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How US state governments can improve customer service

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A McKinsey Center for Government survey finds that Americans are often dissatisfied with state services—and identifies significant opportunities for improvement.

Technological advances such as smartphones and apps have opened new frontiers of convenience, speed, and transparency for private-sector customers. At the same time, tightening government budgets are making it difficult for the public sector to deliver services of a similarly high quality. With consumer expectations only increasing, it's perhaps no surprise that interactions with government agencies frustrate and disappoint many citizens. Yet when we sought to find out exactly why, we discovered cause for encouragement: issues that frustrate citizens are solvable, and the frustrations mostly revolve around the way services are provided rather than the services themselves. In fact, we believe governments can significantly improve the service experience while lowering costs and increasing employee engagement and satisfaction.

During the past year, we measured the satisfaction of citizens by surveying approximately 17,000 people across 15 US states. This online survey included more than 100 questions asking citizens to rate their satisfaction across a range of activities, including state services overall, specific attributes of service delivery (such as speed), and specific types of services (for example, public transportation). We also asked participants to rate their satisfaction with specific private-sector services. To analyze our results and develop insights, we applied what we call the McKinsey Citizen Satisfaction Score (CSS) to indicate the net satisfaction level among those surveyed.¹

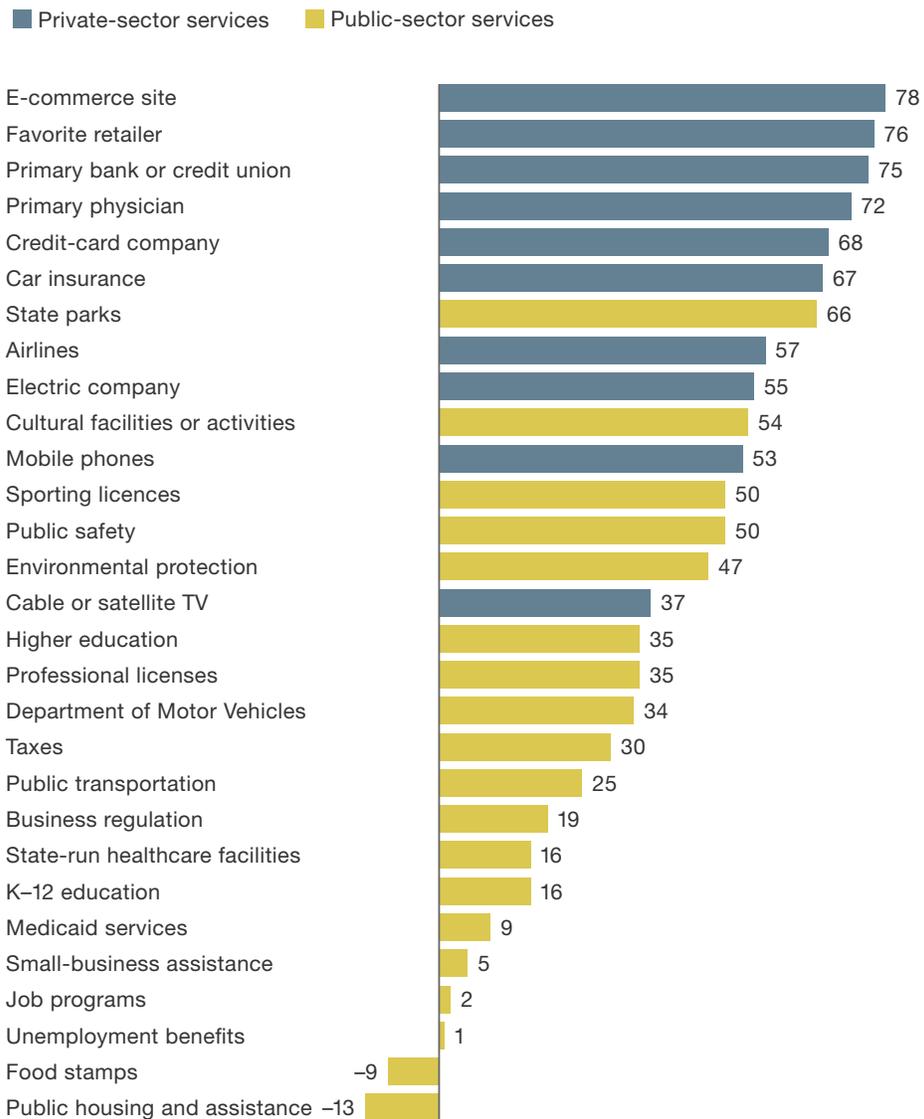
¹ The McKinsey Center for Government calculates the score by subtracting the percentage of citizens who are dissatisfied (those rating their satisfaction at four or lower on a scale of one through ten) from those who are highly satisfied (a satisfaction rating of eight or higher). Ratings of five, six, or seven were considered neutral and therefore excluded from the calculation of the CSS.

We found that the satisfaction of citizens with state services varied considerably, ranging from 22 for the highest-performing state to -36 for the lowest. Overall, the CSS was positive for eight states and negative for seven. Several common themes emerged:

- **Speed, simplicity, and efficiency make citizens happier.** Participants expressed stronger negative feelings about specific attributes of service delivery than about state services overall. They were dissatisfied with the slowness of service delivery, its complexity, and the effort required to navigate through processes.
- **Satisfaction is often lower for more essential services.** Public housing, food stamps, unemployment benefits, and other more essential services received lower satisfaction scores than more discretionary services (such as state parks or cultural facilities) did. This stood out in part because, among all respondents, the average CSS across the 15 states was positive for most services surveyed.
- **People who don't use a service are often more skeptical about its quality.** There's a perception gap between users and nonusers of state services. The CSS for citizens who used a state service within the past 12 months was, on average, 12 percentage points higher than the score for participants who hadn't done so but still considered themselves informed about its quality. This perception gap was smallest for public safety (1 percent) and largest for public housing (52 percent), followed by Medicaid (46 percent) and food stamps (45 percent).
- **Citizens are less satisfied with government services than with private-sector services.** Government services fared more poorly than private-sector services, with some notable exceptions: state parks, cultural facilities, sporting licenses, public safety, and environmental protection. In fact, the CSS for private-sector services was 2.5 times higher than the score for government ones. The more favorable views about well-regarded service providers, such as e-commerce sites, may not be surprising. However, the fact that citizens were less satisfied with many government services than with cable- or satellite-TV services should concern government leaders.
- **Most citizens prefer to interact with government online.** In response to follow-up questions, recent users of services from the department of motor vehicles (DMV) in their states said that the ability to complete processes online was their top priority. The availability of more and clearer information online ranked third. The most satisfied DMV users had no up-front interactions with staff, and satisfaction decreased as citizens interacted with more channels, including call centers and walk-in centers.

Exhibit Citizens are less satisfied with state services than with private-sector ones.

McKinsey Citizen Satisfaction Score for private- and public-sector services¹



¹Calculated by subtracting the percentage of citizens who were dissatisfied (rating of ≤ 4 on a scale of 1-10) from those who were highly satisfied (rating of ≥ 8); respondents included both users and nonusers of each service.

Source: 2013 McKinsey online survey of 17,000 people across 15 US states

Seizing the opportunity

Consumer expectations are only increasing as technological advances such as smartphones and apps open new frontiers of convenience, speed, and transparency. Our analysis of the survey and our experience in the public and private sectors suggest that government leaders can take four steps to improve the customer experience in line with the private sector:

- 1. Put services for citizens on the leadership agenda.** For many governments, meaningful improvements in the citizen experience will require changing processes, employees' mind-sets and capabilities, and the organizational culture. A critical element of any program to achieve these goals would be for leaders to make them a central part of the management agenda. Leaders must personally invest in the effort by setting high aspirations, establishing a process for reviewing its progress, holding the team that runs it accountable for results, and sharing and replicating best practices.
- 2. Set priorities for innovation.** Senior leaders must identify the greatest opportunities to improve the satisfaction of citizens through innovation. In making these decisions, leaders should complement data-driven analyses with top-down, judgment-driven evaluations about where to focus.
- 3. Focus transformation programs on service elements that matter most to the satisfaction of citizens.** Transformation programs to improve the experience of citizens should focus on the service elements they care about most. Government leaders should adopt the perspective of a citizen passing through the end-to-end experience of a particular process and seek to optimize the complete journey. They should not only apply insights from citizen surveys, interviews, and feedback but also work with citizens and agency staff to prototype and pressure-test potential solutions.
- 4. Measure citizen satisfaction regularly.** Given the increasing relevance and power of the citizen experience, we have seen that successful government leaders regularly measure the satisfaction of citizens with state services, to set priorities and reinvigorate or adapt efforts over time, as needs change. Best-in-class organizations track citizen satisfaction nearly in real time to observe changes in levels, to identify pain points, and to gather the reactions of citizens to proposed incremental improvements.



Improving the citizen experience tops the agenda of many government leaders, and we believe it is increasingly important across all levels of government and types of services. Both for leaders and their constituents, innovations can deliver improvements such as lower costs, higher citizen

satisfaction, and more engaged and satisfied employees. Understanding the citizen needs that matter most should be the foundation for these efforts. By identifying the government services responsible for the greatest dissatisfaction, as well as the underlying causes, governments can design targeted initiatives for improving the citizens' day-to-day experiences. The public can benefit by transacting business with agencies more quickly, interacting in ways that are more convenient for citizens, and accessing more information about a variety of services. Such compelling and ambitious goals for innovation can be achieved by all government leaders who undertake a rigorous and energized approach. □

This article is adapted from the McKinsey Center for Government report [Putting Citizens First: How to improve citizens' experience and satisfaction with government services](#).

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