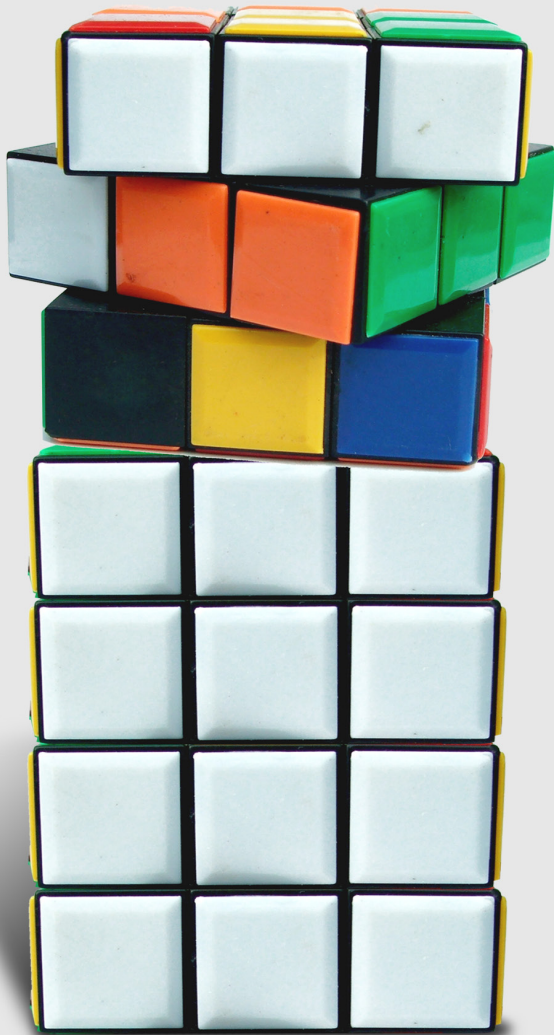




Institute of Policy Analysis
and Research - Rwanda



Developing Customer Service Delivery: Development with a Smile?

Policy Brief

Improving Policy, Impacting Change

Developing Customer Service Delivery: Development with a Smile? Policy Brief

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Poor Service Delivery in Rwanda Endangers the Realization of Vision 2020

Good service delivery is essential in all economies and even more critical in service-led economies. Rwanda has an ambition to become a service-led economy, yet research demonstrates that service delivery in Rwanda is generally poor. Thus, poor service delivery in Rwanda endangers the realization of Vision 2020.

- Service delivery in Rwanda is the poorest in the East African region.
- Attempts to address poor service delivery in Rwanda have focused on the SYMPTOMS not the underlying ROOT CAUSES.
- Rwanda can learn much about how to improve service delivery from the policies and strategies developed by governments and organisations in many other countries.
- Organisations in Rwanda, in both the public and the private sectors, are not focused on their number one priority —service delivery.
- Policies, Practices and Procedures are not aligned with consumer satisfaction.

Rwanda's Vision of Customer Service Delivery is:

Delivery of World Class Service.

The Government's Policy is:

To provide leadership, encouragement, empowerment and regulation through the implementation of a Rwandan Customer Service Implementation Plan.



The Policy Context

The Government has recognised that poor service delivery in Rwanda threatens the development of a service led economy and the realisation of Vision 2020. Rwanda aims to be a service economy but provides poor levels of service delivery.

This policy brief sets out recommendations to the Government and organisations as to how they can improve service delivery in Rwanda.

What we did

- Undertook desk research to see what the academic and professional literature can tell us about the root causes of poor service delivery.
- Reviewed what is already known about service delivery in Rwanda and evaluated what has been done to address concerns about poor service delivery.
- Researched for policies and strategies adopted by other Governments to improve service delivery which could inform the recommendations for policies and strategies in Rwanda.
- Carried out a critical case study of service delivery in Rwanda by researching service delivery in the financial sector.
- Investigated what tools have been developed to support improving and managing customer care that could be innovated for use in Rwanda.

What we found

- Poor service delivery in Rwanda endangers the realisation of Vision 2020. Rwanda aims to become a service economy but there is little evidence that organisations are focused on delivering good service to customers. Customer service delivery is generally poor and seen as the poorest in the region.

Rwanda and the Government of Rwanda has created a pristine and gorgeous image of the country and the tourists are flocking. But until services as basic as the food industry improve, and as long as employees in any company sit or stand around idle while people seek their services, the people here will always be looked down upon. You are giving the country a bad name and you are giving yourself a bad name.
(Kron <http://umva.rw/Blogging/?cat=24>)

- There is nothing unique about the underlying cause of poor service delivery in Rwanda. As elsewhere the root causes of poor service delivery and customer care are, organisations: policies practices and procedures are not clearly aligned with the main output, satisfied customers. In other words, organisations that are not geared at all levels to putting the customer first.
- However, the degree of poor service delivery is greater than elsewhere and there are contextual challenges. The situation is exacerbated by a lack of competition, a lack of qualified and experienced employees at all levels in organisations, general dissatisfaction amongst employees, lack of 'ownership' of responsibility for service delivery, and a lack of awareness amongst consumers of the quality of service delivery they are entitled to.



- Poor service delivery by any given sector or provider is negatively impacted on by the poor service delivery they get from suppliers including poor infrastructure and poor service delivery by the Government.
- Providing good customer care makes good business sense, makes an organisation more efficient and effective, makes a company more competitive and improves profitability (and in the public sector ensures best use of tax payer's money).

There is only one valid definition of business purpose: to create a satisfied customer
(Peter Drucker, 1954, 'The Practice of Management')

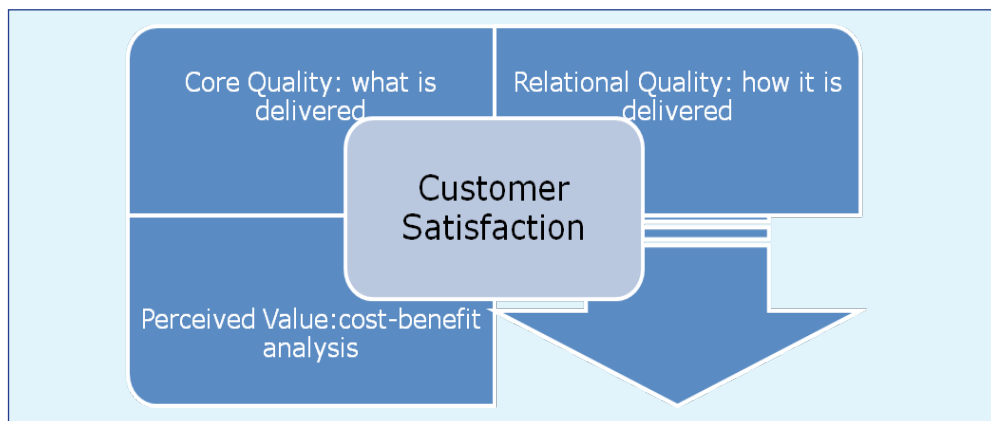
- There is little evidence that service sector organisations understand what they need to do to improve customer service delivery, although there is some recognition that they need to do so. Service providers do not have policies, practices and procedures in place clearly aligned to ensuring that they deliver excellent service, and there is a tendency for employees not to take responsibility for delivering a good service. Managers 'blame' front-line-staff and front-line-staff 'blame' poor and inattentive delivery on the attitude of customers towards them.

Why Firms Need to Satisfy Customers?

- *The main reason customers change providers is as a result of poor service delivery.*
- *Service driven organisations can charge up to nine per cent more for their products and services and grow twice as fast as the average company.*
- *It costs about five times as much to attract a new customer as to keep an existing one.*
- *Raising customer retention rates by five per cent could increase the value of the average customer by 25 – 100 per cent.*
- *The probability of selling services to a new customer is one in sixteen compared with a probability of selling to an existing customer of 1:2.2.*
- *It is easier to get present customers to buy 10 per cent more than to increase the customer base by 10 percent.*
- *Loyal customers who refer others to the service provider generate business at very low cost.*
- *Ninety one per cent of dissatisfied customers will not use the service again.*
- *The average business loses between 10 and 30 per cent of its customers every year.*
- *For every customer who complains there are 26 others who do not bother.*
- *While over 95 per cent of unhappy customers do not complain to the service provider they typically tell at least 15 other people, while satisfied ones will tell six at most.*
- *Customers approve of customer satisfaction surveys.*

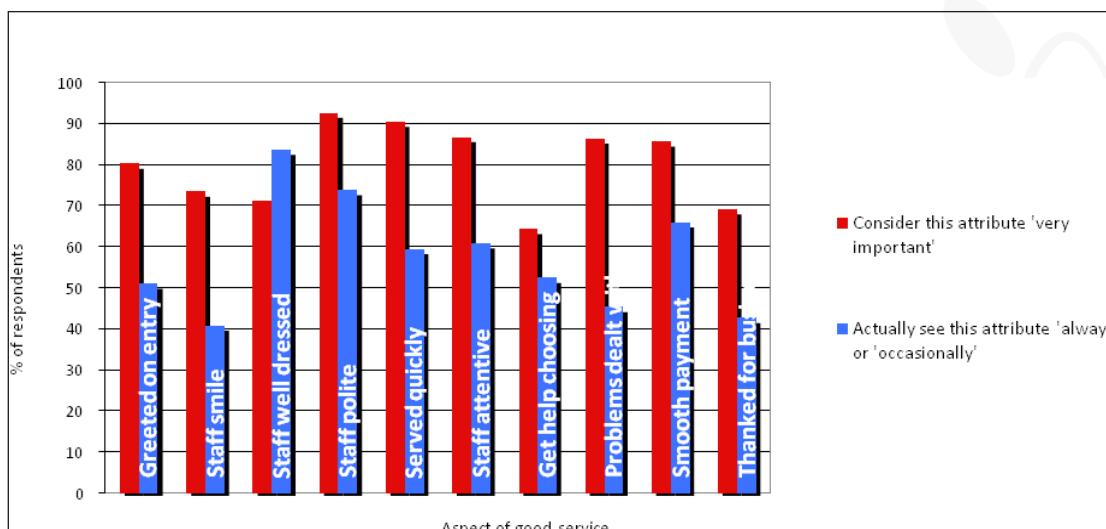
- There are three main drivers of customer satisfaction: what is delivered (the service or product), how it is delivered, and, perceived value for money. Overall customer satisfaction is influenced by all three, with what is delivered and value for money generally being more important than how it is delivered. Dissatisfied customers are generally those who did not get what they expected. Timeliness in delivery has also been shown to be important.

Key Drivers of Customer Satisfaction



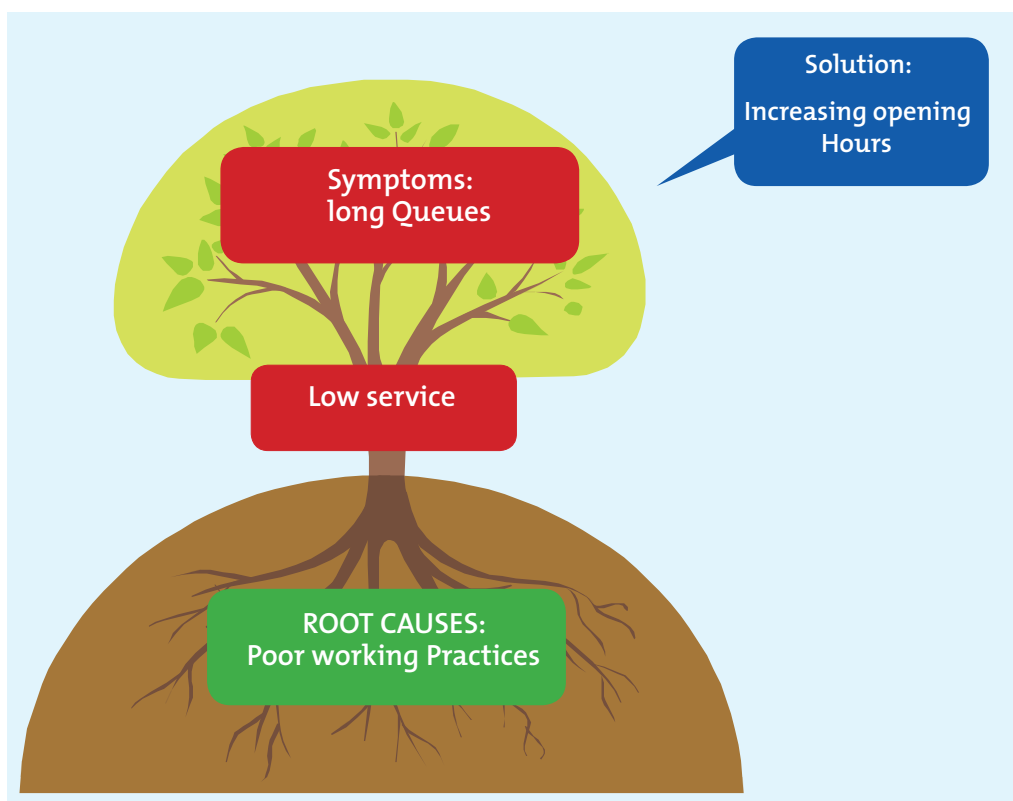
- Service users are vaguely aware that they should be treated better but have few ways of demanding better services or being able to express their discontent to service providers. Visitors and Rwandans who have experienced service delivery outside of the country are especially critical of service delivery in Rwanda.

Gap between Expectations and Experience of Customer Service



- To the extent that steps have been taken to remediate the causes of poor service delivery in Rwanda, they have tackled the symptoms not the root causes, for example, training staff to be 'nice' to customers. They have done this rather than developing an understanding of and remediating the root causes of poor service delivery and developing organisational effectiveness focused on ensuring high quality service delivery.

Root Causes versus Symptoms – E.g. Slow Service in Banks



- We found examples of good practice in a number of countries including: national polices for the public sector in South Africa and the UK, legal regulation of some industries in Europe, Ombudsman services to mediate between customers and service providers when they are unable to resolve complaints about service delivery, and national customer care surveys to monitor progress in improving customer satisfaction at a national level.

Batho Pele

PUTTING PEOPLE FIRST

WE BELONG

WE BELONG
It's about working
together as teams
with fellow
colleagues

WE CARE

WE CARE
It's about caring
for people we
render
services to

WE SERVE

WE SERVE
It's about
going
beyond the
call of duty

PRINCIPLES

Consultation	Citizens should be consulted about the level and quality of the public services they receive and, wherever possible, should be given a choice about the services that are offered.
Service Standards	Citizens should be told what level and quality of public services they will receive so that they are aware of what to expect.
Access	All citizens should have equal access to the services to which they are entitled.
Courtesy	Citizens should be treated with courtesy and consideration.
Information	Citizens should be given full, accurate information about the public services they are entitled to receive.
Openness and transparency	Citizens should be told how national and provincial departments are run, how much they cost, and who is in charge.
Redress	If the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made, citizens should receive a sympathetic, positive response.
Value for money	Public services should be provided economically and efficiently in order to give citizens the best possible value for money.

Website to visit:

<http://www.dpsa.gov.za/batho-pele>
redtapetosmarttape@dpsa.gov.za

**Together beating the
drum for service delivery**

Designed and issued by Department of Public Services and Administration

- We found international Quality Kite Marks that can be used to enable an organisation to develop so that it is focused on being customer centric. Key examples are *Investors In People* and the European Quality Model. The UK Government has also developed a standard for the



public sector.

- We found a vast amount of material that could be used to innovate a toolkit for Rwanda freely available on the web including: toolkits for training organisation in researching the quality of service delivery they give; ways of surveying customer satisfaction and collecting information on satisfaction with service delivery; service charters and service level agreements; strategic planning to become customer centric; and complaints procedures. We also found guides/roadmaps for creating customer focused institutions.

Contents of the IPAR Customer Service Delivery Toolkit

- *A Roadmap for Transforming into a Customer Centric Organization*
- *Measuring and Improving the Customer Experience*
- *Measuring Customer Satisfaction: Conducting a Successful Survey*
- *A Customer Value Audit*
- *Instruments for Customer Feedback*
- *Customer Complaints Procedures*
- *Customer Service Charters*
- *Service Level Agreements*
- *Customer Journey Mapping*
- *Self Audit Service Delivery Standard*



What can Government Provide?

- ▶ **Leadership** by creating a nationwide service orientation. This is what the Indian and South African Governments have set out to do as part of their campaigns to develop the tourism industry in their countries.
- ▶ **Exemplification** by ensuring that the public sector provides excellent services as the Governments in South Africa and the UK are doing. The South African Government, for example required all public service organisations to work towards the Investors In People standard and the UK Government has introduced a Service Excellence Standard for the public sector and other organisations delivering public services..
- ▶ **Empowerment** by raising awareness amongst consumers of their right to expect good service delivery and to complain when they do not get it as the UK and South African governments are doing, for example.
- ▶ **Incentivisation** by putting in place mechanisms to encourage excellent service delivery. The South African Government, as part of its campaign to improve service delivery in the tourism sector, has provided incentives for hotels and other private providers of services to tourists to improve service delivery. National Customer Satisfaction Barometers which include sector league tables, like those carried out in the US, Singapore and a number of other countries encourage sectors to improve their performance. Annual high profile award ceremonies for companies and individuals providing outstanding service can also be a powerful incentive. The Government could require organisations awarded Government contracts to be working towards achieving recognised standards of service delivery as the UK Government does for those sub-contracted to deliver public services. The Government could set up kite marking schemes to recognise excellent service delivery as many governments have done for hotels.
- ▶ **Facilitation** by, for example, ensuring that the education system provides workers with the requisite skills and provides opportunities for lifelong learning and work based training. The Indian Government, for example, provided customer service delivery training to key workers in the tourist sector such as taxi drivers. The Government can ensure high quality Government services and infrastructure that other service providers are dependent on and enter into service level agreements. They can provide agencies to accredit organisations who achieve recognised excellence standards.
- ▶ **Regulation** by providing protection for consumers when they have inadequate knowledge and or when a sector has proved to be incapable of 'policing' itself. Governments across the world provide protection for consumers, for example food and beverage health and safety legislation and legislation requiring the wearing of helmets by those travelling on motor cycles. The regulation of higher education to ensure the quality and standard of provision is also increasingly common and Rwanda has already put in place the Higher Education Council. The European Union has legislated to regulate the airline industry to ensure that customers are adequately compensated when flights are delayed or passengers are refused boarding because of over booking. The UK Government has put in place the Financial Ombudsman Service to provide independent mediation when financial service providers do not address consumer complaints to their satisfaction.



Action For Government

The Rwandan Government should adopt a policy of customer deliver improvement with the aim of Rwanda delivering world class service.

Specifically the Government should, building on the initiatives taken following the 2009 Government Retreat: provide leadership, encouragement and regulation through the development and implementation of a *Rwanda Customer Service Implementation Plan* with a strengthened and expanded National Steering Committee responsible for oversight reporting to the Cabinet.

Key elements of an Action Plan

- ▶ A *Know Your Rights Campaign* so that citizens understand their rights to good service delivery in all sectors. The campaign should include TV and Radio, advertising as well as simple publications, posters and briefings at cell level. It should be accompanied by the first annual Best Service Provider Competition.
- ▶ The Government providing leadership by developing and implementing a programme innovated from the South African *Batho Pele* (Putting People First) program designed to improve the delivery of public services.
- ▶ The development and implementation of *Welcome Rwanda Development Plan* to improve service delivery in the tourist sector including RDB initiating a scheme for the quality grading of hotels and guest accommodation innovated from those used in South Africa and India.
- ▶ Legal regulation for service providers requiring that they have a *Customer (Citizen) Charter* with the rights to redress for failure of service delivery clearly specified. An Omdurman Service to provide an independent mediation service when those complaining about a service are not satisfied with the service provider's response to their complaint about poor service delivery.
- ▶ The establishment of an Organisational Development Agency to accredit institutions and carry out external quality audits. All organisations in Rwanda to be encouraged to adopt the European Foundation Quality Model (adapted as appropriate for use in Rwanda) and to become Investors in People as the South African Government requires public sector organisations to do.
- ▶ The provision of a Masters in Organisational Development through work based learning for middle managers. The content to include: strategic planning; customer relations management; staff development (*Investors In People*); quality enhancement (Quality Model); quality auditing; and social research methods.
- ▶ A credit accumulation and transfer qualifications framework put in place to enable workers in the service (and other sectors) to gain recognised vocational and academic qualifications through life-long learning. The framework to establish the equivalence of academic and professional qualifications and provide a ladder of opportunity from basic skills to doctorate. (The Scottish Qualifications Framework on which the Rwandan Higher Education Qualifications Framework is modelled provides an example of such a framework.) Opportunities for work-based accredited learning to also be introduced.
- ▶ An *Annual National Customer Satisfaction Survey Index* commissioned by RDB from a

university or independent research organisation modelled on that conducted in the US and a number of other countries.

Annual National Barometer



What can Organisations do?

- ▶ Accept their responsibility to provide excellent customer service to support the development of a service led economy and take steps to ensure that they are working towards delivering world class service.
- ▶ Review and develop their policies, practices and procedures to ensure that they are focused on their core business, the delivery of services to their customers.

The customer is the foundation of the business and keeps it in existence.

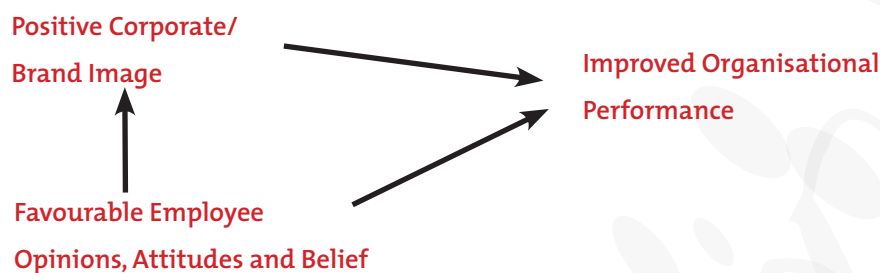
(Sarah Cook, 2008, 'Customer Care Excellence')

- ▶ periodically undertake self assessment of customer service excellent standards and work

towards internationally recognised standards, innovated as appropriate for Rwanda, such as the European Foundation Quality Model and Investors In People.

- ▶ process mapping should be undertaken periodically to ensure that all internal departments are working together and are focused on the organisations number one priority, service delivery excellence.
- ▶ ensure that they understand the needs of their customers and potential customers as well as and the specific needs of the different segments of their customer base.
- ▶ put in place formal complaints procedures with the establishment of an independent, Ombudsman Service to mediate when a provider and a customer cannot reach mutual agreement over the resolution of a complaint.
- ▶ put in place mechanisms to gain an understanding of the experiences of customers of service provision (journey mapping, surveys, customer feedback), and for responding to the concerns of customers.
- ▶ regular staff satisfaction surveys should be undertaken and consideration given as to how the concerns of staff can be addressed to improve their levels of satisfaction.
- ▶ customer charters should be put in place specifying the level of service delivery that customer should expect.
- ▶ service level agreements should be concluded with business and other organisations that are providers of services.
- ▶ train staff at all levels in service delivery and senior managers should periodically work in a customer delivery function. Staff at all levels should all be made aware that it is literally customers/service users who pay their salaries.
- ▶ staff recruitment, reward and promotion procedures should include skills and competencies in customer service delivery as appropriate. Staff at all levels should have their performance managed to ensure they are performing to standard.

How Employees Drive Organisational Performance





- ▶ Signage and orientation for customers should be reviewed and improved as necessary.
- ▶ Clear information should be provided for customers on products and services available on web sites and in service outlets
- ▶ Service delivery in outlets should be reviewed to consider how it can be provided in a timely manner.

What Are the Next Steps?

- The Government accepts the IPAR recommendations.
- The Government requires the National Steering Committee to develop a 5 year strategic plan for implementing a policy for achieving *World Class Service Delivery*. The Steering Committee should be expanded to include independent members including representatives of consumers.
- The Steering Committee should be charged with undertaking wide spread consultation before coming up with the implementation plan. They should take account of the recommendations in this briefing .
- While the Steering Committee is carrying out its tasks, the Government should;
 - * initiate a high profile Know your Rights Campaign;
 - * require all public sector organisations to review their policies, practices and procedures and ensure that they are customer focused;
 - * support the National Task Force continuing with its work program.
- The Private Sector Federation should encourage its members to review their policies, practices and procedures using the Toolkit developed by IPAR and ensure that they are customer focused

For further information and the full reports on which this policy brief is based, see the IPAR Rwanda: website www.ipar-rwanda.org.



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