

ACSI Commentary: Federal Government Scores December 16, 2008

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Citizen Satisfaction with Federal Government Services Improves

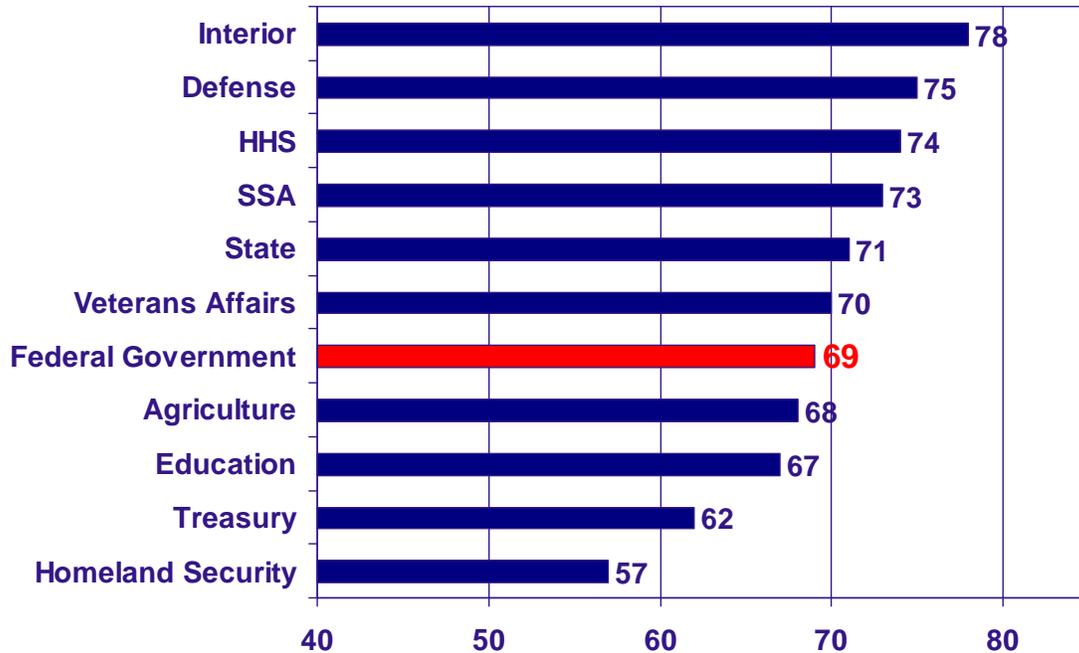
ACSI Aggregate Government Score Advances; Department-Level Satisfaction Varies Widely; Satisfaction with Government Websites Strong, but below Private Sector; Citizen Satisfaction a Key to Restoring Trust in Federal Government

Citizen satisfaction with the federal government improves this year, up 1.6% to 68.9, according to the American Customer Satisfaction Index (ACSI). As in the past, the federal government lags behind the private sector, scoring well below the national average (currently at 75.0) and every other sector except Information (at 68.6). Still, the upswing in satisfaction with government services coupled with a small downturn in private sector satisfaction over the past year means the gap between the private and public sectors has narrowed somewhat.

Users of federal services continue to give high marks for courtesy and professionalism of government personnel, but they do not find their dealings with government particularly easy or timely to transact, nor is information about services all that clear and accessible. Because information and timely delivery carry more weight than customer service per se in shaping the overall user experience, improving the accessibility of information and the efficiency of services remains an important challenge. One area where government does rather well that could be of help in meeting this challenge is the Internet. User satisfaction with government websites, as measured in the third quarter, scores 73.9, 7% higher than the aggregate for all federal government agencies. While government websites on average do not score as high as their counterparts in the private sector, the results suggest that more investment in delivery of government services via the Internet would further enhance the user experience.

Among federal departments, the Department of Interior again has the highest user satisfaction score (78), due at least in part to its National Parks Service. Health and Human Services (HHS), the Social Security Administration (SSA) and Veterans Affairs (VA) also perform somewhat better than the government-wide average at 74, 73 and 70 respectively, but they also typically provide various entitlement benefits. While Social Security and VA are statistically unchanged from a year ago, satisfaction with HHS increases by 6%. Greater efficiency of service delivery across HHS agencies is the key driver behind the improvement. It should also be pointed out that some individual

agency programs rival the best private sector companies. For example the Pension Benefit Guaranty Corporation exhibits an ACSI score of 89 for the services it provides to retirees.



At the other end of the spectrum, some departments lag well behind the federal government average, but here too, there is improvement. At the bottom of the list, just as it was a year ago, is the Department of Homeland Security with a score of 57. While Homeland Security agencies provide certain regulatory functions, their services often impose burdens for people. The Transportation and Security Administration is perhaps the most obvious case, sometimes creating long wait times in airport security lines and nuisance with respect to searches of passengers and their belongings – something not generally conducive to a positive experience or satisfaction. Other agencies within Homeland Security like Immigration and Customs face similar difficulties.

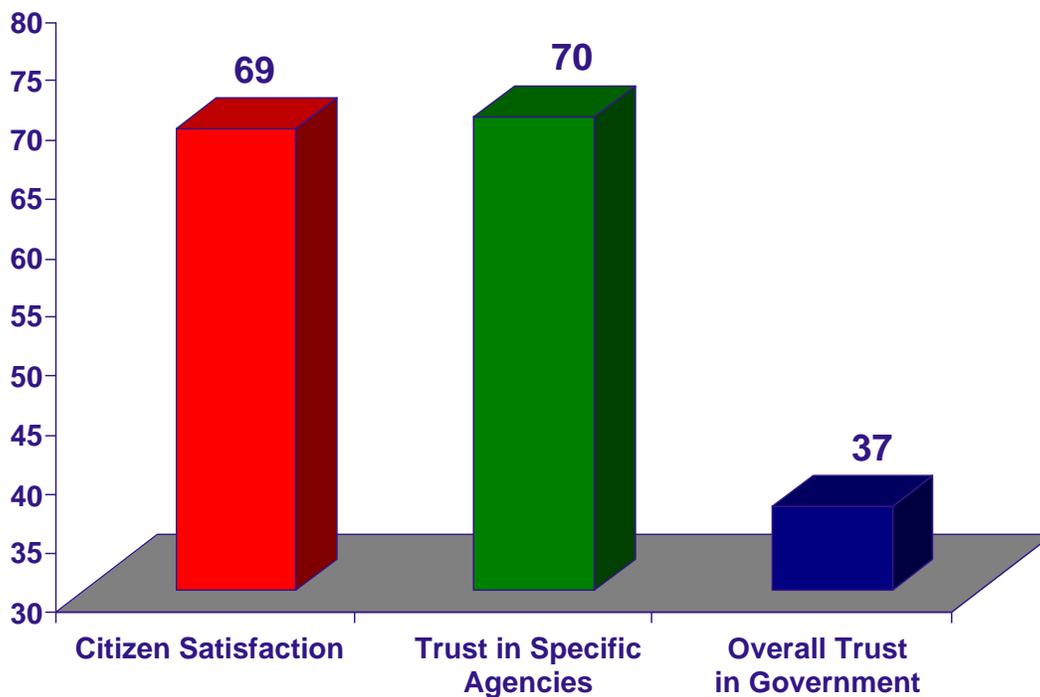
Nevertheless, user satisfaction with Homeland Security leaps and makes the biggest improvement of any department, up 16% from a score of 49 a year ago. And this is despite the fact that customer service quality actually declines slightly – but this is more than offset by substantial improvements in the information provided and in the efficiency of the service. This is not to say that customer service doesn't matter, but that speed and efficiency appear to matter more at this juncture.

Another department that typically encounters low citizen satisfaction is the Treasury Department, dominated by the Internal Revenue Service, the agency with which more U.S. households have direct contact than any other. Tax collection poses a significant challenge when it comes to customer satisfaction. Yet for IRS, there is improvement as

well. Over the past several years, IRS has had a good deal of success in shifting large numbers of tax filers to online filing, a much more efficient channel for submitting tax returns and getting refunds. Tax filer satisfaction for paper filing drops by 2% to a score of 54, but is offset by more people filing electronically than in 2007 (unchanged at 78). In addition, ACSI scores for both small business filers (up 3% to 65) and large and medium-sized business filers (up 4% to 54) are improving as IRS has streamlined and simplified the filing processes for businesses.

User Satisfaction, Agency Trust and Overall Trust in the Federal Government

In the past, ACSI has estimated the relationship between satisfaction with a federal agency and citizen trust in that agency as a consequence of the user's experience. This year, two different types of trust were measured – trust in the specific agency and general trust in the federal government as a whole. Similar to other studies looking at either general or specific trust in government, the ACSI data point to low levels of citizen trust in the federal government in general.



Low trust in the federal government is not a new phenomenon and it could be caused by many factors. But one of them is most certainly the quality of services that government provides. The ACSI data suggest that satisfaction with specific agency services is positively related to not only trust in that agency, but also to more trust in the federal government as a whole.

Federal Government Websites

Government websites represent an increasingly important channel for delivery of government services and contribute to what some are calling the “new face of government.” This evolution is motivated by a promise of both better services as well as improved efficiency with cost-savings for government. ACSI measures user satisfaction with about 100 federal government websites. The ACSI score for federal websites through the third quarter of 2008 improves by 1.4% to 73.9 compared with the second quarter. While government websites outperform traditional government services in the aggregate, the range remains wide. Three of the Social Security Administration’s websites top the list, with scores between 87 and 90 – on par with the highest scoring private sector ACSI websites. On the other hand, certain federal websites do much worse and score lower than anybody in the private sector.