



CORPORATE &  
TRANSACTIONAL

## Benchmarking of Customer Service by Mystery Shopping Exercise

### Summary

The Derbyshire Transformational Partnership was keen to build on its partners' investment in Customer Relationship Management (CRM) systems and saw the use of mystery shopping as a cost effective method for independently assessing the way its partners' delivered services.

The partnership set out to deliver a project that would benchmark a wide range of services across multiple access channels and multiple organisations. The project also set out to identify how - in a two tier county such as Derbyshire - customers were not always aware which authority delivered a specific service. For example, citizens often contact the county council for district services and the districts for county council services; therefore the mystery shopping exercise was also used to test the experience of citizens trying to access cross organisational services.

The programme was conducted over two years and three waves. After each wave partners produced improvement plans for their organisations based on the results of the exercise. Over the course of the three waves the overall performance of partners has improved as a direct result.

Improvement through efficiency



Centre of  
Excellence

East Midlands

[emce.gov.uk](http://emce.gov.uk)

## Project background

In 2004 the Derbyshire Transformational Partnership implemented a Customer Relationship Management (CRM) System. CRM was seen as a way of transforming our business processes and improving the experience of the customer when accessing services.

Since the initial implementations of CRM many of the partners have developed customer service functions operated by dedicated customer service staff. As a result of this partners have transformed their business processes and these services are now delivered by the dedicated customer service teams.

An earlier project, also sponsored by the East Midlands Centre of Excellence, led to the purchase of CRM adaptors which enabled partners to integrate their CRM with their back office systems. This integration, which has since been extended to a range of back office systems, has led to further improvements to business processes at many partners.

Through the development of a joint CRM and the partnership working that has taken place in Derbyshire, improvements have also been made to the way we deliver services on each others behalf, particularly between the county council and the districts. The aim of these changes is to demystify the confusion for the citizen when trying to access two tier services and thus improve their experience.

The crux of the programme was to test, from a citizen perspective, whether the transformation that has taken place has led to the desired customer improvements. In order to achieve this some citizen consultation has taken place, but it was also considered important to obtain an independent assessment; mystery shopping was seen as the ideal solution for this.

To ensure that customer contact over multiple channels was assessed the mystery shopping programme covered telephone, email and website access. Face to face contact was left out of the programme, but will be incorporated in future exercises. The exercise covered a broad range of services areas across the partners, including: revenues and benefits; planning and building control; environmental services; transport; leisure; and housing.

Eleven partners have taken part in the programme, these are; Derbyshire County Council, Derby City Council, Amber Valley BC, Bolsover DC, Chesterfield BC, Derbyshire Dales DC, Erewash BC, High Peak BC, North East Derbyshire DC, South Derbyshire DC and the Peak District National Park Authority. The number of partners involved proved to be a challenge, but this has provided the diversity and complexity that most of our citizens face on a day to day basis.

## Objectives

**The objectives of the programme were as follows:**

- To provide baseline data for the development and improvement of service across Derbyshire.
- To test how easy or difficult it is for customers to access services.
- To identify areas where the customer experience of services offered within Derbyshire should be improved.
- To undertake a programme of improvement addressing those areas identified above.
- To assist in the development of common service standards across Derbyshire.
- To undertake repeat mystery shopper exercises to gauge the success of the improvements and to provide data for a further development.

## Benefits achieved

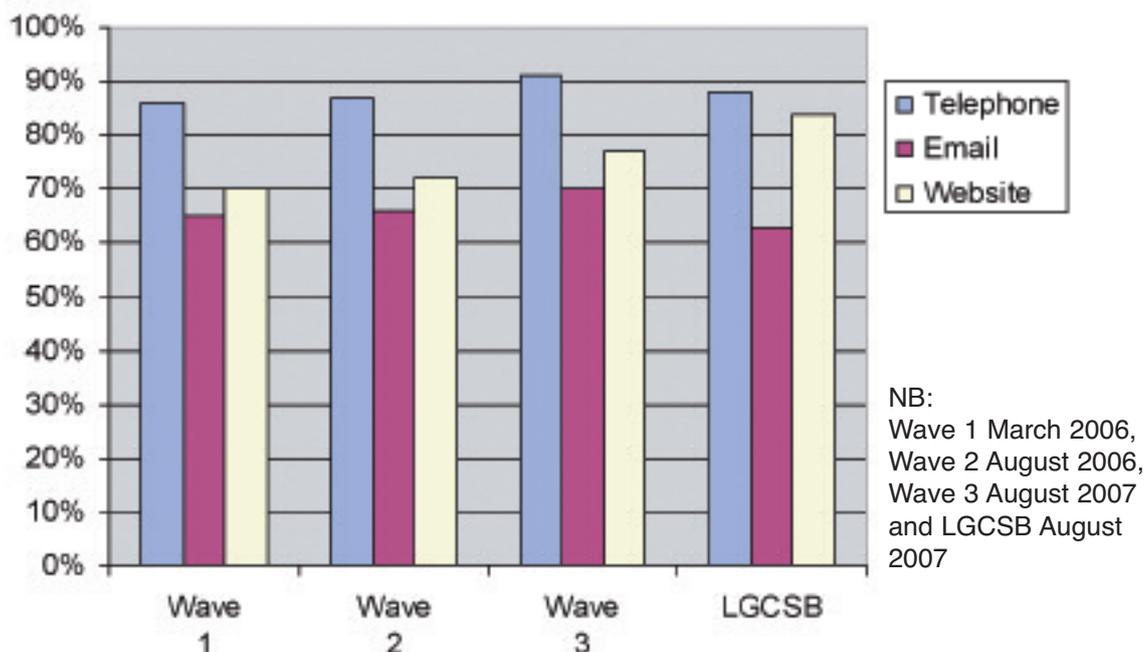
The mystery shopping exercise has enabled members of the Derbyshire Partnership to take an independent view of how services are delivered. The results from each wave of the project have led to individual organisation improvement plans, which in turn, have resulted in changes in the way services are delivered. Over the course of the three waves improvements have been made across all three access channels, however, there is still an acceptance that more can be done.

The following graph shows that improvements have been made over the three waves for each of the access channels. The fourth set of data is the Local Government Customer Service Benchmark Survey (LGCSB) which is undertaken every twelve months. This shows the average scores based on a larger group of local authorities in England. The graph illustrates that the authorities in Derbyshire, overall, perform above the national average for telephone and email contact, but below for website contact.

## Quote

***“The mystery shopping exercise identified customer confusion caused by different departments maintaining separate contact details. We have begun to rationalise these and aim to establish a single contact number in the coming year.”***

Jeff Winston  
Head of Information Systems  
Peak District National Park Authority



### Some of the key benefits achieved as a result of the programme are as follows:

- The project has enabled an objective assessment of service delivery by phone, email and website.
- It has enabled us to benchmark data for ongoing performance.
- It has proved a useful tool for comparison against other councils.
- It has provided professional advice leading to useful suggestions from the mystery shopping company.
- It has provided invaluable independent evidence to help change the culture of customer service in a local authority environment.
- It has enabled partners to gauge where best to target resources and provide a more accurate service.
- Improved customer service and reduced the number of abandoned calls leading to a better take up of services.
- Has led to improved front office delivery which has prevented service users from being passed from 'pillar to post'.

### Critical success factors and lessons learned

#### Essential ingredients for success

- Senior project sponsor to ensure engagement at a senior level.
- Strong central project management with an effective communications network.
- Collaborative approach to project by all partners.
- Agreement on common service areas to be assessed.
- Development of improvement plans by each partner after each wave of the project.

### Problems encountered and how they were overcome

Following the results of each wave of the project partners were provided with individual reports for their authority which scored the various services that had been tested. In some cases, and where the results were not positive, there was some denial from partners; this in turn led to criticism about the procedure. This was overcome:

- by working with the mystery shopping provider to explain the procedures used.
- by providing detailed call logs with details of individual transactions.
- by reinforcing the aims and objectives of the project
- by demonstrating that a consistent approach had been made for all transactions across all organisations.

### Risks

The acceptance of the project within individual authorities by staff and the trade unions was identified as a risk early on. It was agreed that each of the authorities would inform both groups on the aims of the project, how it would be run and provide assurance that no individuals would be identified.

There was a concern that partners would not actively engage in the project and take action to address the findings from each wave. In order to alleviate this, agreement was reached that each partner would provide an improvement plan after each wave.

## Transferability

The programme has proved the value of using mystery shopping in a multi organisational partnership. The model used by the Derbyshire Transformational Partnership is suitable for use by other local and/or regional partnerships.

## Summary of benefits

### External service users

The success of the project at each phase has led to actual improvements in the way each authority delivers customer facing services. The comparisons of data against other members of the partnership have resulted in a healthy competitiveness, leading to accelerated improvements in most service areas. A number of simple changes have resulted in common standards across the partnership, which in turn ensures that the citizens of Derbyshire receive a consistent experience countywide.

The success of the programme has been recognised by all partners and there is a commitment to replicate the mystery shopper exercise on an annual basis. The future structure of the programme is being devised by the Derbyshire Customer Service Managers Group.

### Staff satisfaction and internal service users

The outcomes of the project will have an impact on service management within the organisation. The partnership will, in future, be able to identify staff savings when process improvements are implemented, including the potential to re-structure staffing to meet peak demands.

Since the mystery shopping exercise staff engaged at the front line now feel more valued. Front of house employees have enjoyed the recognition from knowing that they are achieving set customer service standards. This has led to increased job satisfaction and a better work atmosphere. Back office employees have also benefited from the mystery shopping exercise, the increased resolution of the calls at the first point of contact has similarly freed up back office employees time for other duties.

## Role of RCE

The mystery shopper exercise was funded by the East Midlands Centre of Excellence. The grant funding of £60k was used to initiate and deliver the project to completion, the key aim of the project was to deliver significant qualitative service improvements to the member councils of the Derbyshire Transformational Partnership.

## Partner quotes

*“Mystery shopping has helped Derby City Council understand what customers really experience when they contact us and has provided an objective and measured view of the experience. The results across the three waves have enabled the authority to create action plans, based on quick wins and long term goals, which in turn have enabled us to improve our performance. The programme has given us the benchmark data to measure our customer service delivery against other Councils and has proved the concept of mystery shopping does work.”*

Andrew Elliott  
Customer Service Performance and  
Programme Manager  
Derby City Council

*“The Mystery Shopping project has enabled all partners to work together on a new initiative which has provided valuable information and data on a wide range of customer services and multiple access channels. The three waves of mystery shopping exercises have allowed partners to make comparisons across a range of access channels including telephone and website. It has enabled us to compare information as well as sharing ideas and good practice. The project has been a shining example of successful partnership working.*

Jane Foley  
Head of Customer Service and Performance  
Bolsover District Council

## Contacts

### Mark Whelan

Programme Manager  
Derbyshire Transformational Partnership  
tel: 01629 585 127  
email: mark.whelan@derbyshire.gov.uk

### Heather Parker

EMCE/EMIP Programme Manager  
East Midlands Centre of Excellence  
tel: 0115 977 3492  
email: heather.parker@nottsc.gov.uk