



National Audit Office

Handling telephone enquiries

Scope and Methodology

JANUARY 2010

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This report examined the provision of services through the Department's contact centres which range from ordering forms to complex tax and benefit related queries and transactions. It examined the ease with which taxpayers can access contact centres, the quality of advice provided and whether the Department is running contract centres efficiently. The report focuses primarily on the 19 contact centres within the Department's Customer Contact Directorate (the Directorate) which handle 95 per cent of calls to contact centres, and the seven contact centres managed by two individual business areas: Charity, Assets and Residence, and Debt Management and Banking. We have excluded smaller contact centres and calls handled in other offices.

Selected method

Analysis of the Department's performance data

We analysed the Department's contact centre performance data for 2007-08, 2008-09 and the first half of 2009-10. Where we followed up performance from previous reports, we also analysed data from 2005-06 and 2006-07.

The data we collected covered contact across all lines of business within the Directorate and the largest lines of business outside of the Directorate: Charity, Assets and Residence, and Debt Management and Banking. We did not examine other helplines run by the Department or local tax offices on the grounds of scale and limitations of available data.

We analysed:

- Daily/weekly/monthly call volumes received and handled by each line of business and contact centre;
- Performance against contact centre performance indicators, such as percentage of call attempts answered and percentage answered in 20 seconds;
- Staff numbers and cost of running the contact centres;
- Proportion of staff time utilised;
- Sickness absence and staff attrition figures;
- Internal quality scores, customer and staff satisfaction surveys; and
- Call duration.

Overall data was readily available, centrally managed and produced, and reliable.

Purpose

We analysed a range of performance data in order to:

- Assess trends in the Department's performance over time, by business line and site and identify changes over time;
- Assess the Department's service levels and availability;
- Assess how efficiently the Department is operating its contact centres;
- Assess the quality and accuracy of advice given; and
- Calculate the cost to the Department and to the customer of each call.

Selected method	Purpose
<p>Visits to contact centres</p> <p>During March and April 2009 we visited ten contact centres covering the Directorate, Debt Management and Banking and Charity, Assets and Residence helplines. We selected Directorate sites to reflect the different sized contact centres, lines of business covered, location, history and where possible, performance. We visited the main contact centres for the other two directorates.</p> <p>At each site we listened to calls for around three hours across almost all business lines (please see call listening methodology), and held separate group interviews with advisors, team leaders and quality staff (between eight and 10 in each group).</p> <p>The sites visited were:</p> <ul style="list-style-type: none"> ● Bathgate (Customer Contact Directorate); ● Bootle (Customer Contact Directorate and Charity, Assets and Residence); ● East Kilbride (Customer Contact Directorate and Debt Management and Banking); ● Glasgow (Customer Contact Directorate); ● Longbenton (Customer Contact Directorate); ● Manchester (Customer Contact Directorate); ● Merry Hill (Customer Contact Directorate); and ● Peterlee (Customer Contact Directorate). 	<p>We used the site visits to:</p> <ul style="list-style-type: none"> ● Understand how the contact centres operate and the relationship between the centres and head office; ● Get views of staff on contact centres; ● Find out how much avoidable contact advisors experienced; and ● Observe the quality assurance process.
<p>Semi-structured interviews</p> <p>We conducted around 20 semi-structured interviews with staff, including individuals with central responsibility for management information systems, demand management, forecasting and quality. We spoke to those responsible for providing and updating the guidance to which advisors refer when they answer calls. We also interviewed contact centre managers and regional operations managers.</p> <p>We also spoke to the representative at the Public and Commercial Services Union responsible for HMRC matters.</p>	<p>We used our interviews to:</p> <ul style="list-style-type: none"> ● Understand how the Department manages the contact centres and how performance is reported; and ● See what data was available and how it was used within the Department.
<p>Call listening</p> <p>During the site visits we listened to around 90 calls handled by frontline staff across nine lines of business and ten sites. The information we considered in relation to each call included the line of business to which the call related, the reason for the call, the nature of any follow up action, and whether the call was potentially avoidable.</p>	<p>To familiarise ourselves with the types of enquiries that advisors receive and with the IT systems and processes they use to provide guidance and advice. We also used it to understand the operational differences between the business lines.</p>

Selected method	Purpose
<p>Document review</p> <p>We reviewed internal Departmental documents relating to telephone contact. The documents we reviewed include:</p> <ul style="list-style-type: none"> ● Progress against Departmental Strategic Objectives; ● Strategy documents, including analysis of performance data; ● Quarterly customer survey; ● Annual staff survey; ● Board reports on performance in handling customer contact; ● Business cases, project plans and evaluations of the pilots and initiatives relating to telephones; ● Information available to taxpayers from the Department, including the website and hard copy leaflets; and ● The Department’s research on customer segmentation. <p>We also reviewed literature from the Cabinet Office-led Contact Council, OFCOM, the Improvement and Development Agency and Citizens Advice.</p>	<p>To inform our understanding of how the Department assesses its own performance and what future plans it has in place.</p>
<p>Interviews with external stakeholders</p> <p>We interviewed external stakeholders who represent the Department’s customers: TaxAid, Citizens Advice, and the Low Income Tax Reform Group.</p> <p>We held interviews with government organisations including the Cabinet Office, the Driving Standards Agency, and Jobcentre Plus.</p>	<p>To inform our understanding of how the taxpayers whom external organisations represent regard the service provided by the Department’s contact centres.</p> <p>Interviews with government organisations aided our understanding of current developments in handling telephone enquiries across government and how the Department compares with good practice.</p>
<p>Assessing the Department’s relative performance</p> <p>We commissioned contact centre specialists, Calcom, to assess the performance and practice of the Department’s telephone operations against a number of public and private sector benchmarks. Calcom used the Cabinet Office’s Performance Measurement Framework to benchmark the Department’s performance against other government contact centres, and other benchmarking reports to compare performance against the private sector.</p> <p>We have drawn on Calcom’s work wherever it was possible to make comparisons with the Department. However, it was not always possible to benchmark the Department’s performance against public sector comparators because of a lack of comparable data across public sector organisations.</p>	<p>To inform our understanding of how the Department compares to private sector and other central government departments.</p> <p>Calcom’s work helped us to put the Department’s performance in a comparative context. It also provided us with a valuable insight into how other organisations measure performance and provided context for our performance data analysis.</p>

Selected method	Purpose
<p data-bbox="453 443 852 465">Modelling Contact Centre Performance</p> <p data-bbox="453 479 979 591">Using the Department's data on call attempts, calls answered and staff utilisation, we constructed a model to analyse the impact on the Department's call handling performance of change in the following variables:</p> <ul data-bbox="453 613 794 725" style="list-style-type: none"> <li data-bbox="453 613 635 636">● Staff utilisation; <li data-bbox="453 658 794 680">● Levels of avoidable contact; and <li data-bbox="453 703 644 725">● Number of staff. 	<p data-bbox="1043 470 1449 613">To estimate the possible range of performance improvements the Department could attain if it could improve its management of two key variables: avoidable contact and staff utilisation.</p> <p data-bbox="1043 622 1449 815">The complexity of the Department's operations, the number of changes taking place, and the impact of variables which have not been included in the model such as news items that generate unexpected call volumes, make it difficult to model precisely potential performance.</p>
<p data-bbox="453 846 612 869">Advisory Panel</p> <p data-bbox="453 882 979 972">We established an Advisory Panel. Members were taxpayer representatives, tax experts and contact centre experts from the public and private sector:</p> <ul data-bbox="453 994 979 1720" style="list-style-type: none"> <li data-bbox="453 994 948 1016">● Mark Andrews (Cambridgeshire County Council) <li data-bbox="453 1039 756 1061">● Paul Archer (Jobcentre Plus) <li data-bbox="453 1084 948 1106">● Lynsey Brooks (Federation of Small Businesses) <li data-bbox="453 1128 836 1173">● Siobhan Coughlan (Improvement and Development Agency) <li data-bbox="453 1196 963 1218">● Professor Stephen Deery (King's College London) <li data-bbox="453 1240 979 1263">● Carole Evans (Driver and Vehicle Licensing Agency) <li data-bbox="453 1285 772 1308">● Sarah Fogden (Cabinet Office) <li data-bbox="453 1330 979 1352">● Anne Marie Forsyth (Customer Contact Association) <li data-bbox="453 1375 995 1397">● Donna Griffiths (Driver and Vehicle Licensing Agency) <li data-bbox="453 1420 979 1442">● Sebastian Horden (Confederation of British Industry) <li data-bbox="453 1464 756 1487">● Katie Lane (Citizens Advice) <li data-bbox="453 1509 884 1532">● Rob Pike (Customer Contact Association) <li data-bbox="453 1554 772 1576">● Gerald Power (Cabinet Office) <li data-bbox="453 1599 979 1644">● Anne Redston (Institute of Chartered Accountants in England and Wales – Tax Faculty) <li data-bbox="453 1666 948 1711">● Chas Roy–Chowdhury (Association of Chartered Certified Accountants) 	<p data-bbox="1043 873 1449 963">The panel met twice and some members were also consulted throughout the course of the study.</p> <p data-bbox="1043 981 1449 1173">In the first meeting, the panel advised the NAO on whether the issues we intended to examine and our proposed methodology were suitable. In the second meeting, the panel commented on the key messages and recommendations emerging from our study.</p>
Representatives from the Department also attended.	