

A man and a woman are looking at a laptop in a contact center. The man is sitting at the desk, and the woman is standing behind him with her arm around his shoulder. They are both smiling and looking at the laptop screen. The background is a blurred office environment with a desk, a chair, and a window.

Answering the call?

The case for truly transforming
federal contact centers

accenture

Accenture Federal Services

Executive summary

Federal contact center leaders are under tremendous pressure to meet a surge in customer demands with better, more effective customer experience (CX) that builds greater trust in government while lowering cost-to-serve.

Our latest research found the desire to improve CX overwhelming (**87%**), with a significant majority (**64%**) of federal executives saying this focus has increased over the past three years. At the same time, a similar percentage (**81%**) identified reducing cost-to-serve as strategically important, with over two-thirds (**69%**) saying this emphasis has grown over the same period.

As agencies pursue these dual objectives, efforts to improve CX are too often focused on growing contact center capacity and improving customer service representative (CSR) productivity. In contrast, commercial CX trailblazers are making greater use of a wide array of intelligent, digital tools to preempt requests for assistance or information and empower customers through self-service applications that can deliver greater convenience and effectiveness at a reduced cost.

Our experience also finds that expanding contact center capacity, as many federal agencies are doing, isn't sustainable or cost-effective, nor will it lead to significant improvements in overall customer satisfaction. The federal government has the unique mission of serving all Americans. This requires a more diverse engagement strategy to optimally address each customer's need. By deflecting or

preempting common requests and enabling more self-sufficient customers, human agents at contact centers can focus on the most demanding cases and people who require human assistance. This will deliver better customer and employee experience and be more sustainable and cost effective.

The mark of a true contact center transformation and customer experience improvement is when a call is not made because the customer already has the information they need. It's about anticipating what customers need and getting that information to them on their own terms, either through proactive outreach or self-service features that utilizes a wide array of engagement channels. Appropriate measures of a modern, effective CX strategy should focus on how customer needs are met, with an emphasis on reducing reliance on contact centers and increasing the use of self-service channels.

Momentum is strong behind federal CX improvement

CX is front and center for federal agency leaders today, and the momentum to improve CX for government services has never been greater.

Consider these recent proof points: The latest [President's Management Agenda vision](#) has made improved CX a cornerstone priority. The [Office of Management and Budget broadened and expanded its Circular A-11 guidance](#) for how agencies will serve customers and be held accountable for measuring improvements and taking action to understand and address gaps—putting CX metrics on par with agencies' measures of financial and operational performance. And the President's recent Executive Order, [Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government](#), establishes dozens of CX commitments across 17 federal agencies that address long-standing gaps and will enhance the experience of nearly all Americans as they engage with the government.

The momentum isn't only coming from the top levels of government—it's also coming from a public that is increasingly used to having a wide array of modern, responsive service options available to them. The COVID-19 pandemic significantly increased the public's demand for government services and information. Since many commercial companies responded to COVID by dramatically improving their digital services to reflect evolving customer needs, everyone, including citizens and other stakeholders, have higher expectations when interacting with federal agencies.

This sustained, high-level priority on CX is spurring agency leaders to action. Many are conducting customer surveys, modernizing their websites, launching mobile apps, developing streamlined digital services, and investing in their contact centers.

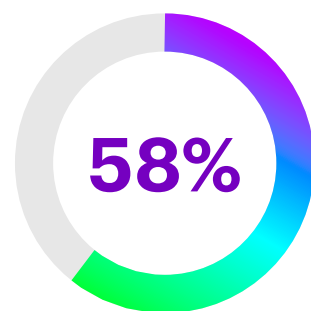
These initiatives are positive steps. However, a critical question remains:

Will these investments get agencies closer to their goals of elevating their customer experiences, reducing costs, and—as President Biden put it in his December 2021 CX Executive Order: “us[ing] technology to modernize Government and implement services that are simple to use, accessible, equitable, protective, transparent, and responsive for all people of the United States”?

A mismatch between federal CX ambitions and investments

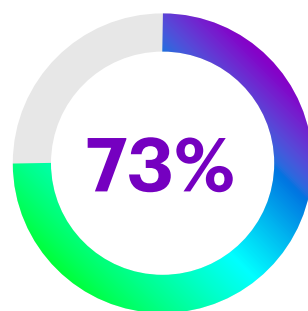
A new Accenture Federal Services survey of two hundred federal contact center and CX decision-makers tells us that most clearly aspire to transform their customer operations by incorporating:

Expanded multi-channel CX approaches, such as live agent chat or web forms, so that customers can easily interact using their preferred channel and obtain consistent, high-quality experience at their convenience.



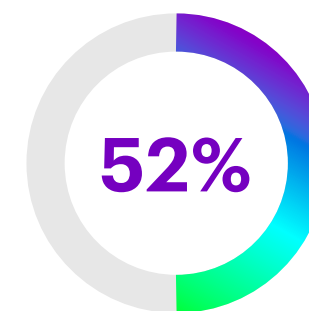
of survey respondents believe expanding service channels should be a priority over the next two years.

Contact deflection capabilities that enable customers to get the services or information they want on their own terms through self-service channels such as websites and portals, online knowledge bases and FAQs, and AI-based virtual agents.



Nearly three-quarters of respondents say increasing self-service capabilities for federal customers should be a focus.

Contact avoidance and pre-emption capabilities that proactively anticipate customers' information needs before they realize they have a question and push out information to them through email or SMS, for example.



Over half say reducing number of contacts (avoidance/prevention) should also be a priority.

But the same survey suggests that planned investments don't support these ambitions and will leave federal agencies ill-equipped to reduce costs and accommodate citizens' wide-ranging information- and service-delivery preferences.

Over the next two years, only 3% say they will significantly invest in customer-facing virtual agents, 12% in modern agent desktop technologies, and 6% in developing consolidated, multi-channel customer experience knowledge bases. Moreover, only 9% of respondents plan significant investments in contact deflection and prevention.

So where are federal CX and contact center investments going? Respondents continue to focus on well-worn activities that will not sufficiently advance them toward achieving their

transformational aspirations: expanding capacity (71%), such as by adding additional agents, improving workforce productivity (71%), improving compliance (68%), and decreasing operational costs (67%) through strategies such as decreasing handle times or reducing overhead. In summary, the focus of most agencies has been on growing contact center capacity and improving efficiency to respond to rising call volumes.

More than half plan to invest in agent productivity and performance as well as added capacity while less than a third plan to invest in common front-door.



To be sure, these investments will improve responsiveness for customers who call in. However, they will fall short of helping federal agencies achieve three critical goals of a modern, best-in-class customer experience:

01

First, these types of investments do not tackle the underlying problem of rising call volumes. A priority goal of any contact center should be to identify the root cause of why the customer is calling and prevent the need for the interaction from occurring in the first place. Rising call volumes are often a symptom of a larger problem, which is that customers are not able to easily obtain the information they need or resolve an issue without assistance. Rising call volumes, of course, also create another problem: higher operational costs.

[According to Gartner®, Inc](#), “Live channels such as phone, live chat and email cost an average of \$8.01 per contact, while self-service channels such as company-run websites and mobile apps cost about \$0.10 per contact”.¹

02

These investments do little to advance the goal of creating a best in-class customer experience. Instead, expanding contact center capacity assumes that customers prefer to call into a contact center, rather than having relevant information delivered to them in other, less time-consuming, and more convenient ways, such as by a text or email or via self-service. A more sustainable, effective investment strategy would be to develop or expand solutions that deliver information and services in ways that are proactive, personalized, and delivered over multiple channels so that customers and employees interact conveniently and can more often resolve their needs without assistance and according to their preferences.

[The Harvard Business Review](#) reported that 81% of all customers across all industries attempt to solve their issue before reaching out to a live representative.²

03

Finally, investments that expand contact center capacity often neglect another important need, which is to integrate contact centers tightly with other CX channels, such as websites, mobile apps, and virtual agents, and in-person service centers. Federal contact centers still tend to operate in silos, separated from other CX channels. Modernizing CX requires that all touchpoints between an agency and a customer are tightly choreographed and integrated so those engagements—regardless of channel—are consistent and seamless to the customer. This seamless experience is important not only when people interact with different CX channels in the same agency, but also for the many customer journeys that relate to life experiences that cross multiple agencies or programs. As the President’s Management Agenda notes, when a person experiences a disaster or loses a job, federal services should meet them where they are instead of asking them to navigate the government’s organizational and programmatic siloes.

Nearly two-thirds (63%) of consumers in an [American Express survey](#) say their go-to channel to answer simple questions is a digital tool such as a website, mobile app, or online chat.³



In other words, investing in contact centers to grow capacity and improve productivity relegates agencies to continue the same decades-old service models that fall short of today’s commercial best practices and, more importantly, fall short of their customers’ high expectations.



Certainly—and much to our chagrin—the largest piece of the pie is live telephony, where folks pick up the phone, they call our 1-800 number, they try to connect to a live agent.”

Federal civilian leader responsible for an external contact center

So why does this mismatch exist between federal CX ambitions and investments? The leaders and programs associated with different CX channels—whether contact centers, websites, mobile apps, virtual agents, field service offices or others—often face organizational obstacles to working in an integrated or even a coordinated fashion. As a result, they may frequently find themselves working at cross purposes where the objectives of digital CX channels are not aligned with those of the contact center. In this environment, it can be difficult to mobilize an overarching strategy that calls for standing up best-in-class digital CX capabilities that can reduce large portions of a contact center’s workload through pre-emption and self-service interactions while also delivering measurable increases in customer experience.

This problem of organizational silos is a hard one to solve. One way of addressing it is to create a common, integrated CX vision and set of objectives that span all channels across the agency, regardless of how they line up organizationally. These common objectives should include defining and prioritizing improvements in

customer experiences, cost reductions (including through fewer contact center agents), and improved efficiencies.

To achieve these shared objectives—and break through those organizational silos—senior agency leaders need to harmonize the day-to-day activities and investments of all channels, including shared accountability and metrics, aligned incentives, and common data.

Ultimately, federal agencies will need to shift their strategies if they intend to achieve the government’s twin goals of improving customer experience while also reducing the cost to service those customers.

Almost 70% of our survey respondents say their cost to serve has increased in the last three years while the [American Customer Satisfaction Index](#) reported the lowest score ever for the federal government in 2021.⁴



Simply put, achieving these twin goals requires that lower-cost and intelligently-designed digital experiences assume a greater burden of servicing customers in place of increasingly costly human agents. This is why leading CX providers today are taking a broader view of their contact centers and transforming them with capabilities to shape and implement customer experience in harmony with an integrated omni-channel CX operation.

“

Becoming more cost efficient means we are doing a better job, which leads to a better customer service experience...If we do things [to become] more cost efficient, it's never with an eye to taking something away from the claimant. It's with an eye to improving the function overall, which better serves the claimant. That's the way we work.”

Federal civilian executive managing an external contact center

The hallmarks of transformation for today's federal contact centers

Modern contact centers today are critical components within an enterprise's integrated CX operation, and they are designed to do far more than answer incoming calls. Contact center transformation occurs when:



Automation and intelligent apps—including pre-emption tools, such as SMS text messages and mobile push notifications; and self-service capabilities, such as virtual agents—ensure customers are proactively served the information they want, when and how they want it. Contact centers are redirecting phone call volume to digital channels for some journeys; adding automation to offload repetitive work from agents; and expanding digital options as interaction volume grows. Integrating digital customer service into the contact center helps reduce customer effort, improve personalization, and increase efficiency of customer service operations.



Overall call volume decreases because customers can access the information they need through digital channels of their choice via pre-emption strategies and deflection.



Contact centers are tightly woven into the enterprise's broader, omni-channel CX operation so that all customer engagement activities—both human and virtual—are well synchronized and rely upon the same knowledge and databases. Contact center (and all CX) interactions are designed with customer empathy and well-understood customer journeys in mind.



Human agents are assisting customers with more complex, case-specific information needs or who lack access to other channels—and they have the customer's latest case information in front of them the moment they say hello. When needed, the transfer from digital assistant to human agent is seamless and the customer does not need to repeat everything they have already conveyed in their prior digital engagements.



[O]ne thing that we know is that most of our customers do not require live service. And we know this from surveys, we know this from talking to people. What they're really looking for is reassurance to speak to a human being to know what they already know. We've tried to limit that; we've tried to really influence behavior and push folks to self-help tools."

**Federal civilian leader responsible
for an external contact center**

The mark of real transformation in today's contact centers is when a call into a contact center is averted because that customer already has the information they need, delivered in a way they prefer. Appropriate metrics of a successful CX strategy should include a shrinking pool of contact center agents and a more satisfied customer base.

Of course, human agents still have a significant and indispensable role to play in today's CX. Some questions and information requests that customers have are complicated or case-specific and beyond the means of digital tools to handle satisfactorily. In addition, not all customers are comfortable or able to interact with digital assistants or to rely on digital channels for their information needs and they still want to talk to a human being. But today, the reality is that the majority of customers are comfortable

with—and, in fact, prefer—digital interactions, and enterprises need to be prepared for digital communication channels to be their primary way of engaging with customers.

In a recent [Verizon survey](#) of more than 5,600 people across 16 countries, 56% of respondents said they are comfortable with fully automated interactions, and just 16% expressed discomfort. Almost half of the respondents (47%) have grown more positive about such interactions in just the past two years.⁵

Transformation in action

The Department of Education's Office of Federal Student Aid (FSA) teamed up with Accenture Federal Services to [tackle its transformation](#), embracing the bold vision of a Next Generation Financial Services Environment (NextGen)—an innovative, streamlined, world-class solution that benefits students, parents, school financial aid administrators, and other customers and partners.

To bring this vision to life, the team incorporated human-centered design techniques, consulted with financial aid administrators and industry experts, and conducted hundreds of interviews and workshops with parents, students, and customer service representatives.

The insights gathered from those efforts informed the development of a seamless, inclusive solution where borrowers can learn about, apply for, and manage their federal financial aid.

As part of the NextGen transformation, the new Digital and Customer Care (DCC) program consolidated and integrated previously disconnected websites, customer care solutions, and communications platforms. Using cloud technologies with robust capabilities, such as Amazon Web Services and Salesforce, the team delivered a sophisticated, scalable, and secure platform that gives FSA the agility necessary to support its innovation agenda.

The new, omni-channel network includes:

- 01 **A single digital platform**
- 02 **A modern marketing platform**
- 03 **A consolidated customer care platform**
- 04 **Aidan[®] virtual assistant**

Components of contact center transformation

So, what types of investments will best achieve these transformative results? We believe further investments are needed in:

Digital self-service solutions

Intelligent, customer-facing digital services offer self-service and deflection capabilities; they include virtual agents, customer portals, and integrated, accessible online knowledge with basic FAQs that help obviate the need for people to call in. These may also include customer forums, where customers can ask questions about each other's experiences.

Customer engagement

Anticipatory outreach capabilities, fueled by intelligent data and analytics—such as email campaigns, earned media, paid campaigns, and social communications—offer agencies an effective way to proactively communicate and connect with those populations they serve. These tactics can include AI-enabled capabilities such as social listening, sentiment analysis, and qualitative research to inform agency leaders about how their customers truly view the agency and its services.

Agent-assist tools

Digital tools can work with agents to more efficiently and effectively serve customers. Intelligent IVR and chatbots can preempt queries, answering common questions or capturing information needed by an agent to resolve issues more quickly. Furthermore, virtual assistants can proactively advise and guide agents with relevant scripts, templates, and knowledge articles for specific requirements

Agent desktops

Modern agent desktops provide a single platform that enables easy access to the suite of applications and information agents need to resolve customer inquiries. This includes omnichannel contact center solutions, Customer Relationship Management (CRM), and ordering, fulfillment, and billing systems. With ready access to customer data, including prior interactions and other relevant history, agents have a 360° customer view, which is critical to best serving their needs.

Common knowledge base

The data underlying customer-supporting information platforms can often be fragmented into many silos, leading to inconsistent and subpar customer experiences. This can hamper an agency's ability to achieve its CX goals. A synchronized, integrated CX operation must rely upon a centralized knowledge base—a single source of truth that is accurate and regularly reviewed and updated with every customer interaction, highly secure, and accessible online. This centralized knowledge base not only supports contact center agents as they handle customer calls, it also should be driving the agency's digital self-service options, chat bots, and other CX channels.

Re-imagined customer experiences

With insights derived from customer interactions, agencies can zero in on root cause issues that reveal opportunities for improvements across touchpoints and channels, using human-centered design to reimagine customer service experiences, deliver omni-channel personalization, and more.

Strategies for reducing call volume

There are many ways that agencies can reduce their contact center call volumes while improving their CX. To mention a few:

Perform a root cause analysis on why people are calling and put in place measures to prevent the issue from occurring in the future.

Apply shared incentives and accountability across all CX channels and activities to make sure everyone is rowing in harmony toward the same agency goals.

Re-engineer financial models for outsourced contact centers. Move away from models that are entirely focused on labor costs or defined service levels, such as the percentage of calls that will be answered within a specific time frame, as this offers no incentive to reduce call volume and perpetuates the status quo. Instead, shift your vendor pricing terms to promote deflection and pre-emption of calls with effective self-service options and proactive digital engagements. This model incentivizes your vendors to finance innovation that will migrate customers toward lower-cost digital engagements.

Even when all of these components are present, if incentives are not aligned and accountability is not shared across all CX channels within the agency, true transformation cannot occur. That's because different CX channels will still be working at cross purposes. They simply must operate as a cohesive team. To accomplish this, agencies must realign incentives and accountability for both outsourced contact centers and insourced contact centers where the contact center agents are federal employees. For example, contact deflection rates and call volume reduction trends should be considered as KPIs to gauge contact center performance.

Just over one in two respondents say reducing the number of contacts is important—yet 71% said expanded capacity is important.



Transformation in action

The Department of Agriculture offers another example of contact center transformation. Assisted by Accenture Federal Services, the [department created AskUSDA](#), a best-in-class, integrated contact center solution with centralized knowledge management, standardized operating procedures, surveys, and detailed reporting to enable data-driven decision making.

AskUSDA consolidates customer support from 15 disparate contact centers into a single communications channel that provides standard, consistent responses for both Tier 0 and Tier 1 inquiries, allowing Specialized Tier 2 Contact

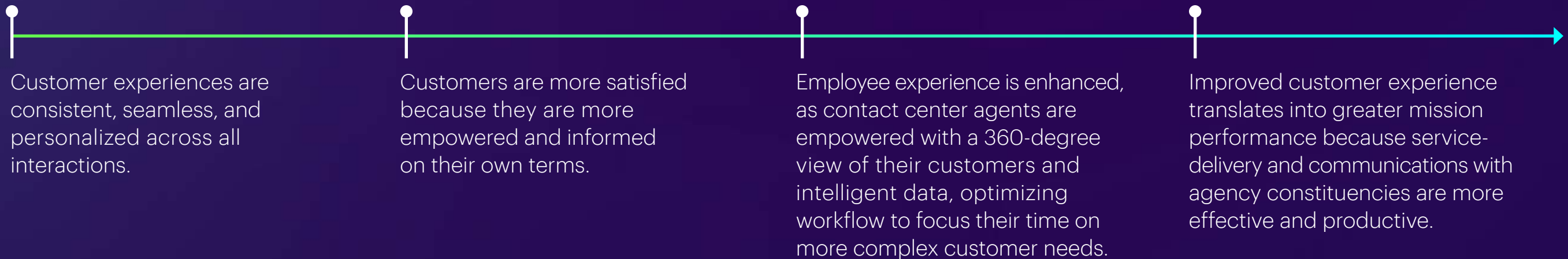
Centers to focus their time and attention on more complex requests requiring a more personalized or detailed response.

Built on a Salesforce Service Cloud Customer Relationship Management solution, AskUSDA enables customers to receive answers to common questions through a streamlined omnichannel solution (phone, live chat, email, form requests) that contains thousands of knowledge articles. After deploying AskUSDA, the department significantly improved first-contact resolution for calls, email inquiries, web form inquiries, and live chat inquiries. Further, USDA customers making telephone inquiries no longer must call different specialized call centers—they simply call AskUSDA.

During the first 12 months after launch, AskUSDA deflected thousands of calls from specialized call centers and decreased response times for customer inquiries across all channels. This performance exceeded expectations and industry benchmarks. With more than 5,400 articles, AskUSDA's centralized knowledge database offers an easy self-service portal for customers, receiving more than 1.1 million article-page views since launch.

The roadmap to transformation

When these components of transformation are integrated into a holistic, omnichannel contact center model, and operating in harmony across all CX channels through shared, calibrated incentives and accountability, the benefits are many:





Getting to lasting transformation requires the right ingredients and approaches. To achieve this, federal CX and contact center leaders must shift their sights from accommodating rising call volume demands to proactively getting the right information to the right customers through the right channels so that call volumes decrease. Transformation cannot happen when there is little emphasis placed on reducing call volume. That should be a central goal as CX initiatives move forward across government.

To modernize government contact centers, it's time to challenge old assumptions and old-world solutions. Instead, ask questions that are consistent with where the world is today, what's possible and how to get there.

About the study

Accenture Federal Services engaged with [Market Connections](#), a leading marketing research firm with a deep focus on the federal government market, to provide insight on the state of the federal contact center market. Market Connections conducted an online survey in August 2021 of 200 federal IT and line of business decision makers within federal programs involving contact center support. From August 3 – August 16, 2021, Market Connections also facilitated in-depth interviews via Zoom with federal executives to further explore their attitudes around federal contact center management.

References

¹Gartner, “Delivering on the Digital Promise”, Customer Service and Support Research Team, 6 August 2019. GARTNER is a registered trademark and service mark of Gartner, Inc. and/or its affiliates in the U.S. and internationally and is used herein with permission. All rights reserved.

²“Kick-ass Customer Service” (January-February 2017), Harvard Business Review

³“2017 Customer Service Barometer” (12/15/17) American Express

⁴“Citizen Satisfaction with Federal Government Services Drops to All-Time Low, ACSI Data Show” (January 25, 2022), American Customer Satisfaction Index

⁵“The Human Connection: Technology for Better Customer Experience” (2021), Verizon

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