



CX takes center stage

Insights from the US federal government manager survey

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Customer experience (CX) is not a new concept in government. Federal managers have constantly faced the complex challenge of managing fast-paced technological change, evolving regulatory pressures, workforce challenges, and heightened public expectations, all while improving the customer experience. The COVID-19 crisis has posed new challenges in this area as citizen interactions with the government get dramatically reimaged. Federal government customers—individuals, other public entities, and businesses—are now availing government services through new channels to comply with COVID-19 social distancing norms.

We surveyed US federal government managers to understand how government agencies are approaching CX and what steps are being taken to improve it. (See sidebar, “About the survey” to learn more.)

Drivers of CX

Federal managers believe CX offers multiple dimensions of value. Complying with federal mandates, such as from the Office of Management and Budget, continues to be the top reason (81% of survey respondents) for improving CX at federal agencies. However, about 76% of respondents also think improving CX is very or extremely important for increasing public trust. Improving citizen engagement, customer satisfaction, and employee productivity are survey respondents’ other top drivers of CX in the federal government. [These responses indicate that managers have started to think about CX as a tool that goes beyond compliance to build broader trust and increase productivity.](#)

Comparison with the private sector

About 70% of surveyed federal managers feel that their organization’s customer service is equal in quality to what citizens might expect from the private sector.

However, customers—the actual consumers of the service—seem to think differently. According to [a consumer survey](#), the federal government lags its private sector counterparts in customer satisfaction. This shows a large gap in the perception of customer service quality between those offering and those availing the service. Closing this gap could be critical for the federal government in the future.

Challenges to CX

Federal managers cited budget constraints, outdated systems and technology, and cultural resistance to change as the biggest challenges to improving CX in the federal government. Misaligned employee incentives and lack of leadership buy-in were other prominent challenges cited by respondents.

While funding is always constrained, cultural resistance could also indicate a lack of awareness regarding the significant opportunities to transform services by embracing a CX mindset. Private sector CX success stories can help federal managers showcase the potential value of CX to their organization, though this will likely require significant support from leaders.

CX as a strategic tool

Not all federal agencies may be considering CX as a strategic lever to drive meaningful change. While 58% of federal managers indicate that their agency incorporates CX in decision-making, only 51% of respondents say their agency's overall strategy has a CX component. Similarly, only 48% say their agency has a dedicated CX office or leader.

Although the current numbers are low, the growing emergence of a CX leadership role in the public sector is an encouraging sign. Active management of CX can bring transparency and accountability around agency CX plans, pushing agencies to make measurable progress in achieving their CX goals.

CX-driven decision-making

Better data analytics can guide federal agencies on their CX journey, but very few agencies collect and analyze customer data. Only 54% of federal managers surveyed said their agency consistently collects customer feedback data, and about the same percentage said they conduct ongoing research about their customers. Moreover, only 57% of respondents indicated that customer feedback is analyzed, and only 46% publicly share customer feedback analysis.

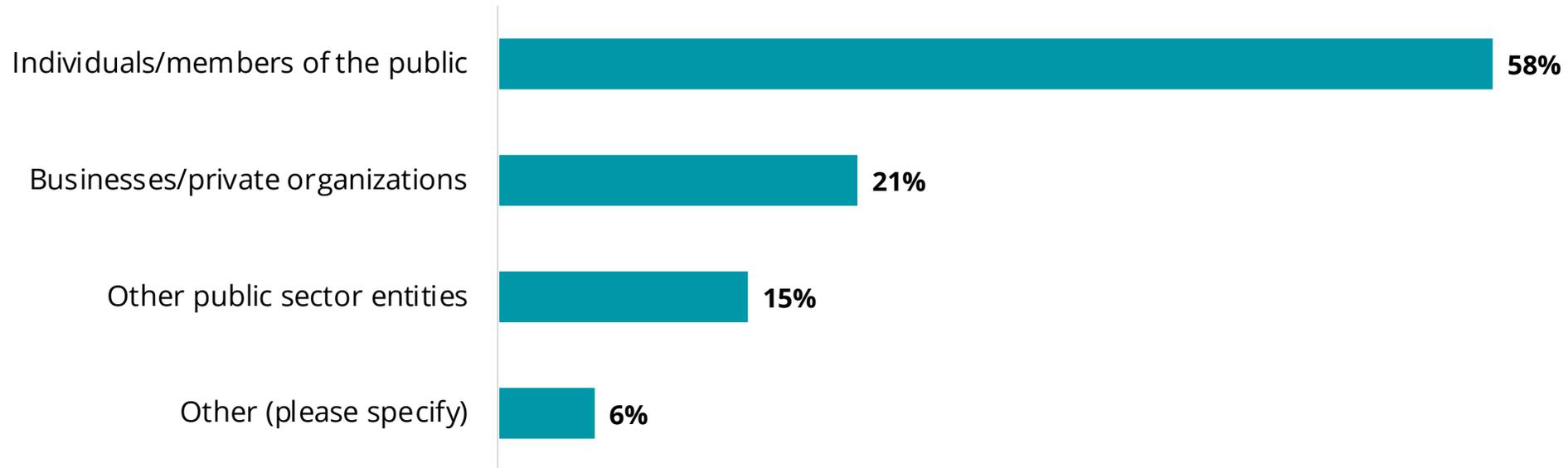
These results indicate that collecting and analyzing data, and then turning those insights into action are still a work in progress for the government. Agencies should ramp up their data collection and analytics capabilities to understand customer needs and challenges better. Building mechanisms that allow insights to shape service delivery could take CX even further.

About the survey

To gain insights around the focus and awareness of CX in the federal government, Deloitte surveyed about 156 government leaders from 25 federal agencies between June 22 and July 20, 2020. The respondents comprised federal managers at the GS/GM 11–15 level and senior executives across government agencies, excluding defense agencies.

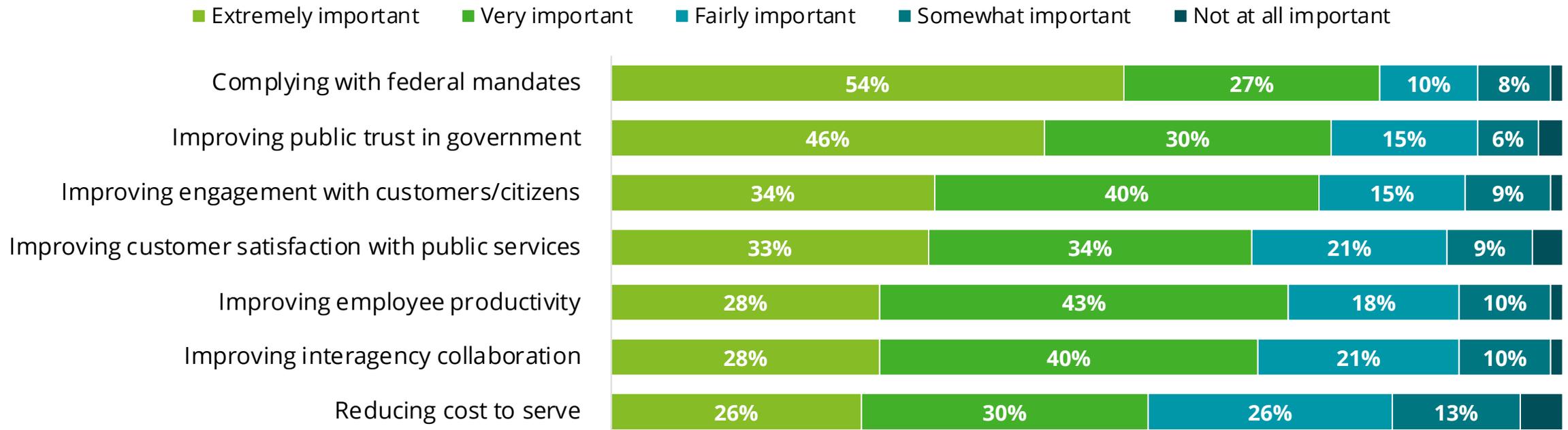
Agencies serve a diverse customer base, and over a third of managers surveyed indicated their primary customers are other organizations vs. members of the public

Primary “customers” considered to be served by respondent



Compliance with federal mandates and improving public trust are respondents' primary motivators for customer experience reforms

When it comes to improving the customer experience your agency, bureau, or department provides, how important are each of the following possible motivations?



Motivations for improving customer experience vary by respondents' agency mission

When it comes to improving the customer experience your agency, bureau, or department provides, how important are each of the following possible motivations?

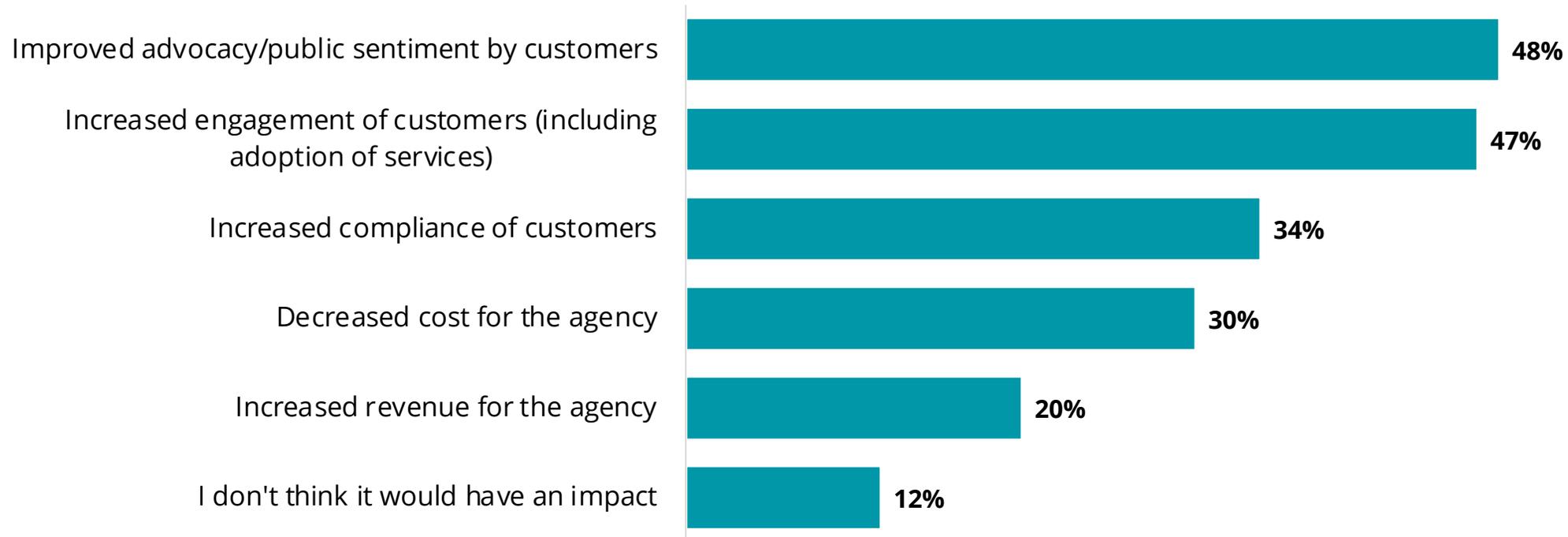
Top three responses by agency mission (% extremely important)

Regulation and enforcement agencies were especially focused on compliance mandates and improving public trust

Rank	Regulation and enforcement	Knowledge creation	Public service provider
1	Complying with federal mandates (68%)	Complying with federal mandates (39%)	Complying with federal mandates (50%)
2	Improving public trust in government (56%)	Improving public trust in government (25%)	Improving public trust in government (46%)
3	Improving engagement with customers/citizens (46%)	Reducing cost to serve (25%)	Improving engagement with customers/citizens (31%)

Improved public sentiment, engagement, and compliance are perceived by respondents as the top potential outcomes of enhancing customer experience

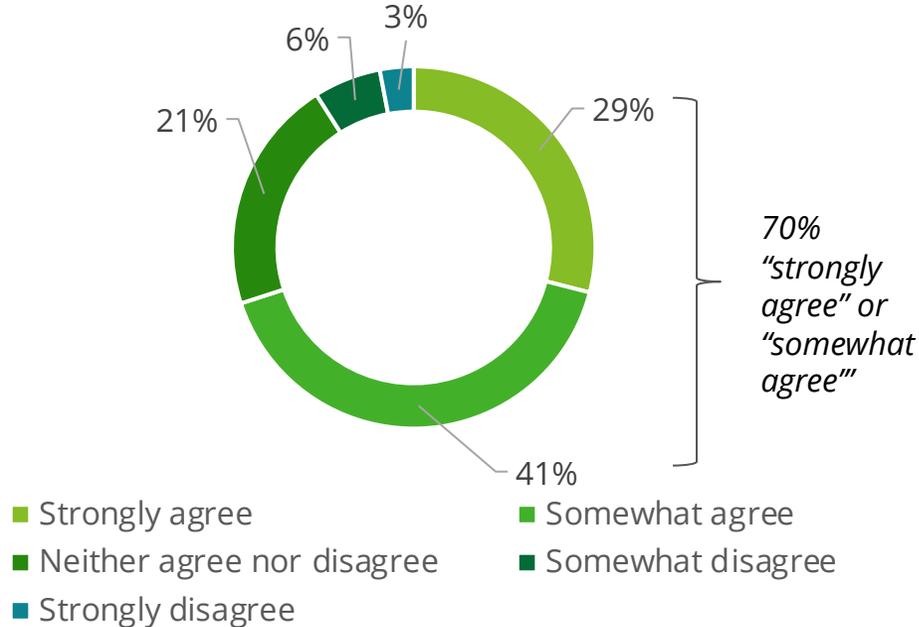
If customer experience with your agency was improved, which of the following, if any, would likely result? (Select all that apply)



70% of managers indicate that their agencies deliver a customer experience that is “equal in quality” to private sector expectations, yet citizen surveys paint a different picture of customer satisfaction

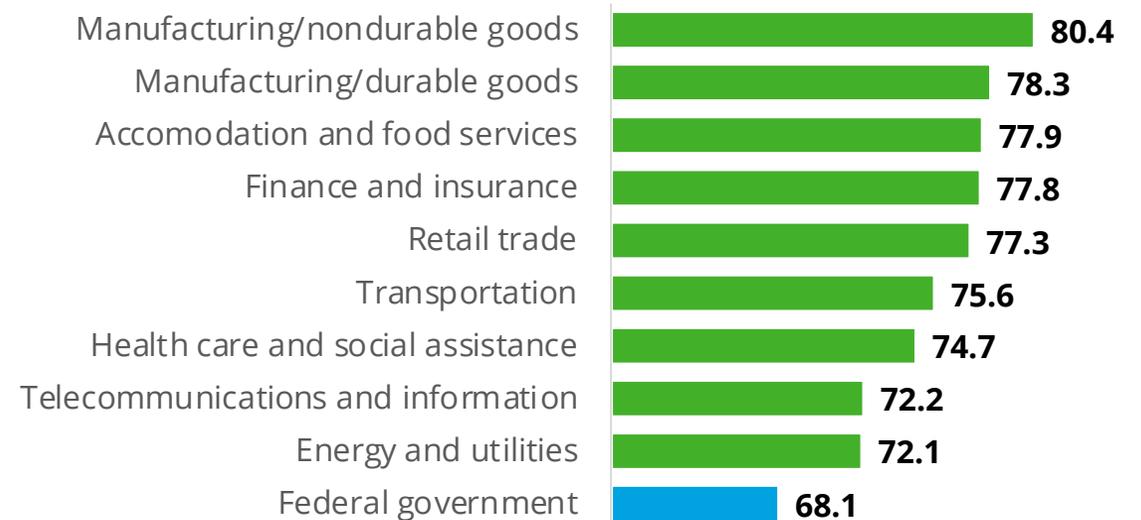
My agency, bureau, or department ...

Provides a customer service experience that is at least equal in quality to what one would expect from the private sector



Federal government trails the private sector in terms of service quality

ASCI benchmark score 2020, cross-industry comparison

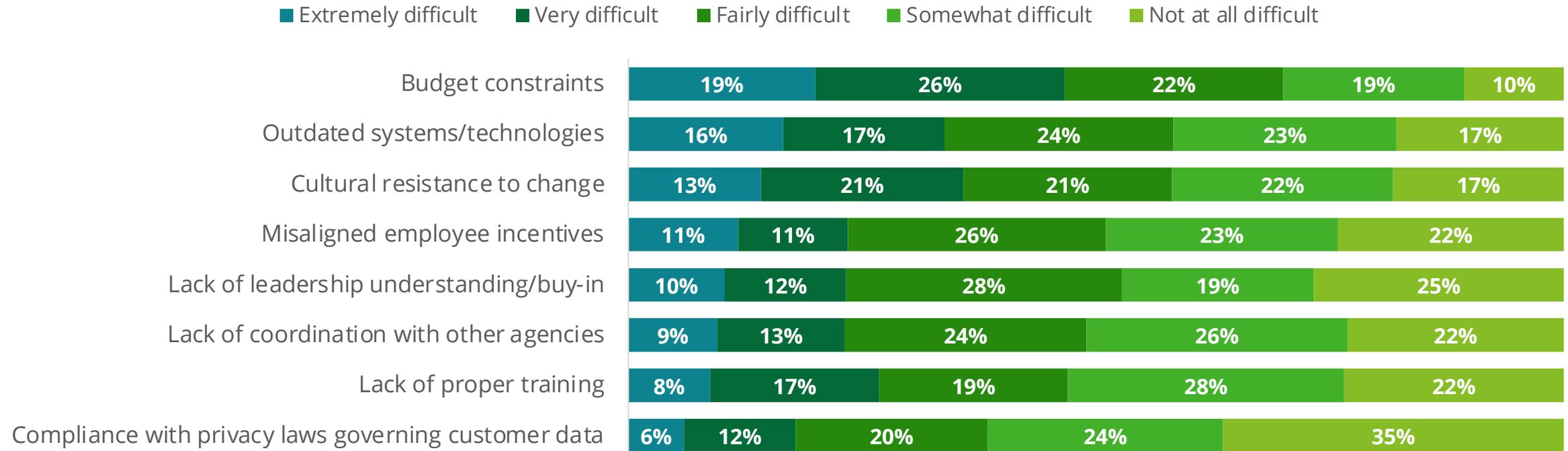


Note: The scores from ASCI represent company performance on CX on a 0-100 index scale. The numbers are not directly comparable with the percentages in the top-left graph, but they indicate that as per customers, government performance on CX is lower than private sector counterparts.

Source: Deloitte analysis of the 2020 Federal Managers Customer Experience Survey; American Customer Satisfaction Index, “National economic indicator: National, sector, and industry results,” updated September 2020.

Budget, technology, and culture are cited as the biggest challenges by federal managers surveyed to improving customer experience in government

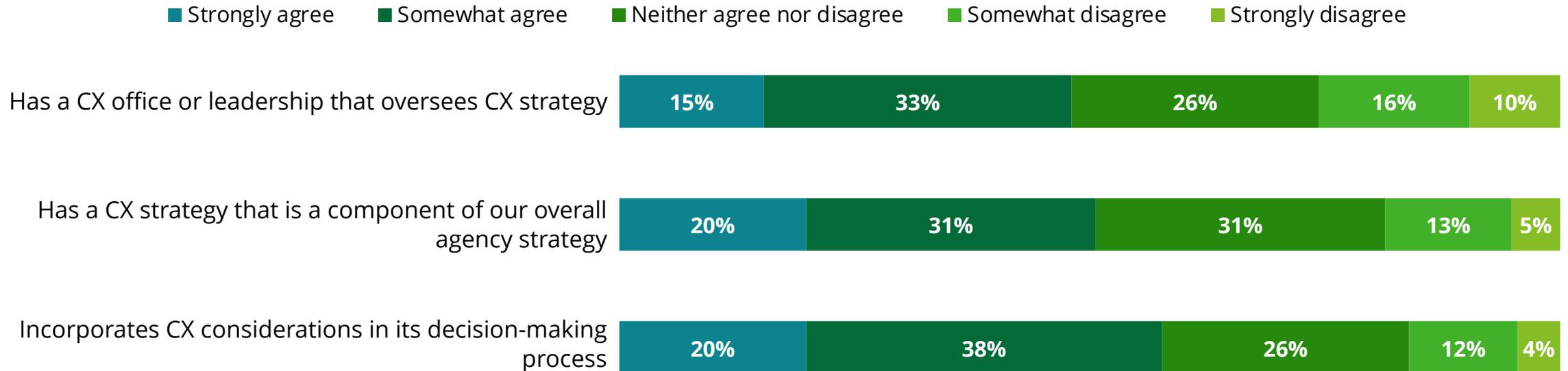
In your opinion, how would you rate the difficulty of the following challenges your agency, bureau, or department faces when working to improve your customers' experience?



Source: Deloitte analysis of the 2020 Federal Managers Customer Experience Survey.

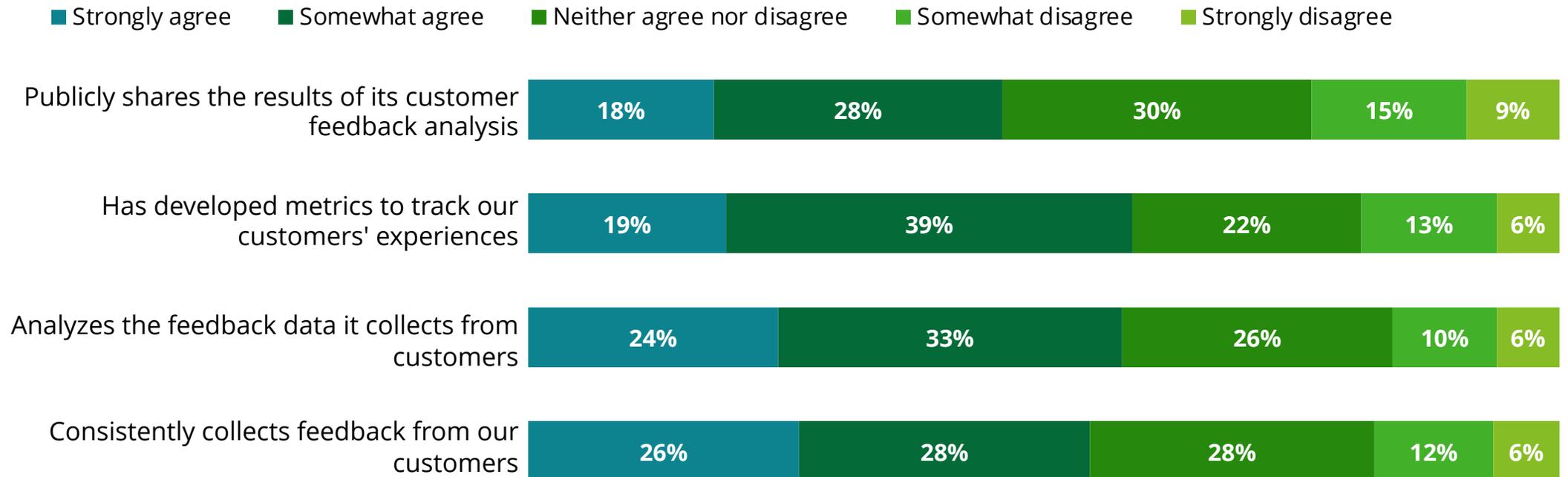
Only half of federal managers indicated that their agency incorporates customer experience (CX) in its strategy, and even fewer have a CX office overseeing it

My agency, bureau, or department ...



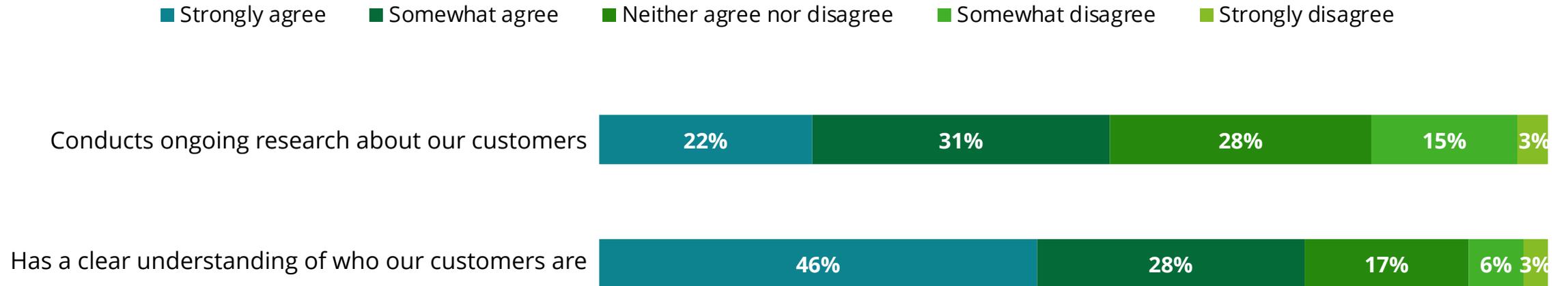
Only 57% of surveyed managers indicate their agency analyzes customer feedback

My agency, bureau, or department ...



Nearly three-quarters of managers surveyed feel their agency understands who their customers are, but far less conduct ongoing customer research

My agency, bureau, or department ...





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