

# Government and Public Sector Customer Engagement Optimization Solution Strategy



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## Introduction

As a leading provider of Actionable Intelligence<sup>®</sup> solutions, Verint<sup>®</sup> is actively pursuing a strategy to create A Smarter World with Actionable Intelligence. Our focus includes the government and public sector, where our footprint has grown substantially since the founding of our company in 1994. Most recently, we extended it further with the acquisition of KANA<sup>®</sup> Software, including KANA Enterprise and LAGAN Enterprise solutions.

Today, Verint solutions and services support a variety of smarter government initiatives, including:

- A Safe City initiative in Guayaquil, Ecuador's largest city. Verint IP-based video surveillance helps keep tourists and 3.75 million residents safe by providing greater visibility into activities in critical areas of the city and enhancing situational awareness.
- Analysis for a national intelligence agency. Using Verint Communication Intelligence solutions, the agency produces Actionable Intelligence to make informed decisions. The system's advanced analytical tools have been used to correlate records of people located in the vicinity of bombings in different locations, leading to potential suspects.
- 311 Service Requests for the City of Houston. The city uses Verint Engagement Management to increase transparency while managing two million citizen contacts annually across 270 service options. The city posts open service requests and the percentage completed on an interactive map where customers can access visual dashboards by geography. The city received a "highly commended" Best Web Experience honor for this innovative use of its data—and it achieved payback on its web investment in less than two months.

This document defines customer engagement and examines the key drivers that are shaping it in the government and public sector. It also addresses:

- Key outcomes that organizations are seeking to achieve
- Requirements that are being requested by organizations to achieve these outcomes
- Verint's government and public sector customer engagement optimization solution strategy themes, which reflect these drivers, outcomes, and requirements
- Verint's customer engagement optimization platform, through which Verint executes its solution strategy.

## What is Customer Engagement?

Customer engagement describes the level of interaction that individual customers have, either directly or indirectly, with a specific government or public sector organization over time. The term includes all of the interactions that occur along the customer journey, whether those “touches” happen before, during or after an interaction, and whether they occur by phone, online or in person. It can also include customer interactions that may be independent of specific transactions, such as criticisms in social media or comments posted on blogs.

Customer engagement should not be confused with customer experience, since engagement encompasses an ongoing relationship with a specific government or public sector organization, as opposed to an experience at a single point in time. It is also important to note that customer engagement is proactive. Government and public sector organizations do not have to wait for a customer to act before they engage—they can reach out to customers to renew permits and licenses, deliver personalized and location-specific services, and solicit feedback. Examples of proactive customer engagement tactics include surveys not tied to specific transactions or educational outreach programs. The idea is to build an ongoing dialog with customers that engenders familiarity and some level of emotional attachment to your services.

## Government and Public Sector Customer Engagement Drivers

There are three main customer engagement drivers within the government and public sector today, and they are central to Verint’s government and public sector customer engagement optimization solution strategy.

### The Digital Customer

Few will argue that the digital customer is a reality today. A significant portion of the population in developed countries such as the United States now own smartphones, which means more and more people are connected for the vast majority of the time.

And this is not just limited to younger demographics. Customer behaviors across all demographics have changed with more empowerment through digital channels, such as the web, social media, and mobile.

This does not mean, however, that your customers will expect to interact with you via digital channels all of the time. Customer preferences will typically depend on the service being requested, but it’s reasonable to expect that this will be their preference. Find out more in our blog, [“The Role of Government Employees in a Digital \(and Smarter\) World.”](#)



### Austerity

Austerity has been a familiar word since 2008, and while we are seeing signs of recovery in major economies such as the United States and the United Kingdom, it is likely that the government and public sector still have austerity programs in place for the coming few years.



This means there will be a continued focus on saving money, whether by reducing operating costs (such as staff headcount) or doing more with the same operating costs (such as through channel shift programs). Some may seek to make savings internally, while others may outsource part of their business to external (business process outsourcing) organizations that take on both the responsibility and risk for making the required savings.

Continued austerity may result in an increasing focus on income generation, such as charging for discretionary services.

## Politics

Politics is a unique challenge for government and public sector organizations. Few politicians want to push through a policy that reduces front-line services. Consequently, the need for savings is making digital services more appealing. Elected officials can improve their standing with the electorate by mandating digital innovations, such as mobile smartphone apps for citizen use. However, cost-saving initiatives such as digital strategies can meet with resistance when the main political representation seeks to protect staff, fears offending the electorate, or believes that digital strategies are still unproven.



## Government and Public Sector Customer Engagement Outcomes

The customer engagement drivers outlined above are leading government and public sector organizations to align their strategies to deliver on the following key outcomes:

### Compliance

There are a number of aspects to compliance – budget, regulatory and risk.

#### *Budget Compliance*

Since 2008, many government and public sector organizations across the world have faced significant budget reductions—reductions that in some cases will continue for the next few years. The need to drive savings through operational efficiency is part of this, but many cases, the extent of the reductions means many organizations are struggling simply to work out how to continue delivering their front-line services at all. The significance of this issue is best shown by Birmingham, UK City Council, which declared in December 2013 that it was “very close” to decommissioning some front-line services altogether, due to budget constraints (read the news article [online](#)). In many cases, delivery of this outcome trumps everything else.

Some government and public sector organizations are starting to charge for services (particularly discretionary) as a way to plug gaps in their budgets. This form of revenue enhancement is not typical for government and public sector, and does not sit well with everyone from a political perspective. It appears to be a consequence of the extent of the austerity measures across the world.

#### *Regulatory and Risk Compliance*

Government and public sector organizations need to be compliant with many of the same regulations as commercial organizations, such as Payment Card Industry (PCI) compliance. However, they also face



additional regulations, such as the (US) Federal Information Security Management Act (FISMA), the (US) Health Insurance Portability and Accountability Act (HIPAA), the UK Freedom of Information (FOI) Act and Section 508, added as an amendment to the US Rehabilitation Act of 1973, which deals with technology accessibility for people with disabilities.

## Operational Efficiency

As mentioned under Budget Compliance, for many government and public sector organizations, their desired outcome isn't so much to be operationally efficient as to be able to continue to deliver their non-discretionary services at all. The severity of the situation is increasingly causing government and public sector organizations to think afresh and consider strategies that may have been previously unthinkable, including:

### *Cloud*

Sentiment towards the cloud appears to have reached a tipping point as evidenced by more government and public sector organizations asking for—and deploying—cloud-based solutions. In 2013 and 2014, for example, Verint saw a substantial increase in the number of its UK local government customers deployed in the cloud.

### *Shared Services*

Although this idea is not new, it often stops at shared procurement. Again, this has started to change. For example, a group large UK West Midlands county government authority and its eight local councils worked together to provide a shared customer service capability balancing council empowerment with shared IT resources.

### *Service Delivery Targets*

Performance-driven government strategies put a focus on meeting service delivery targets. Particularly prevalent in cities offering 311 services, performance against service delivery targets is often also available publicly to the customer via digital channels.

## Customer Satisfaction

While historically not as high a priority as in commercial organizations, customer satisfaction is becoming increasingly important to government and public sector organizations, since their customers are indirectly their funders (taxpayers). However, this is starting to change, with the US government in 2014 putting measures in place to improve the customer experience. The challenge here is to meet the increasing expectations of citizens based on their experiences as consumers, but do this within the constrained budgetary regimes prevalent in the public sector globally.

## Employee Satisfaction

Government and public sector employee motivation has dipped as a result of widespread staff reductions and the specter of more to come; hence, this is a key focus of government and public sector human resource directors. Providing tools to help employees become more empowered and access consistent, contextual, and accurate information about customers and services quickly and efficiently is critical. This can help organizations enhance employee satisfaction by removing operational frustrations and introducing greater transparency into end-to-end processes.



## Government and Public Sector Customer Engagement Requirements

These customer engagement outcomes are in turn resulting in the following requirements from the government and public sector.

### Engagement Management – Digital Self-Service

Digital self-service is a top customer engagement requirement for many government and public sector organizations, due to the benefits a successful strategy can deliver in terms of budget compliance and operational efficiency goals.

This is partly due to the many different devices with which a customer or citizen can engage in a self-sufficient manner with a government and public sector organization, including desktop PC or laptop, IVR, smartphone, tablet, social networking, and smart TV.

Digital self-service directly supports budget compliance, operational efficiency, and customer satisfaction outcomes. It also requires careful consideration of regulatory and risk compliance outcomes.

### Engagement Management – Human Assisted Service

While digital self-service should be the foundation of today's government and public sector customer engagement strategy, it needs to be supported by a human-assisted service, which encompasses the traditional phone and face-to-face services, along with digital channels such as email, chat, and co-browse. In some cases, this requirement is overlooked completely, being viewed as an "old" approach to customer engagement. However, as we cover in our blog "[The Role of Government Employees in a Digital \(and Smarter\) World](#)," government and public sector customer engagement strategies need to provide human-assisted support for customers when they need help in transacting online (via chat and co-browse, for example).

Of course, human-assisted service is not intended solely to support digitally-enabled services. Some services need to be delivered via traditional channels, such as some social services that can only be delivered face-to-face.

This requirement indirectly supports budget compliance, operational efficiency, and customer satisfaction outcomes.

### Process Optimization

Regardless of what channel services are delivered on, processes need to be optimized; otherwise, they can negatively impact operational efficiency and—ultimately—customer satisfaction. The challenge is that in today's digital world, processes need to be optimized for all channels.

Common process optimization requirements often include the following:

#### *Knowledge Management*

For many government and public sector organizations, the largest volume of customer engagement relates to information requests (in some cases being as much as 80 percent of all customer engagement). Hence, it makes sense to provide customers with access to the answers to their questions in the most convenient way possible. This entails making information available across all digital channels and providing it in context to the process they are following, as well as personalizing it where applicable.



### *Case Management*

Another common customer engagement type is the service request, which often requires fulfillment by a back-office department at a later time. This drives a case management requirement to record the service request, track it, and deliver it to the required department and / or individual.

### *Desktop Process Analytics*

Given that staff often represent the largest investment within a government and public sector organization, it is important to understand what contact center and back-office employees are really doing, so that problems can be identified (whether in the process itself or with an employee) and improvements can be implemented.

This requirement directly supports operational efficiency, customer satisfaction, and employee satisfaction outcomes.

## Workforce Optimization

Because the contact center is normally a cost center in the government and public sector organization, a common set of requirements relate to improving contact center agent performance through call recording, quality monitoring, workforce management, scorecards, coaching, and eLearning, all of which directly support operational efficiency outcomes.

## Customer Insight

Many government and public sector organizations can further enhance customer engagement by leveraging their insight into customers through a variety of ways including:

### *Customer Feedback*

While soliciting feedback from customers is not a new idea within the government and public sector, there is increasing recognition that annual surveys have limited value as more systemic approaches are adopted. A practical example of this is to request feedback post-transaction (e.g., after a call or a delivered service), as this may be more likely to drive both the volume and quality of responses.

### *Social (Network) Listening*

Government and public sector organizations are realizing that in this digital age, you don't have to request feedback; you can also listen to it on social networks. This approach can help them leverage social networks as an early warning system for revealing potential customer concerns.

### *Employee Feedback*

Government and public sector organizations are increasingly viewing employee feedback as a way to identify ways to improve service delivery and engage employees, thereby improving employee satisfaction.

### *Speech Analytics*

One of the consistent issues cited by government customer service directors is that they do not know the main reasons people are calling. This is particularly important when the customer service center is cross-charging departments for calls handled on their behalf. Relying on agents to record the reasons for calls manually as part of call wrap-up has been shown to be unreliable. Speech analytics can provide a much more accurate view. As well as supporting analytical data for cross-charging, it can also drive significant



opportunities for supervisors to drill into best- and worst-case agent behaviors as a way to enhance customer service, supported by tools such as eLearning and gamification.

## Verint's Government and Public Sector Customer Engagement Optimization Solution Strategy

Verint's government and public sector customer engagement optimization solution strategy is defined by the following themes, representing the aforementioned drivers, desired outcomes, and requirements.

### Digital First

This is the primary focus of Verint's government and public sector customer engagement solution strategy.

"Digital First" is an idea that puts the digital customer at the center of your customer engagement strategy, recognizing that (a) they constitute a majority and prefer to transact digitally; and (b) giving them what they want helps reduce government's cost to serve. In other words, it's a win / win situation.

Conceptually, Digital First is different than "digital-only" customer engagement strategies, which are built on the premise that digital customers do not need help and that all government services can be put online. (For more information, read the blog, "[Digital Only – What You Don't See Is What You Don't Get.](#)")

Digital First also recognizes that while not all customers are digital, many know people who are and who will transact digitally on their behalf. Consequently, it is important that services support this use case.

The Digital First theme directly addresses all of the market drivers (digital customer, austerity and political) and the operational efficiency and customer satisfaction outcomes. It does this by providing the means by which organizations can transition a significant portion of customer engagement demand to self-service channels. This can help reduce cost-to-serve and / or releases capacity while at the same time enabling organizations to continue to provide traditional customer engagement services to those who prefer them. In many cases, this latter point is crucially important in addressing the political driver.

### Digital Employee

Complementary to the Digital First theme, this theme addresses three key points:

1. Not everyone wants or is able to transact with government digitally.



2. Not all services (for example, social services) are appropriate for digital delivery.
3. Government doesn't get the opportunity to train its digital customers in the same way that it can its employees; hence, customers will need help as they transact digitally.

Enter digital employees. In addition to handling interactions from non-digital customers via the phone, they must also support customers and citizens online. This places even more demand on them, as they need to use solutions such as live chat, co-browse, video, and social engagement. For more information, read the blog, "[The Role of Government Employees in a Digital \(and Smarter\) World.](#)"

The digital employee theme directly addresses the political market drivers, indirectly supports the digital customer and austerity market drivers, and directly addresses the operational efficiency and customer satisfaction outcomes.

## Cloud First

While the government and public sector has been slower than its commercial counterparts to adopt the cloud, governments across the world have taken clear steps to change this. Examples include the [US General Services Administration Cloud First policy](#), the [UK government's "cloud-first" strategy](#), and the [Queensland Government CIO's cloud-first Cloud Computing strategy](#).

Although these initiatives do not mandate cloud use, they certainly do encourage the approach. That said, progress is still admittedly slow, due in part to the information security and data privacy regulations that apply.

For Verint, "Cloud First" means that we assume our solutions will be deployed in a cloud, whether hosted in a public cloud, private cloud, or a customer's own on-premises environment. Not all customers may be ready to use the cloud right now and may want the flexibility to start on premises and then potentially transition to the cloud over time. It is also possible that some customers may want the flexibility to start in the cloud and then potentially transition to on-premises over time.

The cloud first theme directly addresses the austerity and political market drivers and directly addresses the budget compliance and operational efficiency outcomes.

## Insight

The government and public sector are still in the early stages of digital maturity, and there is much to be learned from the commercial sector. One of these opportunities is the use of insight derived from analytics capabilities to determine how to best optimize the digital experience. For example, speech analytics can help identify those calling customers who were unable to get or do what they wanted to on the website. Further, web analytics can identify which digital customers successfully completed what they set out to do, and which did not. Clearly, this type of insight can be key to optimizing processes that can ultimately support further channel shift-and therefore, cost savings and / or released capacity.

The Insight theme directly addresses two of the market drivers (digital customer and austerity) and the compliance, operational efficiency, and customer satisfaction outcomes.



## Partners

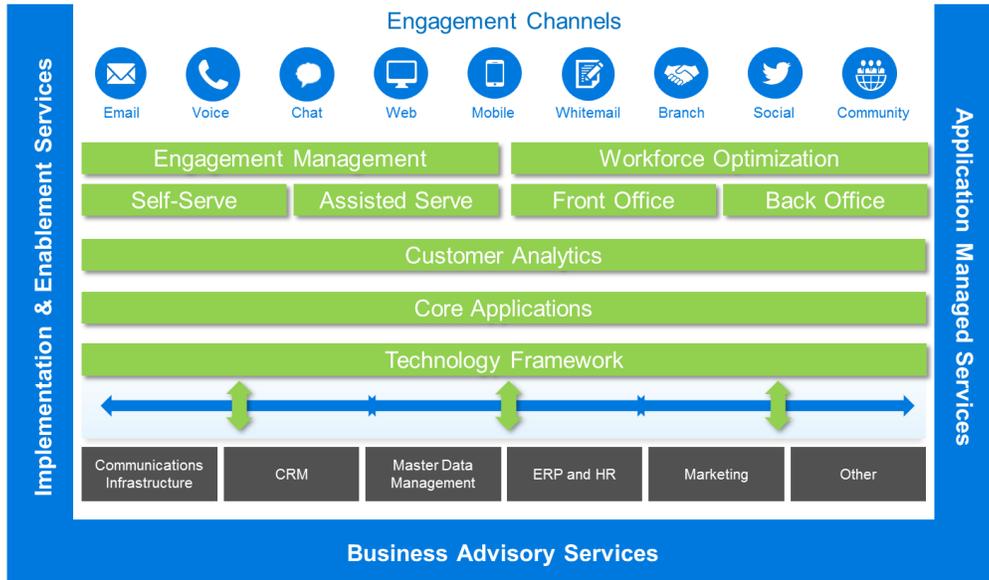
Verint may work with partners to help execute its government and public sector customer engagement optimization solution strategy. These may include system integrators, business process outsourcers and service providers who may be responsible for an overall project, which in turn may include business transformation, implementation services, support services and managed services. Our partners may also provide their own software solutions to extend the overall software solution. Verint may also work with software and technology partners whose products and solutions complement our offerings.



## Verint's Government and Public Sector Customer Engagement Optimization Platform

Figure 1 shows the Verint Customer Engagement Optimization platform, which is a key enabler for our government and public sector customer engagement optimization solution strategy. This platform has four primary components:

- Solution sets comprising Customer Analytics, Engagement Management, and Workforce Optimization.
- Business platform services that span channels and incorporate customer analytics to provide information that can enable applications and people to deliver seamless, consistent interactions across channels. Examples are Business Process Management, Knowledge Management, Case Management, and Performance Management.
- Technology framework enabling Verint's products to interoperate with and leverage other systems and data.
- Expertise to help an organization develop its own roadmap for customer engagement optimization and to know how to deploy, configure, and use Verint applications to achieve their objectives.



**Figure 1: Customer Engagement Optimization Platform**

To best explore how the Verint Customer Engagement Optimization platform addresses the government and public sector outcomes and requirements, let's look at each of the business applications in turn.

## Customer Analytics

Customer analytics solutions help organizations capture customer interactions, feedback, and journeys across multiple channels; analyze and interpret them in the context of business objectives; and respond more effectively to customer, business, and market demands. Verint Customer Analytic solutions include:

- Speech Analytics – for mining recorded calls and surfacing customer sentiments and rising trends.
- Text Analytics – for analyzing text-based communications, including email, Web forms, and postings on social media sites, such as Facebook and Twitter.
- Enterprise Feedback Management – for capturing customer feedback as part of—or independent from—contact center feedback. Mobile solutions can enable you to capture feedback anywhere, anytime. Post-Call IVR Surveys for capturing transactional feedback through IVR prompts.
- Engagement Analytics – for gathering and correlating massive amounts of data on customer interactions, journeys, and profiles to help enhance customer and employee engagement.

## Engagement Management

Engagement management solutions support the specialized needs of service agents and their customers in large and midsize government and public sector organizations. Verint Engagement Management solutions include:

- Web Self-Service – Helps organizations deliver a personalized web experience that brings together knowledge management, case management, process management, and channel escalation into a single platform. This can enable a unique and personalized Web self-service customer experience while serving as the foundation of a Digital First strategy.



- Employee Desktop – Provides digital employees with unified access to the applications and information they need to respond effectively to customers and citizens across different channels. This intelligent solution combines knowledge management, case management, and process management technologies onto a single platform, helping agents provide differentiated and personalized customer service.
- Case Management – Enables issues, complaints or service requests that could not be serviced at the point of contact to be formally recorded and routed to the correct department or individual for fulfillment, with updates communicated back to the customer where appropriate.
- Email Management – Provides fast, intelligent handling of large volumes of email while helping to increase contact center productivity and scaling easily with increasing demand.
- Knowledge Management – Helps make your data work for you by providing access to information contextually, making search and service more targeted and efficient.
- Live Chat – Enables online customers to engage with agents via the web or mobile devices to receive assistance along their journey.
- Advanced Co-Browse – Enables digital employees to assist customers in completing transactions online, a critical component in reducing online abandonment.

## Workforce Optimization

Workforce optimization solutions enable organizations to use omnichannel data to make better, faster, and easier decisions for optimizing customer engagement and employee productivity. Verint Workforce Optimization solutions include:

- Recording and Quality Management – Helps organizations address compliance and dispute resolution challenges and deliver focused quality programs that can cultivate better skills and performance for digital employees.
- Workforce Management – Helps government and public sector organizations have the right number of employees—with the right skills—in place at the right time to deliver superior customer service while managing costs.
- Coaching and eLearning – Helps make employee coaching and training a part of daily operations, helping to empower digital employees.
- Desktop and Process Analytics –Helps address data privacy requirements while capturing employee desktop activity and providing real-time guidance on next best actions across different systems, applications and processes. This insight can be used in the contact center to improve efficiency, reduce costs and liability, and enhance the customer experience.

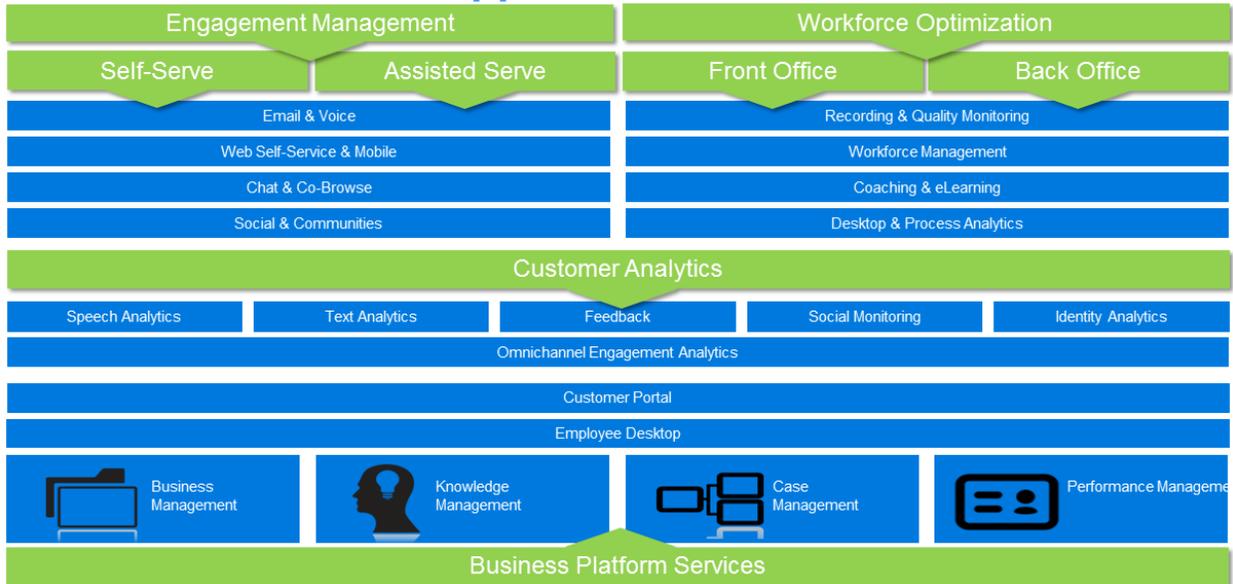


Figure 2: Customer Engagement Optimization Solutions

## Find out more

### Website

More information about Verint's government and public sector proposition—including markets served, issues addressed, and solutions—can be found on the [Verint Government and Public Sector website](#).

### Blogs

Verint publishes a [Government and Public Sector blog](#) that includes industry comment. Select topics are listed below.

#### *How One City Shined a Light on Dark Data*

One area that government and public sector organizations continue to have trouble with is understanding exactly why their customers are contacting them. While customer service employees can and should correctly categorize each contact, they sometimes don't, which leaves customer service directors with only a partial view.

Link: <http://blog.verint.com/how-one-city-shined-a-light-on-dark-data>

#### *Creating Smarter Government for Smarter Citizens*

Highlight: Government organizations are bombarded with huge amounts of data on a daily basis. But do they understand and use this data to make better decisions and better serve their citizens? Or, in Verint terminology, can they turn this information into Actionable Intelligence?

Link: <http://blog.verint.com/creating-smarter-government-for-smarter-citizens>



### *The Role of Government Employees in a Digital (and Smarter) World*

Highlight: With the plethora of information and services available to citizens and customers online, do the government employees who staff the contact centers truly have a place in this digital world?

Link: <http://blog.verint.com/the-role-of-government-employees-in-a-digital-and-smarter-world>

## Verint. Powering Actionable Intelligence.®

Verint® (NASDAQ: VRNT) is a global leader in Actionable Intelligence® solutions. Actionable Intelligence is a necessity in a dynamic world of massive information growth because it empowers organizations with crucial insights and enables decision makers to anticipate, respond and take action. Verint Actionable Intelligence solutions help organizations address three important challenges: customer engagement optimization; security intelligence; and fraud, risk, and compliance. Today, more than 10,000 organizations in over 180 countries, including over 80 percent of the Fortune 100, use Verint solutions to improve enterprise performance and make the world a safer place. Learn more at [www.verint.com](http://www.verint.com).