



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

**TO:** The Honorable the Members of the Board of Regents

**FROM:** Johanna Duncan-Poitier

**COMMITTEE:** Professional Practice

**TITLE OF ITEM:** Horizon Issue: Rising Customer Expectations

**DATE OF SUBMISSION:** February 23, 2001

**PROPOSED HANDLING:** Discussion

**RATIONALE FOR ITEM:** To inform the Regents about an emerging issue that impacts our services and professional regulation

**STRATEGIC GOAL:** Goal 3

**AUTHORIZATION(S):**

## **SUMMARY:**

This seventh report in our series on **emerging issues in professional regulation** focuses not on a particular practice issue but instead on the evolution of customer expectations and its impact on the services we provide.

In previous reports in this series, we reviewed corporate practice of the professions, telepractice, cross-jurisdictional professional practice, continuing competence, effective professional regulation and discipline, and illegal (unlicensed) practice of the professions. In this report, we will review the development of customer expectations, describe what we have done to meet new demands, and discuss the impact of our efforts and the consequences for our resources. We will also describe the service enhancements planned or under way that will allow us to reinforce the Regents commitment to public protection and enable us to meet our customers' expectations for effective, convenient, and accessible services. In describing these service enhancements, we are assuming that the Office of the Professions (OP) will maintain its current level of funding.

## **Today's Consumers and the Rise in Customer Expectations**

In looking at the emerging issues in professional regulation, we see the pressure of **expansion** in many areas: expansion of the number of licensed professions, expansion of the geographic boundaries in which professionals practice, expanding scopes of

practice, etc. These are linked to expanded customer expectations -- consumers want their professional service providers to do more, and professionals themselves want to maximize their opportunities to provide services.

Rising customer expectations are not limited to professional services, however. There are a number of factors shaping today's consumers<sup>1</sup>:

- As new technologies and channels for communication become established (e.g., the Internet), distance is eliminated or minimized, and information is often available immediately. Today's consumers are the beneficiaries (and sometimes victims) of the information explosion. The **volume** of information available is greater than ever, as is the **speed** with which it is gathered. We talk of running on "Internet time" -- 24/7/365. Consumers expect these standards to be met in all their transactions. In some cases, information availability has outstripped prudent and appropriate use, such as when consumers seek professional services online and assume the services are offered by licensed and competent professionals.
- In the United States, consumers are also becoming **increasingly diverse** -- and potentially "digitally divided" (those with access to technology and those without).
- Many of today's customers are more likely to question their service providers and to take active roles in determining what they need; previous generations were more likely to defer to the judgement of the provider.
- Social and demographic factors are also redefining customer needs and desires; customers are pressed for time, and they routinely expect government to deliver the customer service "gold standard" they experience in the private sector.
- With new information technologies, some consumer concerns about privacy have intensified.

Our customers -- consumers, licensed professionals, applicants, students, professional associations, educators, and others -- expect OP to provide the level of service they have received from forward-thinking organizations in the private sector. We take for granted that our favorite mail order company will be available 24 hours a day, 7 days a week...and that their representatives will be unfailingly polite and helpful...and that they will have an interactive website for our use. If **we** expect that of L.L. Bean, why shouldn't our customers expect it of us?

In our role as information providers, we must recognize that accessible information must be accurate, up to date, and *high quality*. When we provide the information they need, consumers become our partners in supporting sound professional practice. There are many places where consumers can get incomplete or slanted information, but we must work hard to be **the** source for basic information -- the "seal of approval" to which they turn.

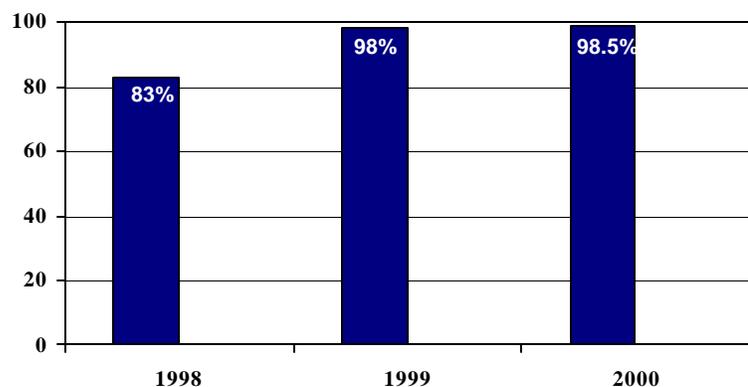
## Meeting Today's Demands: Outreach and Accessibility

The bar for customer service continues to be raised by technological developments and the increasingly active role consumers are taking in defining their information and service needs. As providers, we have to employ new options for communicating information and delivering services -- balancing the limits of our resources with today's customer service expectations. The Regents charge to protect the public and the integrity of the professions underscores the importance of being acknowledged by our customers as trusted and responsive providers of information and services. When we meet or exceed customers' expectations, we earn their goodwill and promote the Regents critical role in professional regulation.

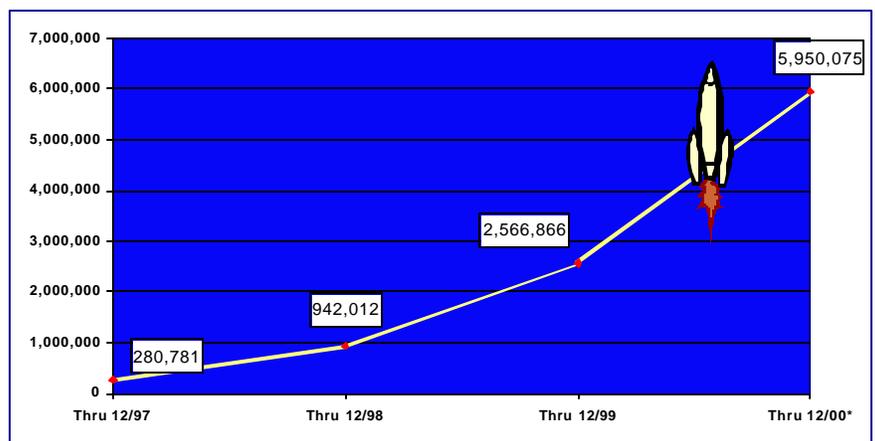
### Web Resources

One of the most prominent tools for customers today, of course, is the World Wide Web. OP's website features a number of highly successful and high-profile customer service enhancements. For example, our popular **license verification feature** allows users to **confirm licensing information** about individuals and entities. This information, which instantaneously reflects the information in our secure database, is available **24 hours a day, 7 days a week**. Our customers say they love to use this interactive, self-service feature. They now average more than **175,000** license verifications **each month** through this service. And its use continues to grow.

## Professional Licensees' Satisfaction with OP



## Cumulative Online License Verifications



\*Includes pharmacies and other professional entities

We expect all professions to have a complete set of licensure forms available online by this spring. Online forms are convenient for applicants, *and* each downloaded set of forms saves OP about \$5 in postage, handling, printing, and material costs. With an estimated 10-15% of all license applications including downloaded forms, this translates into 5,000 to 7,500 applications per year -- or as much as \$25,000 to \$37,500 that can be redirected to other services. Our next goal is to make these forms interactive, so that customers will be able to apply 100% online via electronic signatures and credit card payments.

This success story actually started three years ago, when a process improvement team streamlined our licensure applications. In one instance, we reduced six forms into one comprehensive form. The improvements made applications easier for applicants to complete, easier for us to process, and feasible for us to format for the web.

### ***Automated Phone System and E-Mail***

Our Customer Service team has taken a cue from the private sector, which has led to a number of new approaches to our work, including a **customer callback process**. Team members are generalists who answer a variety of customer inquiries. Sometimes, however, they must refer a caller to a specialist, outside of the team, for detailed information. In selected circumstances, team members call customers back within 48 hours to confirm that they got the information needed. Our customers indicate that they are astounded to get these callbacks -- and they praise us for our level of service.

The team also looked to technology solutions to bolster an outdated phone system that was consistently overburdened by the volume of calls. After extensive research and development, OP implemented a state-of-the-art phone system that efficiently directs callers to the resource they need, **eliminates busy signals**, and allows us to promote just **one phone number** for nearly all services. We implemented "Phase I" of this new system in March 2000 by effectively increasing the number of lines available through an advanced technology that directs the flow of calls.

When a customer calls the main line of a work unit, the phone system automatically directs the call to one of the available staff members in the unit. If all staff members are assisting other customers, the caller is given the option to either wait for the next available person or to leave a detailed voicemail message. Prior to March 2000, if the main line in the unit was busy, callers received a busy signal. With the advanced system, we improved access to staff, eliminated busy signals, and provided new options for callers.

"Phase II" began in September 2000 with the installation of a high-tech entry to the phone system. This new entry automates some services and allows us to promote just **one phone number** for our Albany offices, including our general customer service unit, our license processing units, and the offices of the State boards for the professions. Through efficient call routing, the use of voicemail, and recorded answers or automatic fax-backs to common questions, the system ensures that callers get the information they need **on their first try**. Every caller has the opportunity to speak to staff, and

callers are directed more accurately because they choose the *function* they need from the menu. Callers may also leave detailed messages, which are responded to within one business day.

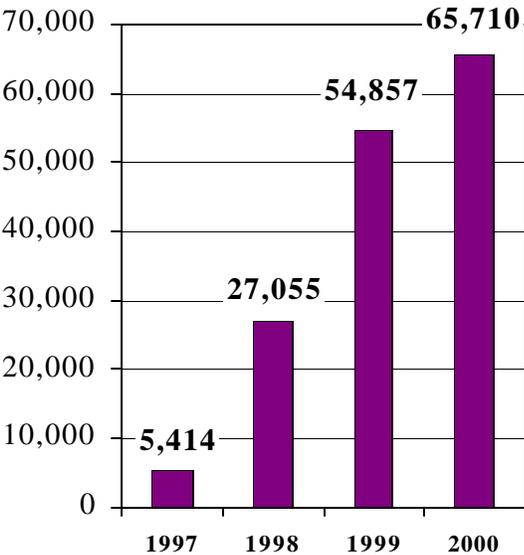
With the new entry to the phone system, staff can spend less time routing callers and more time helping customers who have complex needs that cannot be addressed through the system's automated options. The system also provides supervisors with reports and data that allow them to tailor phone coverage to shifting call volumes.

Analyses of the initial data from the system confirm seasonal variations in calls, which are driven by graduation dates, exam deadlines, and other factors. These reports also show that **more callers than ever before are reaching OP**, based upon the significant number of callers who can now be served through automated means. In October 2000, the first full month with the entire system in place, OP handled 72,980 calls through the system. Nearly 21% (15,552 calls) were handled through an automated service. While the system has opened up new portals for customers, automated services shift some of this volume away from staff. Likewise, the improved routing of calls eliminates many of the misdirected calls that burden staff and frustrate callers.

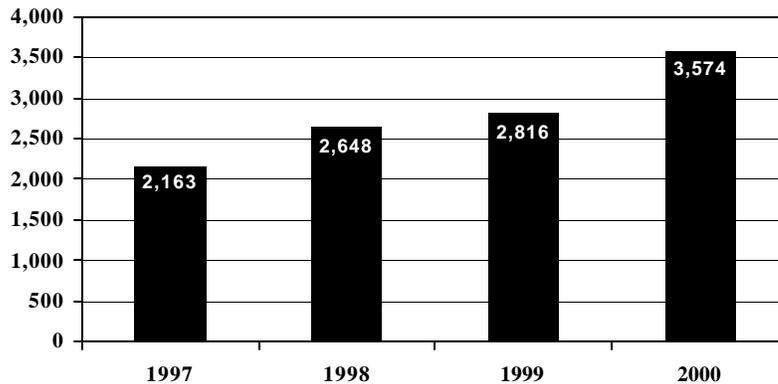
Subsequent months show the automated services handling 14–26% of all calls (or 10,000–18,000 callers). We are aiming to consistently serve 25% of our callers through automated means, which is the standard for an effective system. Through technology upgrades and feedback from customers and staff, we will continue to enhance the system in pursuit of that target. A full cycle of data and additional trend analysis should confirm the effectiveness of the system and provide reliable data that we can use to make customer-driven decisions.

For customers who prefer computers to telephones, OP offers a response time of one business day or less to e-mail inquiries. OP's **60 generic e-mail boxes** received over 65,000 messages in 2000, a 20% increase over 1999. Response templates help to speed replies to frequently asked questions. In addition, our walk-in customers increased by 27% in 2000, to 3,574 customers.

Messages to OP's 60 Generic E-Mail Boxes



## OP's Walk-In Customers



### ***Privacy and Security***

While technology has raised customer expectations and allows us to meet customer demands, our consumer “profile” also points to increasing concerns about the security and privacy of information made available through these means. This includes information we hold as regulators (licensure and discipline records, for example) and the sensitive health and financial information for which the professionals we regulate are responsible.

The 1999 overhaul of pharmacy regulations exemplifies our commitment to consumer and privacy issues. To encourage the evolution of pharmacy practice while addressing security issues, the Regents approved provisions to ensure the safety and security of the electronic transmission of prescriptions. Additional provisions also allow the profession to better accommodate demonstration projects (such as robotic dispensing) for tomorrow’s technologies. In addition, the updated regulations gave patients the ability to refill a prescription at a pharmacy other than where the prescription was originally filled -- a real plus for consumers who are increasingly mobile and pressed for time.

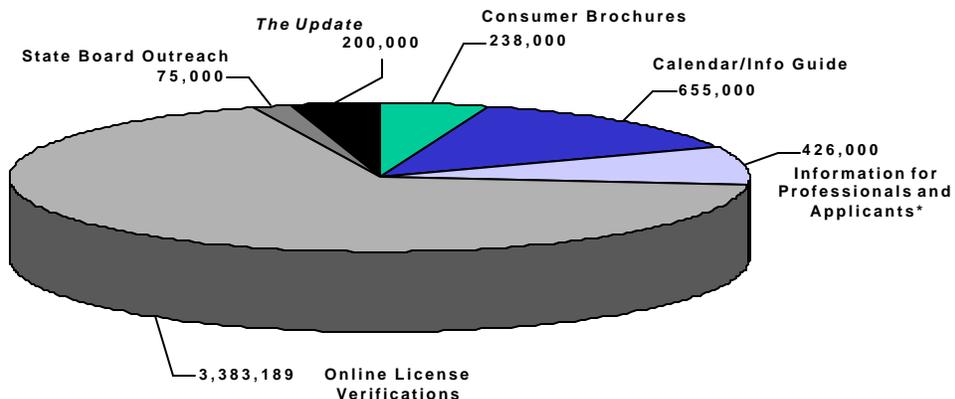
Of course, we must also be vigilant about the data we keep on licensed professionals, from licensure and disciplinary information to basic personal data. While we will continue to move in the direction of making public information available and accessible, we are careful to safeguard the integrity of both public and restricted information. For example, the Department protects the security of the licensing data we offer online through the verification service. Within our own licensing units, we protect our hardcopy licensing documents as well as the electronic systems we use to store data and authorize licenses.

### **Streamlined Processes and Outreach**

While we have focused on some of the “high tech” routes for delivering information and services to our “wired” customers, we have also greatly expanded our use of traditional routes. We have highlighted many of these in previous Regents reports that reference our outreach efforts. Public events, brochures, practice advisories, publications, speaking engagements, and other traditional means continue to help OP respond to a diverse array of needs and keep Regents Goal 3 front and center. These “low tech” efforts include the following:

- ✓ consumer brochures on the 38 professions, available in multiple languages
- ✓ profession-specific practice advisories, as needed, to address breaking issues and newly defined policies
- ✓ revamped application packets and guides to practice
- ✓ regular events with key stakeholders, such as the Regents Conference on the Professions and Annual Leadership Forum
- ✓ *The Update* newsletter
- ✓ active participation in national and regional conferences
- ✓ public service announcements in the Yellow Pages
- ✓ profession-specific events led by the State boards, including speaking engagements with professional associations, educators, and students
- ✓ annual *Calendar & Information Guide*

### **Year 2000 Office of the Professions Outreach to Licensees, Prospective Licensees & the Public** Education Activities to Prevent Misconduct and Support Ethical, Competent Practice

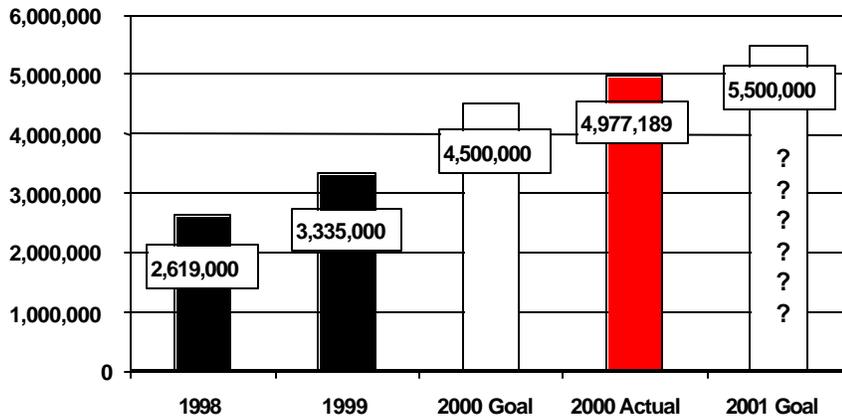


**Total = 4,977,189**

\*Includes general presentations and distributions of practice advisories, guides to practice, application packets, and handbooks

## Major Outreach Activities: Total Contacts

- Use of Online Verification
- Events, Presentations, Distribution of Written Materials



Likewise, regular surveys of customer groups (new licensees, reregistering professionals, professional associations, etc.) help us measure and verify our customers' expectations at key service points. Our "low tech" efforts also include the intensive work that went into streamlining key processes. Redesign teams charted processes for many of our core services, from the process for resolving misconduct complaints to those for renewing registrations and issuing licenses and refunds. These efforts, which were about working smarter with existing tools, refined our core processes to the point where they continue to post results on par with any of the successful, new, technology-based services.

### **Other Tools**

We have also improved our ability to serve customers by giving staff tools that help them do their jobs more swiftly and efficiently. In 1996, staff had "dumb" computer terminals, and customized and mail-merged letters could only be created on select equipment. Today OP staff have some of the most up-to-date desktop computers in the Department. Documents can be shared and edits made across regional offices in a matter of minutes. Likewise, web access facilitates research and access to reports on issues related to professional regulation. We also created an internal website that gives staff rapid access to a "library" of useful information that helps them serve our customers.

Staff also use portable computers for work in the field so e-mail can be answered and meeting notes and draft reports can be developed "on the road." In addition, laptop computers and projectors enable us to do highly professional live web demonstrations at professional meetings and community events. Finally, high-speed photocopiers allow us to print licensure applications and other needed materials more frequently and in smaller batches. This saves storage space and helps ensure that customers always have current materials. All of this contributes significantly to staff being "knowledge

workers” able to respond accurately and promptly to customer needs -- and meeting or exceeding their expectations.

## The Impact...and Challenges to Our Capacity

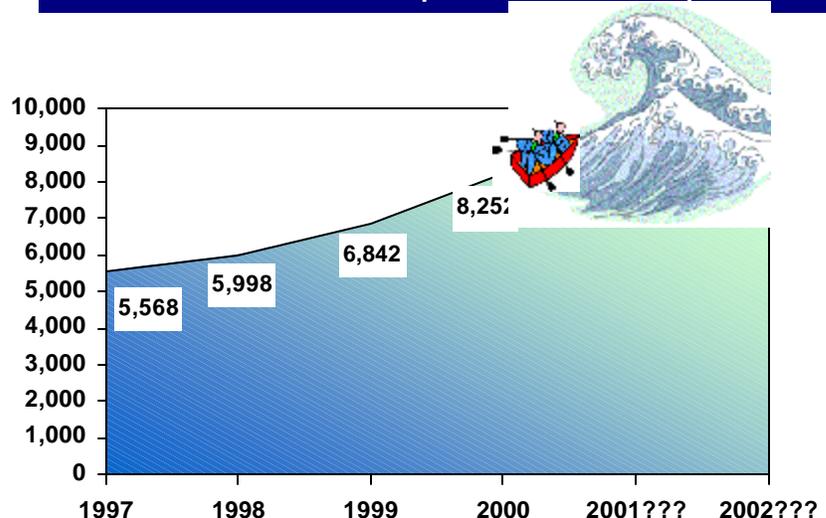
To meet our customers’ expectations and to fulfill our charge to protect the public, we opened portals into the Office that never existed before and actively encouraged our customers to make use of our services. We measured the immediate impact of our efforts by the response to these services. As referenced above, the number of license verifications performed online, the number of inquiries handled via e-mail, and other measures continue to grow steadily. But to fully measure the impact, we must also look at the consequences of the service itself for our workload and resources.

Technology-based efforts such as the online license verification or the automated phone system typically increase our capacity for services. Automation and technology let us improve our ability to carry out relatively simple, discrete functions -- just as they were designed to do. The challenge comes, however, when this increased demand spills over into the complex services that cannot be handled by a mailed or e-mailed document, a prerecorded message, a speedy computer processor, or the most streamlined process. The tremendous growth in the number of professional misconduct cases exemplifies both the success and challenges resulting from our outreach and process improvement efforts.

The discipline process itself, of course, benefited from the demands our customers made. They told us the existing process took too long and cost too much. We responded with an intensive redesign process that culminated in the complaint resolution process. As we have reported before, that streamlined process reversed the old trend and is now resolving the majority of serious discipline cases through fair, appropriate negotiated settlements -- in far less time, and at far less cost, than when the majority of cases proceeded to full hearings.

The success of the complaint resolution process, the use of new tools for communicating with and serving customers, and our expanded outreach each played a part in raising the Office’s profile. All of these factors, however, also increased demand for our services, as evidenced by the recent growth in the number of misconduct cases opened.

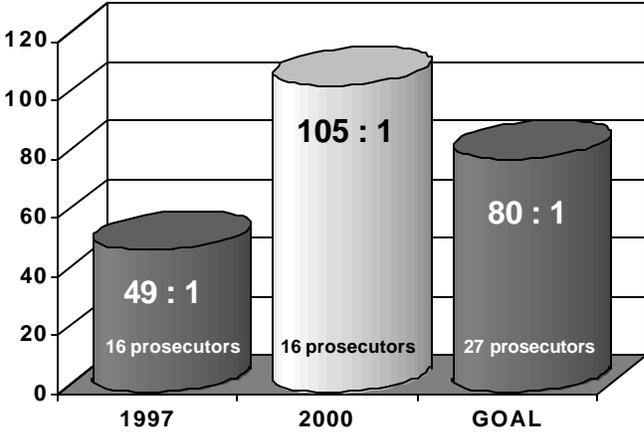
### Professional Discipline Cases Opened



Customer expectations will continue to evolve, and we will continue to seek the best ways to meet or exceed these expectations. Nonetheless, with each service enhancement, and with each outreach effort, we are making a promise on behalf of the Board of Regents. The promise is that we will provide timely, efficient, and uncompromised services that customers can rely upon. If demand outstrips our resources, however, then we cannot keep that promise.

Because of the efficiencies of the streamlined discipline process, we have kept the promises we made to the consumers and professionals who are filing more misconduct complaints than ever. If the trend continues, we may reach a point where the strides we made through technology, outreach, and process improvements will overwhelm the scarce “resource” that makes all of those things work: **our staff**. Our prosecutors, for example, are increasingly in danger of being overwhelmed by the rise in discipline cases (see graphic).

**Cases per Prosecutor**



That possibility does not excuse us from pursuing and providing world-class customer service, as defined by our customers. In looking ahead, however, we must give the strongest consideration to efforts that will serve that purpose and which will not undermine the excellent performance of the staff at the heart of our operations. For each new “portal” we open, and for each process improvement we make, we must also consider their impact on our resources, both immediately and down the line.

**Looking Ahead: Maximizing Results within Existing Resources**

Customer service is not a management fad -- it’s a survival tool and the path to excellence. The job of improving the quality and breadth of services is never complete, because each new service enhancement raises customer expectations. It is our job to encourage the continuing evolution of our products and services. The reality is, however, that we must focus on the opportunities that fit best with our resources. In pursuing 24/7 phone support, for example, we implemented our newly refined automated phone system -- rather than “live,” around-the-clock operators. The new system involved an investment of money and staff time, of course, but even at this early stage we can see the positive results of our investment.

We are not by any means finished with our service enhancements. Our “wish list” of items is ambitious and focused on making our services even more convenient and accessible. We must weigh each possibility carefully, balancing customer demands with the responsible use of our finite resources. Fortunately, we are not alone in

revolutionizing New York's approach to serving its customers. Efforts are now under way, across all State agencies, to implement the tools needed for electronic commerce. These include the development of a State web portal, which will allow users to start from a single web page and reliably search for the information they need -- a functional index to all State services.

Development of the State web portal supports one-stop shopping for New Yorkers, and the related statewide e-commerce initiative is helping to spur the development of the interactive, online services our customers demand. We are working towards application materials that can be completed online, as well as customized "accounts" for licensees and applicants that allow them to check the status of their records, materials on file, and more on the web or by phone. Such services hinge on current State e-commerce initiatives that will support the wide implementation of credit card payments, electronic signatures, and other security features. The usefulness of our already successful site will jump exponentially with the implementation of these features.

Implementation of the **License 2000** computer system, which is planned for this year, will also strengthen our ability to manage licensee and applicant data. The system will create a comprehensive, "cradle to grave" record of the licensee that electronically unites application, licensure, and disciplinary information. Time saved by eliminating duplicate data entry can be refocused into further reducing cycle times across the board. The system will also foster the development of online "accounts," referenced above, as well as data sharing between the Office and related programs and agencies. This interconnectivity will support the following timesaving processes, among other applications:

- cross-office sharing of data on individuals seeking multiple credentials from the Department, e.g., a professional license and a teaching credential
- the electronic transmittal of credentials, such as transcripts
- sharing across "sister" agencies, such as the Department of Health and the Department of Motor Vehicles
- improved links to other regulatory agencies, exam providers, and others to collect and organize data on licensing credentials, disciplinary records, etc.

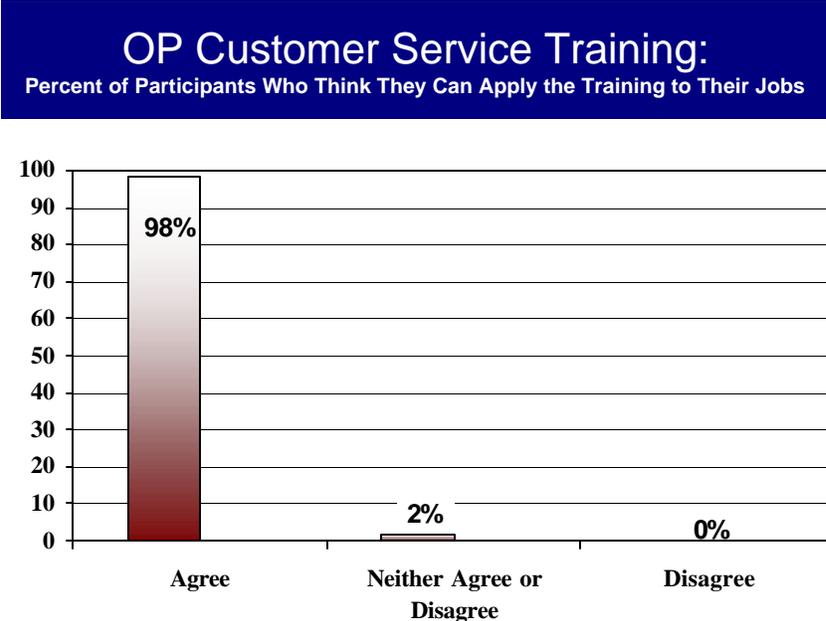
Imaging components of the **License 2000** system will support our movement to "paperless" processes and data storage. The system's adaptable design and workflow efficiencies should ensure a return on our investment and a level of data extraction and management that simply cannot be achieved with our current system.

We will also continue to produce practice alerts, guidelines, and other advisories for consumers and professionals, both in print and on the web. This is in response to requests from consumers and professionals alike, who appreciate the active guidance we provide on emerging issues as well as our unique role as a resource for comprehensive, practice-related information.

While the application of technology will drive many of the customer service enhancements we envision, we also recognize that we make or break our reputation for serving customers on the basis of the thousands of **human interactions** that occur every day between our staff and our customers. To ensure a common, customer-oriented approach to providing services, we have launched an extensive training program (“Achieving Extraordinary Customer Relations”) for all OP staff with Achieve Global, a respected training organization. Just as we pursue world-class technology, we are also pursuing the world-class interaction skills that equally contribute to achieving outstanding customer service.

The training program is designed to increase job understanding, enhance performance and productivity, and further develop the coaching skills of managers and supervisors. Most training sessions mix staff from throughout the Office (and across the State) to emphasize a consistent customer service approach throughout the organization and to “cross-fertilize” ideas and solutions.

Importantly, staff who have participated in this “tailored” program believe they can apply the training to their jobs. We have also developed and will continue to offer training in the professional discipline process for members of the State boards for the professions. This helps ensure a consistent, fair process for all customers involved in the process.



As we consider ways to enhance customer service, we will develop opportunities based on customer feedback, staff suggestions, and our continuing efforts to benchmark high performers within and outside of professional regulation.

**Conclusion**

As with the other emerging issues in professional regulation, rising customer expectations will continue to challenge the Regents and the Department. Each new customer service enhancement raises the standard of what is expected of us as information and service providers. Unlike businesses in the private sector, however, we cannot “target” our services to a select group of citizens. The Regents protect **all** of the citizens of New York State.

This broad charge does not exempt us from pursuing the highest levels of customer service -- quite the opposite. If we fail our customers, we break a commitment to the citizens of New York State. They look to us for useful, accessible, and unbiased information on professional licensure and practice that is delivered as well as any commercial product. In developing our services, we must also be careful to work smartly **within existing resources** and to **deliver on the promises** we make through our outreach efforts. Great strides can be made through technology, but we will also define the perception of our services in the daily interactions between our staff and our customers.

Looking ahead, we must be vigilant about customer service and the continuing development of OP. This means that we must continue to streamline processes; reach out to our varied customers -- consumers, licensed professionals, educational institutions, and others; and implement technologies that give us a high return on our investment. Above all, no matter what enhancements we pursue, we must uphold the Regents commitment to protecting the public and the integrity of the professions.

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<sup>1</sup> This "profile" of today's consumers is drawn in part from the following sources accessed online via MasterFILE Premier online. EBSCO Publishing. <<http://www.epnet.com/ehost/login.html>>.

Chyna, Julie T. "Healthcare's New Consumer Has Higher Expectations." Business Journal (Central New York), 06/09/2000, Vol. 14 Issue 23, p11B, 2p, 1bw. (accessed 24 October 2000)

Graubert, John; Coleman, Jill. "Consumer Protection and Antitrust Enforcement at the Speed of Light: The FTC Meets the Internet." Canada -- United States Law Journal, 1999, Vol. 25, p275, 19p. (accessed 07 November 2000)

"The Next Revolution." Economist, 06/24/2000, Vol. 355 Issue 8176, Special section p3, 3p, 3 graphs, 2c. (accessed 07 November 2000)