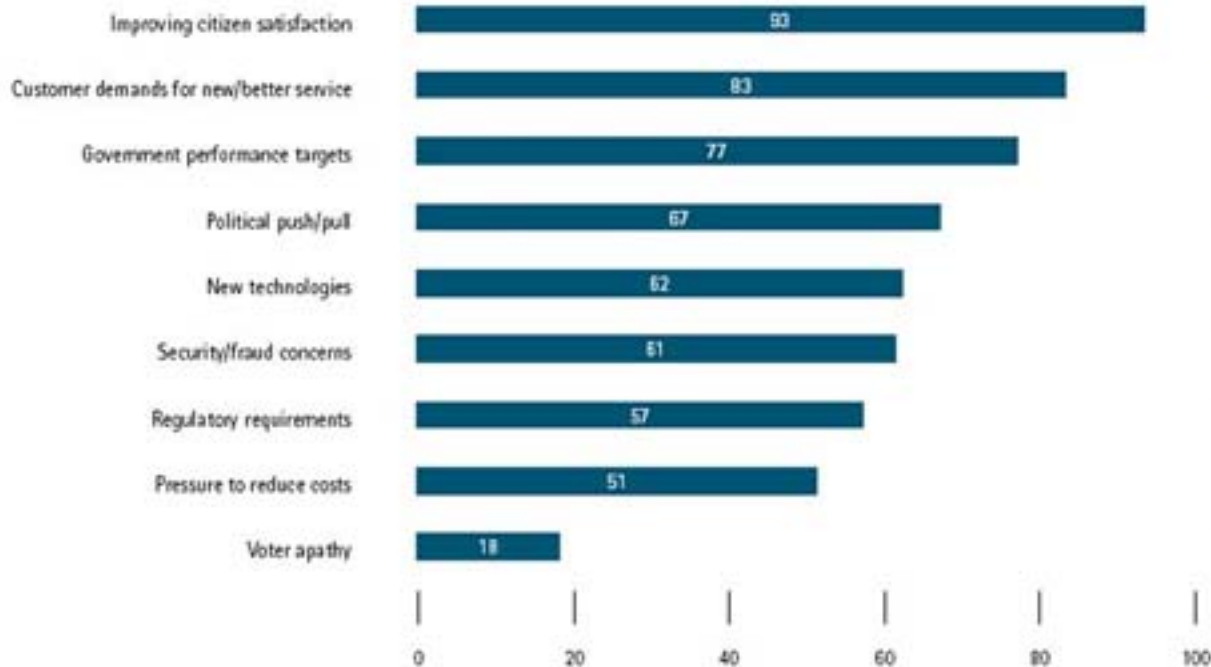


Empirical Analysis of CRM in Governments

Empirical facts on CRM in Gov

- ▶ A strong emphasis on customer delivery
- ▶ Focusing largely on technological aspects of CRM
- ▶ Lack of management and operational skills to take full advantage of CRM
- ▶ Marketing efforts are not value-driven and decrease the overall impact

Factors Driving the Development of Service Delivery Initiatives



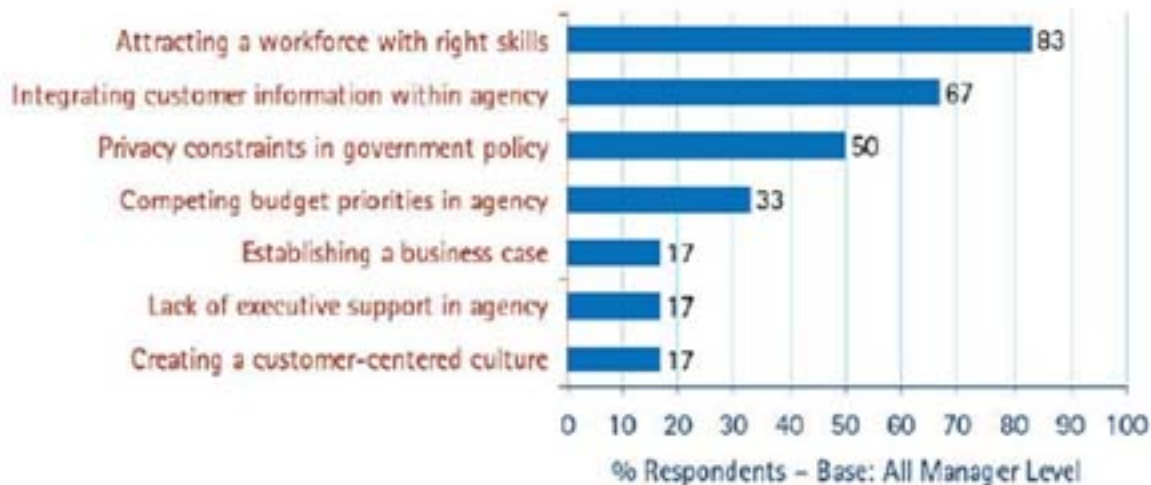
Percentage of respondents rating the factor as either extremely powerful or very powerful

Source: ACCENTURE, "CRM in Government: Bridging the gaps", www.accenture.com, 2002



Improving Customer Service Is the Top Driver Behind Licensing Agencies' Decision to Partner

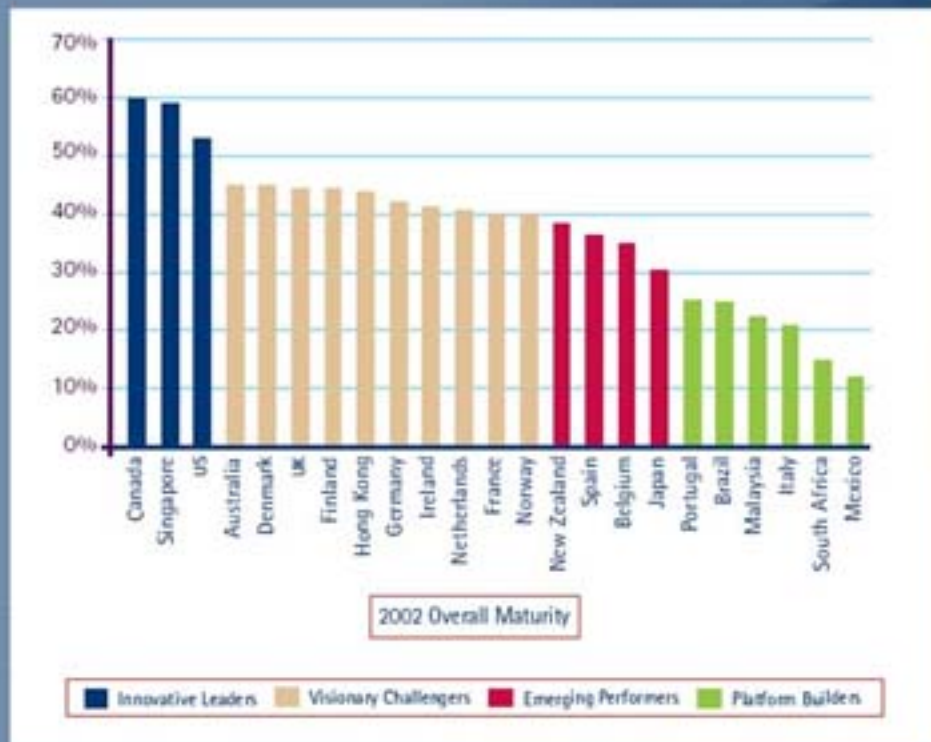
Barriers to improving CRM in future



Source: ACCENTURE, "CRM in Government: Bridging the gaps", www.accenture.com, 2002



Overall Maturity by Country - 2002



Source: ACCENTURE, "CRM in Government: Bridging the gaps", www.accenture.com, 2002



Recommendations : Knowledge Management

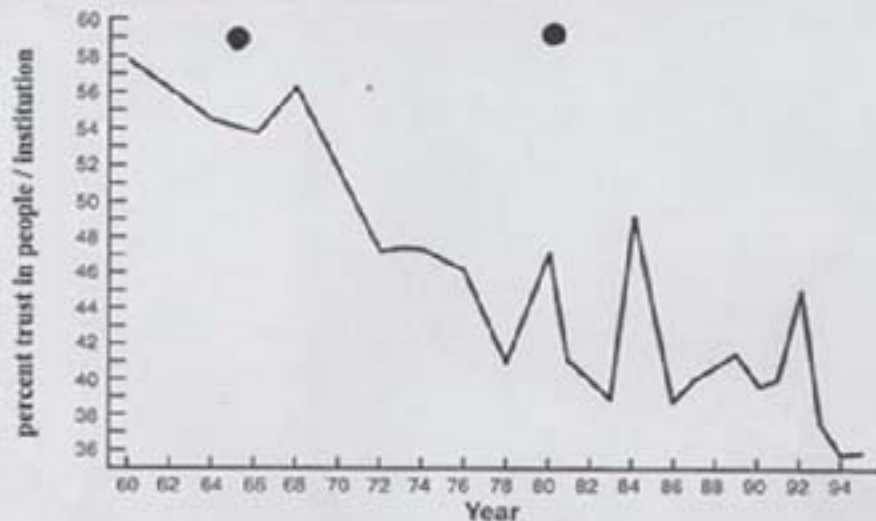
Knowledge Management

- Culture = Values
- Organization = processes, procedures
- Human Resources = skills, expertise


TRUST



Trust in People and Governments Over Time



Trust in people over time: Interpersonal trust among US public, 1960-1995

Source: 1960 data from Civic Culture Survey, 1962-1994 data from National Election Surveys and General Social Surveys, 1995 data from World Values Survey

Knowledge Management & Trust



KM & Intellectual Capital

