

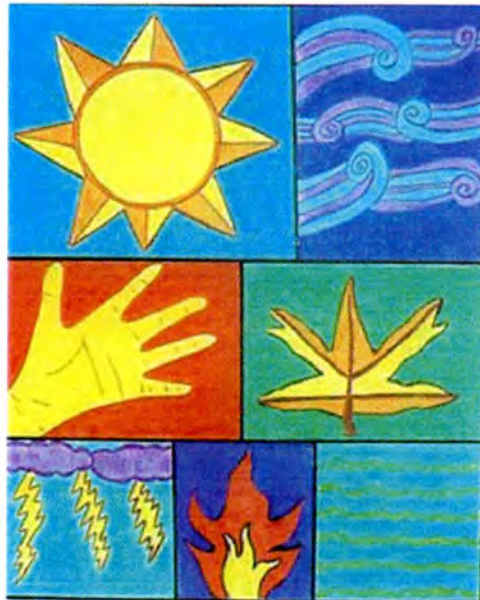
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*MANAGEMENT REVIEW*

# REPORT

to the DEPUTY SECRETARY

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Operations and Management of  
U.S. Department of Energy  
Clearinghouses & Hotlines

May 12, 2000

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# **Executive Summary**

## Introduction

In his address to Department of Energy Employees on his first day as Secretary, Bill Richardson pointed the agency in a new direction. He told his staff, "One of my highest priorities at the Department will be to let the American people know the many ways in which we serve them and to determine how we can serve them better."<sup>1</sup>

"I want the American people to know that the Department is their public servant and that we are working for them," said Richardson. "We are in a position to greatly increase our service to the American people...I pledge to you that the Department's work -- your work -- will be better understood by the very public we serve."<sup>2</sup>

In response to the Secretary's pledge, Deputy Secretary T. J. Glauthier chartered a Management Review Team to undertake a comprehensive review of the Department's information delivery systems. The team was tasked with examining the various toll-free telephone hotlines and information clearinghouses operated by DOE programs to provide information to the American public.

The team compared the current experience of a wide range of DOE "customers" to what our customers tell us they actually want. The team found that, although the Department of Energy Serves at the pleasure of the public, the customer service it provides leaves a great deal to be desired.

When the team started this review, we made a commitment to management to get a firm grip on the resources spent in this business line of DOE operations.

At the outset, the team guessed that this function — clearinghouses and hotlines — consumed an operational budget of \$20 million per year, used 70 staff and that we had 100 toll-free lines. As our final research results came in, we discovered we spend \$47 million per year, use 268 Federal staff and contract employees and pay for more than 400 toll-free lines.

Certainly much of this budget involves work and activities, such as document preparation and publication, public outreach activities or technical advice, that should continue to reside with the program offices. However, much of the work on the delivery side is redundant and duplicative and could be more efficiently managed with a "One Stop Shop" style of organization.

The Management Review Team conducted substantial research to determine the status of the Department's Headquarters and Operations Offices hotlines and clearinghouses. We surveyed their number, level of service and audience. We also researched what services the 404 toll-free lines the Department was paying for provided and to whom.

This information will equip senior management with the ability to "wrap its arms" around this thorny management problem. This information puts the stark numbers and troubling anecdotes out in the open for the first time. We believe

the findings demonstrate beyond a doubt that the public's ability to communicate with the Department is painfully difficult.

We began our effort by asking two crucial questions of the general public: (1) "What is their current experience with our customer service?", and (2) "What kind of customer service do they want?"

The answers to these questions provide a firm foundation for DOE to build a more effective customer service operation and assess our future needs. As we consider options for reform, we should be guided by the findings of our research. This research paints a grim picture of the present situation.

We listened to forty individuals representing three perspectives: those who we considered to be the "average citizen," energy professionals, and stakeholders who are directly impacted by DOE. We also examined the quality of our telephone service for selected DOE hotlines and clearinghouses.

### **Findings: Current Experience**

The DOE is viewed as remote. There is a thin understanding of or identity with how our work matters to the consumers' daily lives, even among those who are our neighbors. Although the taxpayers finance productive programs and initiatives at the Department of Energy, people don't make the connection with our attempts to make a difference in their lives.

A complex system of telephone referrals and recorded lines

represent an inefficient and counter-productive way of doing business. The results are frustrating the public and creating dissatisfaction due to their experience dealing with DOE.

Our system for linking the public feedback and complaints with employees who can act on the information, frankly, is broken.

### **Findings: What Customers Want**

The public's desire to get information from us cannot rely on Internet technologies alone, according to feedback from citizens we spoke to, because not everyone has access to it or understands how to use it effectively.

Publications remain a valuable source of information. That value increases if those publications are designed in a consumer-friendly way, contain state and/or local information and reflect consumers' pocketbook concerns.

The public wants to obtain information from DOE through a "One-Stop shop," with streamlined and efficient operations that give them the correct information in one step.

We are uniquely positioned to provide consumer information services on energy matters:

- We don't have the conflict of interest that the business community has when it promotes certain technology solutions;
- We have a treasure-trove of publications and literature that is produced at taxpayer expense; and

- The public appears to value the type of work we do even if they don't know that we do it.

Corporate customer service standards are not in place and need to be adopted to assure the public a responsive, uniform and effective experience when they contact us through our hotline access points for information.

### **Time for Reform**

Our listening sessions, the opinion of our own employees and independent customer service research all point to the same conclusion.

The Department of Energy's standing with the public — as reflected by these "average" citizens, the energy professionals and our neighbors — is generally not good, and in some cases in need of repair.

Our literature review of organizations at the top of their game and those that are struggling shows us trends that are relevant to our management review of DOE's consumer service tools.

DOE operates in an atmosphere where public trust is low, fear is high, and alienation is all around us. At the same time our customers -- the American consumer -- have grown more demanding, and complaints are on the rise everywhere we look.

The barriers to institutions like the Department of Energy communicating effectively in this atmosphere are many:

- there is too much "noise", making it hard to develop or communicate an identity;
- we have dual communications responsibilities between security and openness; and
- our heritage -- as an agency built from other parts of the government over 20 years ago -- is one of many independent actors who seldom nurture or acknowledge the inter-dependence that is essential for survival.

DOE also exhibits many of the characteristics of an unhealthy organization when it comes to our customer service commitments. In fact, by the measure of Sun Tzu, we might be called "sinking" or even "routed". We have a hard time managing our capabilities, and too often we are doing the wrong job and/or doing it badly. Functional integrity is trumping management efficiency at the Department of Energy when we examine customer service issues.

This is a problem that is well understood by our frontline employees: nearly two-thirds of them acknowledge that we do not have well-defined systems to link customer's feedback and complaints to employees who can act on the information.

Although for the public sector, the consumer marketplace has been changing for entities like the Department of Energy, DOE has not kept pace with the changes. Our departmental elements are holding onto an old way of doing business in the face of these changes, and it is

having a negative impact on departmental operations as a whole.

The dysfunction bred by the failure to adapt has meant we are unresponsive, we lack accountability and our resources are under-utilized. Simply put: we are in paralysis.

This situation is particularly striking in light of President Clinton's recent remarks that rising fuel costs should be a "wake up call" to Americans to become more energy efficient<sup>3</sup>. Indeed our EIA information is so valuable yet hard to find that some companies now repackage this public information and, for a price, put it on the market.

Benchmarking best practices and reviewing current literature on marketing and customer service shows us the way toward meeting the goals set by Secretary Richardson on his first-day address to employees.

In fact, the literature shows the way to meeting our customer's requirements is very clear. Seven steps -- responsiveness, easier access, courtesy, timeliness and efficiency, quality, standards and the correct resources -- can help us fix our broken customer service system.

Our benchmarking of successful public and private sector operations indicates that the wave of the future is to build smaller, agile and horizontally managed structures. The one-stop model is a proven success that can lead to marked improvements in efficiency, cost savings and customer satisfaction.

One interviewee managing an EE hotline told us that a customer had written (which he took for a

compliment) that his hotline was one of DOE's "best kept secrets." That's precisely the problem: we are hiding our proverbial light under a basket!

The magnitude of the dysfunction is troubling and in urgent need of management reform. The opportunity for improvement is enormous.

Some programs, like EM for example, must manage their clearinghouse based on a budget ceiling; this induces "negative marketing." For many programs lack of funding knowledge prevents a critical evaluation for the continued need or improvement of the service. Too often hotline or clearinghouse managers lack internal processes to gather feedback critical to obtain consumer satisfaction or even maintain inventory systems. Some, like DP, have recently been coming out of the classified closet to deal with the public. Other lines, such as in the Congressional and Intergovernmental Office, have been reduced to a voice recording because budget cuts eliminated a staff person to handle calls. Staff responds to callers by providing general information and often by referring them to another program office.

The Office of Science and Technical Information (OSTI) clearinghouse is entirely web based. Recognizing that not everyone has access to a computer, OSTI works with other agencies to reach the public. OSTI also transfers its information to the National Technical Information Service at the Department of Commerce for public dissemination at a fee. They also

work with the Government Printing Office on OSTI's public information systems. EE defends the use of their hotlines as an avenue to those without Internet access; the public they serve for the energy-efficiency and home energy audits are low-income homeowners.

It is clear that DOE's audience is vast; from interagency communication to John Q. Public to international calls. Too often the public callers get the short end of the stick. We have to be able to respond to public inquiries effectively if we are to carry out our mission and policy. It is imperative we do so if we are to carry the vision that the Secretary set out on his first day address to employees when he spoke about the need to make a better connection with the American public.

## **Issues**

The issues surfaced by our look at status quo operations of clearinghouses and hotlines include:

### Administration

Lack of procurement policy for toll-free numbers

Lack of management controls of toll-free numbers

Lack of termination process for toll-free numbers, or other numbers that are no longer needed.

### Customer

Lack of toll-free number service evaluation

General public: more clout and access.

No uniform policy or standards on customer feedback

No department wide stakeholder mailing list.

How do we measure our contacts? We need a common language and a way to give the general public more clout and access.

### Infrastructure/Documents

Lack of oversight for implementing existing DOE administrative policy for consumer communication and information dissemination

Lack of administrative control in existing Departmental public access points

Lack of Departmental process for programmatic communication/integration among the various programs (i.e., Science with EE, NE, FE, EM, DP, etc)

Who decides when it is recorded and when it is live

Who decides how it is answered and if DOE is identified up front

Lack of programmatic integration of information for the public

No uniform policy or standards on retiring old documents or shifting others to web-only access

No list of titles available about what is in print

No corporate system for on-line ordering of documents.

### Web/Technology

No uniform policy or standards on web access to documents available in print

No corporate system for on-line ordering of documents.

## **Conclusion**

In managing complex change, the team has been lead by five strategies that will insure success:

Vision

Skills

Incentives

Resources

Action Plan<sup>4</sup>

Without all five stages in place, complex change is doomed. Without vision you get confusion. Without skills, you get anxiety. Without incentives, you get gradual change. Without resources, you get frustration. Without an action plan, you get false starts.

In creating a vision of a unified information delivery system, the team made the public's needs and expectations central to us. We also used the vision to measure where DOE is now in providing information to the public.

We have clearly found that DOE has the skills to reform its public information distribution system but lacks the infrastructure. We must retain and depend upon the program offices for supplying the technical expertise and the products to be delivered to DOE's stakeholders. However the delivery system needs the help a properly configured organization and wise use of contract dollars would bring.

In looking at the best practices of both government and industry, we found great incentives to move forward with our vision of a major transformation in customer service at DOE.

In assessing where DOE is currently, we recognized that we have the resources. We own both the technical expertise, as well as important and credible information to disseminate to members of the public. Furthermore, the public wants this information and too often can't find it with the current inferior structure in place. Resources that we lack can be found. We recognize state-of-the-art hardware and software presently exists that delivers that information -- correct information, available in a consumer-friendly format at the public's convenience -- is what the situation requires.

Finally, we realized without an action plan, all our research would be wasted. The action plan of 5 goals and 17 strategies in support of those goals, with your concurrence, will be the launching pad for the total transformation of the Department's public information delivery system.

Make Better Delivery/Bigger Audience a Reality

One Stop Shop: Unify the Public Information System

Institutionalize our Skills

Marketing: Help the Public Find Us

Establish Corporate Standards and Protocols

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<sup>1</sup> Richardson, Bill, First Day Address to Employees, August 24, 1998.

<sup>2</sup> Ibid.

<sup>3</sup> Internet: CBS.com, visited March 30, 2000.

<sup>4</sup>

<http://www.doi.gov/pfm/conf98/rivers/tsld015.html>

# **Chapter 1**

**The Current Experience**

**Decision by Default**

## Serving the Public

On Secretary Richardson's first-day address to employees, he said, "One of my highest priorities at the Department will be to let the American people know the many ways in which we serve them and to determine how we can serve them better. I want the American people to know that the Department is their public servant and that we are working for them."<sup>1</sup>

With these remarks, Secretary Richardson set his customer service expectations for this agency. The customer base, as the Secretary has defined it for us, is the general public, the consumer. One outgrowth of his desire to serve people better was the launch of the Consumer Information Office that is an advocate for the management review team's study of DOE's current hotline and clearinghouse operations.

The team determined that any review of current operations and any design for the future must start with finding the answers to two questions about our customer base -- the general public:

"What is their current experience with our customer service?"

"What kind of customer service do they want?"

By listening to our customers we can identify what high-level requirements they have of us, as well as what good administration and management of our hotlines and clearinghouses looks like. Our recommendations to management for the future needs of the Department of Energy in the customer service arena

are based on the answers to these two questions.

We started our search by looking to three different segments of DOE's "customer base" to ask about their expectations and desires regarding consumer information from the Department.

First, to represent "average" citizens, we convened a group of people who live in a community without a DOE office. We assumed we would find that this group would be the least familiar with us.

Second, we gathered a group of energy professionals who would have reason to be more tuned-in to our activities because of their inter-governmental relationships. We projected that this group would be somewhat familiar with us.

Finally, we drew on an existing research document resulting from a meeting with a group of people who live near a DOE facility. This provided the perspective of people who were, perhaps, the most familiar with us.

Together these three perspectives drew on comments from 40 different individuals.

In addition to these "listening sessions," we sought out perspectives from our own employees and people who actually used our information services. For the latter, we conducted a "mystery shopper" exercise to document behavior in more than 1300 separate transactions with DOE information services. To find out what DOE employees think about our customer service and orientation, we drew on the findings of the March 2000 National Performance Review's Employee Survey.

As a body of research, these "listening sessions" and the two surveys provide an accurate baseline to help us answer our two guiding questions. The combined data on current customer opinion and experience will help us measure the consumers' confidence in us and begin the discussion about where we can improve.

What follows is a summary of findings from these five information collection points and the conclusions we reached by examining this research. The goal of this information gathering is to help us face reality and honestly assess our shortcomings and opportunities in our consumer-based activities.

### **The Least Familiar: Average Citizens**

Our first listening session was with a group of group of nine people in Hartford, Connecticut representing a cross-section of individuals who would help us understand the "average" consumer. This roundtable included representatives of the education community, utilities, public interest groups, state agencies, seniors, low-income groups and environmentalists.<sup>2</sup>

Several themes emerged from our discussions with average citizens, which show a wide knowledge gap between the public's perception and DOE's mission. The general public is not very well informed about the Department of Energy's mission and functions. As the public looks for consumer information about energy issues, they often turn to their utility company, and not the government.

The irony is, although people in this group told us they had a high level of interest in our activities, our current delivery systems fail to deliver. The gulf between what our customers want and what we have on our shelves and in our warehouses is one that is not being bridged.

This group of citizens puts access at the top of the reform agenda. They said our communications materials are hampered by the fact that "too much is too hard to understand". Even when we put information products in plain English, our delivery systems make it too difficult to find. Both the DOE web site and our system of myriad hotlines and clearinghouses came under attack by this group because of accessibility concerns.

As our interviews show, people in this group placed a high value on information delivery systems that are streamlined and built for the convenience of the customer. They worry about systems that are decentralized.

The nuances of their commentary on these subjects provide us with a deeper understanding of the management issues at play with this segment of the public.

### **People Don't Know What We Do**

The fact that people don't know what we do means that our customers -- the public -- see us as remote and unrelated to their lives. This point of view was reflected most starkly by one participant who said, "The Department of Energy is viewed as separate and out of reach...The problem is it is out

of touch and unapproachable. It leaves people with a lot of questions."<sup>3</sup>

One of the key lessons from our Connecticut listening session was that the publics' understanding of our mission and functions is gray at best. They don't readily see us as a source for consumer information. This problem was captured when one participant said, "There's a problem with DOE because people don't know what you do".<sup>4</sup>

When the group later discussed program areas, another person at the table asked, "Do you guys do recycling?"<sup>5</sup> He was familiar with the renewable energy issue in general, but wasn't able to link it in a concrete way to initiatives embraced by the agency.

When the public searches for energy-related consumer information, they often look to their local utility company, according to feedback from the group. The local utility company representative made this point when he said, "A lot of people call the utilities. They almost think we are a government agency sometimes."<sup>6</sup> Commenting on his associates, the senior citizen representative noted, "People trust the information they get from their utility company...They do like to talk to their utility company. You've got to build up trust. They trust their utility."<sup>7</sup>

The strength of this "informational" relationship appears to be linked in part to the fact that their utility is close to home. "I trust the guy who comes to clean my furnace," another participant said, under-scoring the goodwill engendered from local relationships.<sup>8</sup>

In spite of this inclination to look to utilities for consumer information, industry is not always well-positioned to deliver. Industry consolidation has often led to cutbacks in non-essential services.<sup>9</sup> Other advocates have expressed concern about whether industry-based material is objective.<sup>10</sup>

### **The Web Isn't For Everyone**

There was animated discussion around the topic of the world-wide-web as the so-called "wave of the future". Three of the nine people in attendance had taken the time to log onto the Internet to check out the Department of Energy in advance of the meeting, with mixed success. The utility representative confessed, "I looked for the DOE web site and I couldn't find it."<sup>11</sup> Another participant reacted to that news by observing, "I would never think to look at 'doe.gov'...if you called it energy.gov people could find you. Who in the world is going to look for doe.gov?"<sup>12</sup>

The cautious reaction to relying on web technology for consumer information reflected the personal experience of the participants and their members. Connecticut AARP said they surveyed their members and "found most prefer to get their information by mail." They also expressed skepticism about access to the Internet for their members. "They want it, but they feel left out. Something as complex as this, we may be expecting too much."<sup>13</sup>

The utility representative said that, "We've done a lot of surveys and people aren't using our web site...We've put in resources and special promotions and only have

seen a very slight increase."<sup>14</sup>  
 Another participant said that use of the web "depends on the clientele. The low-income community doesn't often have access to the web," she said. "For our clients it's certainly remote."<sup>15</sup>

Those who were comfortable with the Internet as a communications tool had their own frustrations. Although they praised the medium's power, search engines which "makes you plow through millions of things" to find what you are looking for got jeers. In addition, the need was voiced for "something specific to help consumers get publications" off a federal agency web site.<sup>16</sup>

The power of the web as a source for getting information when you want it was a clear draw for the web-savvy participants in the roundtable. "You don't want it to be the sole source, but it should be a primary site," he said. "If you start doing Public Service Announcements (PSA's) and put the web on the commercial, that works."<sup>17</sup>

It was also recognized that the web is the unrivaled medium for instant access for those who are wired. "If you are providing services or something new, the web is a good communications tool. You don't have to wait for it to come in the mail. You get the information instantaneously."<sup>18</sup>

### **People Need to Go Through One**

Because web access isn't universal, the group told us they still value traditional government publications as a resource. There were strong opinions about what type of service they expect from federal

agencies when they request information.

The Connecticut group made it clear that people value information delivery systems that are streamlined and built for the convenience of the customer.

The current operation at the Department of Energy, which is built upon the principle that there is no "one size fits all" way of doing business, was described for the group. It was explained that each program office tends to maintain its own clearinghouse and hotlines that are specific for different initiatives, and the group was asked if this worried anyone.

"You should be the hub that filters that out," said one exasperated participant. "You don't want to send them from branch to branch. You want to look it up in one place rather than being bounced all over the place. There should be one 800 number. People need to go through one. The simpler, the better. There's too much information (if it is spread out), where do you start?"<sup>19</sup>

"Information should be available to the common citizen without any hassle or run-around," said another participant.<sup>20</sup>

Several times roundtable participants referred in positive terms to a Connecticut information service called "info line", which helps put citizens in touch with products, information and services from the state government. Multiple agencies in the state use this service, and outside groups are also listed as resources at the call center.

During the discussion that touched on the info line, one participant voiced a concern that a stigma can be attached to some income-eligible programs that may be a barrier toward people contacting government to access the service. The population that concerned her was "people who would not consider themselves poor, but they are eligible and should be receiving help," she said. "If information about these services were to go to households it would be something people would look at." The utility representative also said they often "go out to target markets with a particular message" for their bill insert communication plans.<sup>21</sup>

There was a concern voiced that having a central clearinghouse as an information delivery channel not sacrifice the need to do more targeted outreach. Such targeted outreach scenarios could easily be linked to the mass mail features some clearinghouse operations use.

This touches on the two-way nature of delivery systems: they should be built in a way that satisfies both the desire for streamlined intake of public requests and the outgoing information needs for target populations.

### **Interest is High**

The discussion among this group of citizens tapped a rich vein of interest in our energy efficiency, science and environmental management portfolio. However, their comments reflect an alarming knowledge gap between our primary

customers -- the public -- and our storehouses of information.

This snapshot, albeit one group of people in one state, is telling: it shows stark evidence that our current delivery system is failing us. People have a genuine interest in the Department's missions, but they don't know how to make the connection between our work and their daily lives.

The group expressed delight to learn of the connection between nuclear energy and space exploration. "People should know that about space exploration," said one participant after I explained that the Mars landing and the craft that explored Mars wouldn't have been possible without nuclear energy because any other fuel source would have frozen in space. "That Mars landing was stunning. It really united the country."<sup>22</sup>

One participant appeared unaware of the details of how DOE works with spent nuclear fuel, but felt passionately about the need for transparency on this environmental concern. "Spent nuclear waste is a big deal," she said. "They won't tell us where it's going. You always feel like something is hidden. If it is transported, people should know the routes so they can protect themselves. It is an imperfect world" and mistakes may happen. She didn't know that the maps for these shipments are published, or that for national security reasons the dates and times of the shipments remain secret.<sup>23</sup>

Another participant listening to this exchange allowed that it was news to her that the Department of Energy was involved in the disposal of spent nuclear fuel, and shared her dismay that this fact isn't widely known. "This

is one of the things people in my organization would care about," she said. "If people could understand what the money is being used for and that secrets aren't being kept from them, the government would get more support for spending the money. A lot of people don't know" that's what DOE does.<sup>24</sup>

DOE consumer initiatives like the Energy Star program, the Energy Efficient Mortgage program, the Energy Smart Schools initiative or the global warming initiative had little if any DOE identification with the participants in this roundtable. When they learned about it, it was not due to DOE outreach -- it was from an interest group newsletter or a consultant looking to make money.

However, in discussing these programs, all participants found them to be interesting and worthwhile. These consumers told us if they were given the tools to make the connection between these initiatives and their lives and/or communities, they would be popular and well-received.

The economic consequences of paying for power hit home. "I work for the anti-hunger coalition and so many people have to choose between heating and eating," said one participant who also serves on a local school board. She had learned first-hand about how schools can save lots of money on their utility bills and shared the experience with the roundtable.

Her district cut their monthly utility bill by \$10,000 after an energy consultant showed them the way. "Getting information on how to do this from a neutral source would be valuable," she said, underscoring the

unique position the federal government holds with its citizens as a "neutral" provider of consumer information.<sup>25</sup>

No one had heard of the Energy Smart School program aside from this school board member, who was briefed about it by the DOE representative prior to the session. The room's interest perked up when they heard that schools today spend more on utility bills than books and computers combined, saying that they hadn't heard this before.

When the little known Energy Efficient Mortgage program was explained -- how homeowners can generate big savings by folding in extra money into their mortgage to make their home more energy efficient -- the room was in rapt attention. In addition, they had not heard DOE estimates showing homeowners can generate savings of up to 30 percent off their annual utility bills with home improvements.

After hearing about off-the-shelf tools to get this information into consumers' hands at the Department of Energy, the group was asked if they were aware of the opportunities that exist for energy efficient savings. "No, but they should be," was the answer given by one participant as others nodded their heads.<sup>26</sup>

The utility representative spoke about his organization's connection to the Energy Star program, but said that it was pure happenstance that they got involved. The partnership started because "we responded to an engineer who read about an all-gas house in the homebuilders' newsletter, which was sponsored by another utility... We've found the builders don't

know about it; the builders are a very hard group to reach."<sup>27</sup>

### Too Hard to Understand

When we spoke about what the customer requirements were for consumer information, the message was clear: keep it interesting, keep it simple and keep it clear. When asked what kinds of information work best, participants said pocketbook concerns were the most influential, that and keeping it centered on their lives and communities. They are looking to federal agencies such as DOE to arm them with advice to help them be a good shopper.

"People want information that's simple and clear. Too much is too hard to understand."<sup>28</sup>

"It seems like the pocketbook approach appeals to consumers. Saying their house pollutes (like some energy efficiency literature) is insulting."<sup>29</sup>

"Consumers want to know what options they have."<sup>30</sup>

The desire for information that has a regional flavor was clear when the conversation turned to the cost of utilities. When the often-quoted DOE phrase about how the average utility bill for Americans is \$1300 came out, the room took notice and was quick to correct it with figures more appropriate for their region. "Not in the Northeast!," said one participant. "Mine is \$2400."<sup>31</sup>

By contrast, information that was seen as too remote from their daily lives was less desirable. When asked what their level of interest is in nuclear

weapons or the nuclear stockpile stewardship program, the room was quiet. One participant summed up the mood by saying, "Not in my backyard."<sup>32</sup>

The group also voiced a concern about avoiding dry, boring and dull government reading and encouraged government publications to be livelier. "If it is interesting enough, people will read it. Even if they're busy."<sup>33</sup>

The advice was to bring lofty, hard-to-grapple issues like "global warming" down to earth if the Department of Energy wants to have an impact on average people. "People don't know what to do to change that (global warming), but if you give them things that are doable, like the (Home) Energy Saver booklet, it saves the planet and saves energy too."<sup>34</sup>

Our expectation that the Connecticut "listening tour" would yield a group that was largely unfamiliar with our activities was borne out. However, the group also reflected an information-savvy public whose expectations about quality and service are high. Moreover, they had a high level of unmet interest in our resources and products.

### Somewhat Familiar: Energy Professionals

The market for good energy consumer information is wide open and little if any competition exists in the public or private sector, according to a discussion with a group of State Public Utility Commissioners (PUC).<sup>35</sup> Furthermore, our listening session with this group, held in San Antonio, Texas, shows the market for this type of

information is fertile and the timing for action is ripe.

## A Broken Connection

Like the general public, PUC commissioners in this discussion group didn't know what resources are available through DOE, and don't immediately make the connection that DOE is a resource.

One commissioner said flatly, "I've never gotten anything from DOE"<sup>36</sup> Another commissioner observed that on reflection, the resource was obvious. "It is like a light-bulb going off in my head," she said. "We've got such an incredible resource at DOE, but I never would have thought to call."<sup>37</sup>

Where they exist, call center information and State complaint databases are useful for spotting trends to improve customer service, provided there are reporting systems. As one person observed, "Feedback is critical"<sup>38</sup>

Those who have systems expressed a desire to "keep it simple" through tracking that identifies trends and finds hot topics with "circular feedback" that evaluates changing markets.<sup>39</sup> "It's pretty easy to spot trends," added another commissioner. "We ask the call center, 'What are you hearing'."<sup>40</sup>

## State Infrastructure is Weak

However, most state Public Utility Commissions do not have systems in place that let them take advantage of research or feedback about their

customers. More often, research is "something we're really missing."<sup>41</sup> In addition, as another commissioner said, "Most states don't have a highly developed infrastructure".<sup>42</sup>

In fact, these commissioners told us in most states, infrastructure to provide consumer information about energy is very weak. In the absence of strong systems, commissioners often rely on old-school techniques such as road shows<sup>43</sup>, personal relationships with community based groups<sup>44</sup> and the web.<sup>45</sup>

But this trend is changing in an effort to keep up with the new energy marketplace. As a one National Association of Regulatory Utility Commissioners (NARUC) participant noted, "What I'm seeing across the country is that consumer information is being dragged to the center of what the public utility commissioners are doing."<sup>46</sup>

One commissioner spoke eloquently about the role of government consumer information centers to empower people to "help them help themselves." Another commissioner added, "People don't know what they don't know."<sup>47</sup>

There was wide agreement among the commissioners that working call centers provide important benefits to the public. In addition to providing the government an excellent source for feedback on public concerns, educational information on energy is "objective" and the material can empower people to take responsibility to help themselves.

## Clear Benefits

The focus of state-level consumer information call centers will shift from a place to complain about credit and billing issues to a place to be informed as competitive markets continue to mushroom, predicted one commissioner.<sup>48</sup>

The government has unique value as a "neutral voice" to help the public navigate the marketplace.<sup>49</sup> It is also clearly a court of last resort for people who are not well-served by the private sector. "Because industry has done such a poor job by the time they get to us, they're mad," said one commissioner<sup>50</sup>. Another observed that, "I find much of the time businesses themselves put out information that is misleading."<sup>51</sup>

"Government is viewed as an objective source," added another commissioner. "It has no agenda...who is there to protect me from abusers, shady characters or bad information?"<sup>52</sup>.

When the conversation moved toward comparing what is available already in the states against what DOE currently has, the commissioners gave firm support to efforts to strengthen the federal consumer information system and "build better delivery systems."<sup>53</sup>

### **Confusion, Inefficiency**

A description of the current DOE structure that allows multiple access points depending on the issue at hand was both surprising and disappointing to the commissioners. They expressed the opinion that a unified approach would work better.

One commissioner reacted to the current structure saying, "It's not particularly efficient. You could probably get some synergy if you developed a core system."<sup>54</sup> Another commissioner said the existing system is, "potentially confusing for the consumer."<sup>55</sup>

Another commissioner suggested that building a core system could strengthen inter-governmental relationships and provide more opportunities to work together on consumer information projects of mutual interest. They said, "It would help both of us to have more synergy (with consumer information activities if we built)...better delivery systems and better links."<sup>56</sup>

In addition to being better suited to building synergies with state systems, creating a unified delivery system would make DOE's consumer information activities less confusing to the public.

These commissioners predicted consumers would realize significant educational benefits if information delivery systems at DOE were reformed.

### **Most Familiar: Our Neighbors**

Compared to listening sessions with members of the public who barely know us (Connecticut) or those who should have occasion to know us professionally but often don't (Texas), the interviews done in Clark County, Nevada draw on the perspectives from a group that knows us well.

The Nevada interviews provided feedback from a group of citizens who

have a deep understanding and exposure to one aspect of our activities. That exposure, however, has not been a positive experience. Instead, it has made them very distrustful, often resentful and sometimes surprisingly unknowledgeable about our activities.

These sessions were part of a field study completed by the Center for Risk Excellence in late 1999, which examined communication between the Department of Energy and local governments.<sup>57</sup> The 23 interview subjects who live near Yucca Mountain were leaders in their community active in ongoing citizen participation efforts.

Because our DOE facility is a "neighbor", the subjects were highly sensitive to the nuclear waste issue of Yucca Mountain. The interviews were completed concurrently with the public release of the Yucca Mountain Environmental Impact Statement, a time of high general public interest in this issue, which may have skewed the findings.

However, timing alone cannot explain the public confidence gap exhibited by this segment of the public. These individuals' relationship with DOE and our reputation on public information activities is frayed and broken.

Furthermore, these sessions capture a pervasive and widespread lack of trust and confidence with DOE. "It had been easy to maintain the misperception that those who comment in such public meetings are not characteristic of the general public and that most people feel positively about DOE programs," wrote Peter Siebach, who conducted the

interviews. "Based on my experiences with highly representative Technical Advisory Board/Citizen Advisory Board (TAB/CAB) chairs and members, that is not true."<sup>58</sup>

## Resentment

Several of the people in this group shared feelings of harsh resentment and mistrust toward the Department of Energy. "DOE needs to recognize that people are not stupid and can't be manipulated," said one interview subject. "It's got to stop treating Nevadans as second class citizens just because it can (i.e. low population, rural population)."<sup>59</sup>

This perception was tempered a bit, however, by the impression that the relationship may be improving due to a changing population in the area. But the feeling remains strong that we are not to be trusted. "The newcomers are not savvy about the history of the Energy Department in Nevada," said one person. "While DOE could make progress with the newcomers, it will never convince the old-timers that Yucca Mountain is good."<sup>60</sup>

The lack of goodwill can be explained in part by the legacy of the nuclear testing, and bruised feelings from the Yucca Mountain decision. One subject, "expressed considerable resentment of Federal control of lands in Nevada," wrote the interviewer. "(He) felt that even if DOE could be honest and present accurate information in an understandable way about Yucca Mountain to the public showing insignificant impact, the public would still be against it."<sup>61</sup>

The people in this interview pool don't feel like they have been given a voice in the outcome of the decision, and questions about equity were at the forefront.

"If it is going to be crammed down our throats, then what do we get in return?"<sup>62</sup>

### Incomplete Knowledge

The general public's lack of awareness about the science of energy is also clear in these discussions. The most surprising comment came from someone who, though they knew that nuclear energy was responsible for a growing amount of electricity in the U.S., did not comprehend how it was generated or transported through power lines into homes and offices.

"Concern was expressed over the percentage of electricity that comes from nuclear power plants," wrote Siebach after one interview session. These people were "concerned that if a power line in Nevada breaks, nuclear electricity may be released and people could be exposed or die. People in Nevada don't even know they are using nuclear electricity."<sup>63</sup>

According to these interviews, safety measures taken in the cask system DOE uses for transporting spent nuclear fuel are also misunderstood. "People are aware of tanker trucks leaking gasoline and 'if it can happen to cement trucks or gasoline tanker trucks, it can happen to DOE,'"<sup>64</sup> said one person who saw no difference between the two types of trucks.

### Mistrust

The breach between this group of Nevada citizens and DOE is due to a lack of trust based on a combination of history, fear and general skepticism about science. "Nearly every interviewee was convinced that 'accidents do happen' no matter how slight the chance and that DOE intentionally lies," wrote Siebach.<sup>65</sup>

These interviews show DOE is still paying the price for previous nuclear testing in this community and suffering a "hangover" from an old culture at DOE that did not value straight talk or open communication with the public. "Biggest DOE related concerns: the lying, cover-ups, can't get straight answers, non-disclosure of information..."<sup>66</sup>, wrote Siebach after one interview session.

The power and influence of personal stories within the community and between generations demonstrates that these impressions are durable and unlikely to change in the short run. "Ranchers and others used to take picnic lunches to areas where they could observe above ground weapons tests," recalled one individual. "They related stories of seeing the bones in their hands when they covered their eyes for the explosion/flash. There is now resentment since the government told them it was safe, but it really wasn't."<sup>67</sup>

Closing the public confidence gap is possible, according to these interviews, but it will not happen overnight. "Education and time will close the gap," said one person. "It may need to wait a generation."<sup>68</sup> Working against us is not just the

skepticism of a public who has had bad experiences with DOE and its predecessor agencies, but also the skepticism of a public who gets conflicting information thrown at them every day from the science community in general.

"One day eggs are good and the next day they are bad. Same with wine," said one person who was asked about remedies for the communications gap between the public and DOE. "The public is skeptical of science experts... Stop the government from lying. Provide truthful/unbiased assurances of safety."<sup>69</sup>

The antidote to the lack of public confidence, another suggested, was honesty. "The government has lied concerning the impacts of radiation...", explained one Nevadan. "The government needs to be honest."<sup>70</sup>

### What public interest?

Perhaps the most disturbing thread in this record of mistrust is the feeling that DOE is not concerned with the public interest. In fact, there was a stark suggestion made by several people in this group that the drivers for decisions at DOE are money and professional self-interest, not an interest in the health and safety of the people of Nevada.

One of the most illuminating discussions on this theme came from someone who suggested that the Washington D.C. crowd needed to experience what it was like to live in Clark County, Nevada. "One of those interviewed suggested that DOE construct a world class resort adjacent

to Yucca Mountain with all the amenities..." "Politicians from states wishing to ship spent nuclear fuel or high level waste to Nevada would first be required to vacation with their families at the resort."<sup>71</sup>

Another person explained the fear, saying, "The people of Nevada perceive that the government will do anything to facilitate its programs despite the potential that people could be hurt."<sup>72</sup>

Suspicion is the watchword here, and it is clear that people don't believe we share their values about what is "best" for the state. "The government has no credibility," one Nevadan explained. "Nevadan's were lied to about the dangers of above ground weapons tests... DOE is out of touch with locals when it decides from afar what's best for Nevada. There is a lot of suspicion of the Federal Government."<sup>73</sup>

Finally, DOE is portrayed as out-of-touch bureaucrats who put self-interest ahead of the public interest. "There will always be skepticism (about) trusting people who depend for their livelihood on the very program they are promoting," said one person.<sup>74</sup>

"It's just a job (academic) to DOE scientists while the public has a personal stake in any eventual program/impact," explained another Nevada resident, according to Siebach's notes. "She doesn't understand why DOE staff would not fight for the public. DOE staff is blindly doing what they are told to do by non-affected bureaucrats who live far away. The only members of the public who are supportive are those who think they could make money as a result of DOE operations."<sup>75</sup>

This set of interviews, from people who are the most familiar with us, shows the Clinton/Gore Administration's openness initiative is well grounded and on target. The public mistrust from our neighbors is a legacy of the Cold War that requires a steady and unwavering policy to keep our public information activities vibrant, open and accessible.

### What Our Employees Think

Managers, sometimes removed from the front lines, don't have as keen a sense of how things are working or failing to work, compared to employees who are closer to the "action". To get a full picture of our customer service capabilities, DOE's own employees provide another vital resource.

The March 2000 National Performance Review survey of Energy Department employees asks a group of questions about government operations. Four questions in particular are most relevant to this inquiry. The answers show what a long road we have to become an agency that has a true customer orientation and makes reinvention a priority.<sup>76</sup>

The NPR survey results show our agency may actually be regress-ing when it comes to putting a high value on customer service or reinvention.

There are well-defined systems for linking customers' feedback and complaints to employees who can act on the information;

*1999 score: 35 percent*

*1998 score: 43 percent*

*gov't wide: 43 percent*

Employees receive training and guidance in providing customer service.

*1999 score: 35 percent*

*1998 score: 40 percent*

*gov't wide: 42 percent*

Managers communicate the organization's mission, vision, and values.

*1999 score: 51 percent*

*1998 score: 62 percent*

*gov't wide: 53 percent*

Is the use of Plain Language writing being emphasized in your workplace?

*1999 score: 23 percent*

*1998 score: NOT ASKED*

*gov't wide: 26 percent*

As graded by our own employees, these performance measures show clear room for gains. In the areas more closely aligned with customer service - - feedback, training and plain language -- we are in the cellar and in some cases on the decline, according to the assessment of a sample of our own employees. In communicating vision, we are barely scratching fifty percent.

### Status Quo Benchmarking

We began this inquiry by trying to put ourselves in the shoes of the customer, listening to key groups of people representing different segments of our customer base. However, even paired with the recent employee feedback survey, the 40 informational interviews that make up

our trio of listening tours gives us an incomplete picture.

The missing element is a well-focused snapshot of the actual customer experience when the public uses our existing call centers. An independent firm with experience in studying telephone service quality at federal agencies helped us to fill in this important blank.

This independent study reveals an agency where "DOE operators did a better job of answering the telephone than of providing answers to the calls....less than three out of ten callers had their inquiry resolved at the initial point of contact."<sup>77</sup>

They correctly observe, "The consumer's initial contact attempt with the Department of Energy may be the most important..." "The average consumer is unlikely to be so persistent" as the trained professionals who conducted this survey.<sup>78</sup>

To get a full scope of the actual experience of the public use of current DOE hotlines, the study probes further. As many as five follow-up calls were made to track down answers to a set of general and program-specific questions.

These questions had been drafted in consultation with the Management Review team. The premise of the mix of questions was that there are at least 20 questions that anyone at DOE ought to be able to answer, and that if the answer is unknown, a referral would be prompt and correct.

These expectations turned out to be false. In fact, the current customer service activity at our call centers examined by this study is a mess. DOE's current structure of numerous

competing information centers sows confusion, delivers poor customer service and relies heavily on referrals which often lead the public to dead-ends.

The system is so heavy on referrals, that often the consumer is "bounced all over the place" -- exactly as one voice from our Connecticut listening session predicted they would be when our system was described.

Without knowing the "secret handshake" about where to turn to get your questions answered, the public is often at the mercy of a system that may lead them in endless circles.

Furthermore, there was sparse evidence that any corporate customer service standards are in place. Regrettably, the public sometimes was given false information or treated in a hostile manner by untrained personnel.

The study found, "The questions posed by the caller were resolved in only 28 percent of the initial contacts answered by an operator."<sup>79</sup> In the overwhelming majority of the calls -- 57 percent -- the caller is referred elsewhere.

As one further examines the outcome of those callers who were transferred or referred elsewhere, it is clear the additional expense and trouble of making another phone call did not always yield our callers results. After getting a referral, 12 percent hit a dead-end and received no help at all.<sup>80</sup>

"In additions to referrals, however, fifteen percent of the initial callers were told on their first contact with the agency that the operator could not help them or provide a referral," the

research shows. "In other words, these calls were dead-ends for the caller, who had no idea where to turn for an answer to his or her question."<sup>81</sup> (see figure one)

The calls that "count" for this exercise were only those that did not include recorded messages. In fact, 14 percent of the numbers called in this survey were recorded lines with no operator and 8 percent led to voicemail systems. In this light, our slim number of favorable results drops precipitously.

By factoring in these recorded or voicemail types of "hotlines", the overall split becomes 43 percent referrals, 11 percent no help and 24 percent answered.<sup>82</sup> Overall, the study indicates poor experience with calling outcomes.

Our researchers also found that such hot button issues as "nuclear safety" and "radiation experimentation" are among the hotlines that used recorded, not human, answering systems.

This type of automated response to hot-button issues is far from consumer-friendly. In fact, it creates real vulnerability for the Department's record on public responsiveness. The researchers said that DOE "may want to reconsider its use of automated answering systems where callers encounter a recorded message without an option to speak to an operator" citing the frustration of callers who were greeted by automated systems instead of live human beings.<sup>83</sup> The frustration with automated systems has led several state governments and a few congressmen to suggest that automated systems be restricted.

This news was recently broadcast in a report by Bob Faw on NBC Nightly News who noted that people increasingly find the 700,000 automated systems that currently exist across the United States "impersonal, insensitive and often infuriating." Faw interviewed a person who said that, "The citizen or taxpayer has a right to expect more from their government than just calling and talking to an answering machine....We need to reduce the time that citizens are put on hold or bounce through purgatory."<sup>84</sup>

Examining the DOE system, the independent study concludes, "The problem lies not only in the efficiency of operators in routing calls to the proper office on the first attempt, but also in the failure of the system to fulfill some requests even after a significant number of calls."<sup>85</sup>

The independent study reveals a grim picture that confronts customers who attempt to use our consumer information resources. Our agency's "decision by default" to deal with the public through an intricate and elaborate system of stove-piped, competing clearinghouses and hotlines has failed too many members of the public.

This research shows the labyrinth created by our current system. Instead of getting prompt, reliable and correct answers, too many consumers are left to fend for themselves with a complicated bureaucracy and no working roadmap.

The key findings of this independent assessment of our telephone service include the following:

The vast majority of callers to the Department of Energy are unlikely to

have their question answered, at least on their first calling attempt.<sup>86</sup>

Nearly two calls are needed, on average, for a caller to obtain the information they need from the Department of Energy.<sup>87</sup>

Because of the structure and culture of this agency's customer service delivery system, it was a far more likely experience for callers to be transferred in order to get the information they are seeking. The study found that in 57 percent of the cases, when an established DOE hotline gets a question, the caller gets a referral.<sup>88</sup>

Once transferred, one in five callers reached a dead-end representing a significant failure of telephone service efficiency and the agency's commitment to responsiveness.<sup>89</sup>

Of the callers put on hold, 38 percent were not answered for two minutes or more.<sup>90</sup>

Operators, when rated for courtesy, willingness to help, promptness, sincere interest, taking responsibility, individual attention, understanding the problem, and knowledge, scored relatively low net positive ratings (28 to 35 percent excellent and 20 to 27 percent good) the lowest being for knowledge (29 percent excellent, 22 percent good).<sup>91</sup>

After an initial contact and up to five referrals, only one-half of the callers in this test ever received either an answer to their question or a publication that addressed their information need.<sup>92</sup>

Some non-specific referrals to the web site appear to represent a means

to get callers off the phone, not necessarily to provide an answer to callers' questions.<sup>93</sup>

It appeared that several operators who sent publications were unsure which of several items might be most appropriate to answer the caller's question, so they sent everything available.<sup>94</sup>

The independent researchers cautioned that these results probably represent a better experience than the general public is likely to have. They say that they "did not have to search for a relevant telephone number or office; in comparison, the average caller may have to spend some amount of time trying to find a telephone number and/or an appropriate office to call. In the case of specific questions to be asked, (we) also knew in advance which of the many offices to call." The study projects that because the public doesn't share this advantage, that their experience could yield "even more referrals and unanswered questions."<sup>95</sup>

In summary, this snapshot of our customers experience when they use our hotlines to get information shows we have significant work to do to make their experience and interaction with DOE an effective and responsive one. As it stands today, the experience is more likely consumer frustration, and unresponsiveness to his needs.

It is clear that our current operations make it exceptionally difficult for the general public to find answers to basic questions. In addition, the way we do business with the public on the phone means "being bounced around" predominates and dead-ends and recorded messages --

with no hope of getting an immediate human response -- are a common experience.

The independent review of our telephone quality concludes by recommending that "the Department of Energy may also want to give some consideration to the establishment of 'one-stop shopping' for callers to the Agency. Rather than have multiple numbers that could be dialed depending upon the nature of the caller's inquiry, all the calls could be directed to a centralized call center. This structure would eliminate confusion among callers about which number to use, and could also facilitate the training of employees dedicated to customer service."

The independent reviewers also suggest that the Department of Energy needs to create corporate telephone customer service standards, cycle times for publication shipment, and better training and rules for when publications should be volunteered to callers. One key goal they point to is improving the percentage of calls resolved at the initial point of contact.

## Conclusion

As noted at the top of our customer focus section, we are grounded in being a customer driven effort. Our desire is to examine current operations and any future design with a common understanding of the answers to two questions about our base customer -- the general public: (1) "What is their current experience with our customer service?", and (2) "What kind of customer service do they want?"

The answers to these questions provides a firm foundation to build a more effective customer service operation and assess our needs for the future. As we consider options for reform in the final section of this report, we should be guided by the findings of the research that has been gathered by gauging the experience of the public and finding out what they want from us.

## Findings: Current Experience

We are remote and there is a thin understanding of or identity with how our work matters to the consumers' daily lives, even among those who are our neighbors. Although the taxpayers finance solid programs and initiatives at the Department of Energy, people don't make the connection with our attempts to make a difference in their lives.

A complex system of telephone referrals and recorded lines represent an inefficient and counter-productive way of doing business. The results are frustrating the public and creating dissatisfaction with their experience dealing with DOE.

Our system for linking the public feedback and complaints with employees who can act on the information is broken.

## Findings: What Customers Want

The public's desire to get information from us cannot rely on web technologies alone, according to our citizen feedback, because not

everyone has access to it or understands how to use it effectively.

Publications remain a valuable source of information. That value increases if those publications are designed in a consumer-friendly way, contain state and/or local information and reflect their pocketbook concerns.

The public wants to go through a "one-stop shop," with streamlined and efficient operations that gives them the correct information they want in one step.

We are uniquely positioned to provide consumer information services on energy matters:

we don't have the conflict of interest that the business community has when it promotes certain technology solutions;

we have a treasure-trove of publications and literature that is produced at taxpayer expense; and

the public appears to value the type of work we do even if they don't know that we do it.

Corporate customer service standards are not in place and need to be adopted to assure the public a responsive, uniform and effective experience when they contact us through our hotline access points for information.

### **Time for Reform**

Our listening sessions, the opinion of our own employees and customer service independent research all point to the same conclusion.

The Department of Energy's standing with the public -- as reflected

by these "average" citizens, the energy professionals and our neighbors -- is not good, and in some cases in need of repair.

Engineering reforms to our consumer information delivery system is a viable and necessary response to this management issue. The approach should be corporate and integrated.

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- <sup>1</sup> Richardson, Bill, Secretary of Energy, First Day Address to Employees, (August 24, 1998)
- <sup>2</sup> This feedback session of nine citizens from the Hartford area was convened on October 18, 1999, by the Connecticut Association of Human Services who were asked to discuss their experience with consumer information activities at the Department of Energy.
- <sup>3</sup> Interview with Eric Baily, CCAG, October 18, 1999, Connecticut.
- <sup>4</sup> Interview with Joan Galaschak, low-income public interest group, October 18, 1999, Connecticut.
- <sup>5</sup> Interview with Anthony Ludovido, AARP, October 18, 1999, Connecticut.
- <sup>6</sup> Interview, Scott Conover, Connecticut Natural Gas Association, October 18, 1999, Connecticut.
- <sup>7</sup> Anthony Ludovido, AARP
- <sup>8</sup> Interview with Deidre Ierardi, school board member, New Britain Connecticut, October 10, 1999, Connecticut.
- <sup>9</sup> Interim Report of the U.S. Department of Energy's Power Outage Study Team, Findings from the Summer of 1999 (January 2000, Department of Energy), p. S-1.
- <sup>10</sup> Interview, William Saunders, South Carolina PUC, NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>11</sup> Ibid. Conover.
- <sup>12</sup> Ibid. Galaschak.
- <sup>13</sup> Ibid. Ludovido.
- <sup>14</sup> Ibid. Conover.
- <sup>15</sup> Ibid. Galaschak.
- <sup>16</sup> Ibid. Baily.
- <sup>17</sup> Ibid. Baily.
- <sup>18</sup> Interview with Tammy MacFadyen, Connecticut AFL-CIO, October 10, 1999, Connecticut.
- <sup>19</sup> Ibid. Baily.
- <sup>20</sup> Ibid. MacFadyen.
- <sup>21</sup> Ibid. Conover.
- <sup>22</sup> Ibid. MacFadyen.
- <sup>23</sup> Ibid. White.
- <sup>24</sup> Ibid. MacFadyen.
- <sup>25</sup> Ibid. Ierardi.
- <sup>26</sup> Ibid. MacFadyen.
- <sup>27</sup> Ibid. Conover.
- <sup>28</sup> Interview with Kate White, Connecticut Public Interest Group, October 18, 1999.
- <sup>29</sup> Ibid. White.
- <sup>30</sup> Ibid. White.
- <sup>31</sup> Ibid. Ierardi.
- <sup>32</sup> Ibid. MacFadyen.
- <sup>33</sup> Ibid. MacFadyen.
- <sup>34</sup> Ibid. Conover.
- <sup>35</sup> The roundtable was held on Monday, November 8, and included a group of State Public Utility Commissioners representing six states (California, Idaho, South Carolina, South Dakota, Texas and Washington) at the annual NARUC meeting in San Antonio, Texas.
- <sup>36</sup> Interview, Suzanne Stillwell, Washington UTC, NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>37</sup> Interview, Joe Kirkel, Texas PUC, NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>38</sup> Interview, Bill Schulte, California PUC, NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>39</sup> Ibid. Schulte.
- <sup>40</sup> Ibid. Kirkel.
- <sup>41</sup> Interview, Bill Gillis, Washington UTC, NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>42</sup> Ibid. Gillis.

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- <sup>43</sup> Ibid. Kinkel.
- <sup>44</sup> Interview, Beverly Barker, Idaho PUC. NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>45</sup> Ibid. Gillis.
- <sup>46</sup> Interview, Dave Wirick, Associate Director NRRI, remarks during Stakeholder Committee meeting, NARUC Winter Meeting, March 8, 2000.
- <sup>47</sup> Ibid. Kinkel.
- <sup>48</sup> Ibid. Schulte.
- <sup>49</sup> Interview, William Saunders, South Carolina PUC, NARUC Citizens' Roundtable November, 1999; San Antonio, Texas.
- <sup>50</sup> Ibid. Gillis.
- <sup>51</sup> Ibid. Saunders.
- <sup>52</sup> Ibid. Schulte.
- <sup>53</sup> Ibid. Schulte.
- <sup>54</sup> Ibid. Schulte.
- <sup>55</sup> Ibid. Stillwell.
- <sup>56</sup> Ibid. Schulte.
- <sup>57</sup> Peter Siebach, of the Center for Risk Excellence interviewed 23 people from Clark County, Nevada between July and September, 1999, who were active in the Town Advisory Board and Citizens Advisory Board Councils set up in that county and focused the discussion on health and safety issues. These comments are drawn from his report.
- <sup>58</sup> Page 5.
- <sup>59</sup> Appendix 28.
- <sup>60</sup> Appendix 17.
- <sup>61</sup> Appendix 3.
- <sup>62</sup> Appendix 27.
- <sup>63</sup> Appendix 31.
- <sup>64</sup> Page 2.
- <sup>65</sup> Page 5.
- <sup>66</sup> Appendix 8.
- <sup>67</sup> Appendix 12.
- <sup>68</sup> Appendix 14.
- <sup>69</sup> Appendix 26.
- <sup>70</sup> Appendix 6.
- <sup>71</sup> Page 4.
- <sup>72</sup> Appendix 10.
- <sup>73</sup> Appendix 2.
- <sup>74</sup> Appendix 10.
- <sup>75</sup> Appendix 30.
- <sup>76</sup> Morley Winograd, Director, National partnership for Reinventing Government, 1999 NPR/OPM Employee Survey results, January 21, 2000.
- <sup>77</sup> Schulman, Ronca, & Bucuvalas, Inc., "A Baseline Study of Telephone Service Quality," March 15, 2000, page 26.
- <sup>78</sup> Ibid. page 5.
- <sup>79</sup> Ibid. page 1.
- <sup>80</sup> Ibid. page 13.
- <sup>81</sup> Ibid. page 2.
- <sup>82</sup> Ibid. page 8.
- <sup>83</sup> Ibid. page 26.
- <sup>84</sup> March 15, 2000, NBC Nightly News, reported by Robert Faw.
- <sup>85</sup> Ibid. page 20.
- <sup>86</sup> Ibid. page 1.
- <sup>87</sup> Ibid. page 16.
- <sup>88</sup> Ibid. page 9.
- <sup>89</sup> Ibid. page 10.

<sup>90</sup> Ibid. page 11.

<sup>91</sup> Ibid. page 19.

<sup>92</sup> Ibid. page 20.

<sup>93</sup> Ibid. page 22.

<sup>94</sup> Ibid. page 23.

<sup>95</sup> Ibid. page 27.

# **Chapter 2**

## **Literature Review**

## ***An Outside Perspective***

As the Department of Energy grapples with management issues relating to operating its vast network of clearinghouses and hotlines, we need to put our review in context. To do that our review analyzes relevant management trends and compares how other organizations manage the customer service business line.

We surveyed:

Literature from management experts about consumer service issues and designing organizations for effectiveness;

General survey data about consumer behavior and expectations; and

"Best in the Business" practices and activities from both the government and the private sector.

We drew on a wide array of marketing and management literature to discover ideas on how to identify and fix broken systems.

We looked to a recent survey on consumer behavior from the Princeton Survey Research Associates for AARP, alongside other metrics and studies to get a window on "generic" consumer issues relating to our management review.

Finally, for our best-practices benchmarking, we looked at three government entities and one private sector outfit. The entities we examined include, (1) EdPubs, the Department of Education's new One-Stop shop service; (2) U.S. Geological Survey reinvention work at the Department of Interior; (3) the creation

and management of the Trade Information Center at the Department of Commerce; and (4) a new customer-service strategy at Blue Cross/Blue Shield.

## Literature Review

Customer service activities don't happen in a vacuum. We operate in an open system that is impacted by external factors and experiences of our customers and our workforce. Looking at what works and the environment in which public sector service operates helps ground our observations about our "base case" in reality, and provides valuable perspective to our recommendations for the future, which are made in the final chapter of this report.

## Society is "Over-Communicated"

The public's lack of confidence in government is a well-documented and stubbornly persistent phenomenon. According to an analysis by the National Performance Review (NPR) it has been declining for three decades, dropping "from about 75 percent in 1963 to as low as 17 percent in 1993".<sup>1</sup>

"The majority of Americans feel disconnected from government and believe that government is no longer 'of, by and for the people,' according to a July 1999 opinion poll conducted by the survey research firms of Peter D. Hart and Robert Teeter, for the Council for Excellence in Government. Furthermore "... the poll found that more than twice as many Americans

(64 percent) feel disconnected from government than feel connected to it (30 percent)... ."

This survey, entitled *America Unplugged: Citizens and Their Government*, had another disturbing finding: alienation. "More than half of Americans (55 percent) refer to 'the government' rather than 'our government,' reflecting what the Council for Excellence in Government said was a "belief that government is more driven by special interests, politicians' career interests, or government institutional self-interest than public interest." In fact, "only one in four (25 percent) of the public believe that government pursues the people's agenda."

A glimmer of hope shined in the results of otherwise dismal findings. A majority said that "government can be responsive to citizens' needs" and many also feel "that government has an important role to play in the next century."<sup>2</sup>

Recent events with gas and home heating oil prices have highlighted this desire for a responsive government and focused the Clinton/Gore Administration on what appears to be an unmet need for Department of Energy products and information. At a White House Press Conference on March 29 2000, President Clinton said rising fuel costs should serve as a "wake-up call" for Americans, inciting them to make energy conservation a priority.<sup>3</sup>

However, the overall atmosphere is clearly one of mistrust and low confidence. This toxic atmosphere is further exacerbated by the fact that the American public is increasingly living in what marketing experts Al Ries and

Jack Trout call an "over-communicated society." Simply put, they contend that public institutions often have a difficult time being heard through the "noise" of so many other organizations and mediums assaulting consumers.

An eye-popping example of this problem: the supermarket. The average supermarket in the U.S. has 12,000 items on the shelves. "When you consider the average college graduate has a speaking vocabulary of only 8,000 words, you can see the problem. The kid spends four years in a university and ends up 4,000 words down."<sup>4</sup>

Another key factor in the public mood is something Faith Popcorn calls "AtmosFear" which she says goes "beyond a general sense of uneasiness." She stops short of calling it a trend, but says there is "a new national nervousness that comes from continual assaults on our health and well-being."<sup>5</sup>

When the public is uneasy with government and it's hard to be heard, and the public is uneasy to begin with, communicating your identity to them is a difficult proposition. But, without engaging in this type of work, regaining the trust of the public or engaging in effective customer service is impossible.

Management experts have also noticed this trend toward "over-communication" and the effect it has on public and private institutions.

"Somewhere along the road to bigness, information overload sets in. Short-term memory can't process it all, or even a small fraction of it, and things get very confusing," wrote Tom

Peters partnered with Robert H. Waterman, Jr.<sup>6</sup>

Developing a distinct corporate identity is one of the keystones to success in customer service. It is the difference between a proactive and reactive strategy. Management analysts say successful organizations must have a "shared mindset inside the company" as well as "a clear sense of your business."<sup>7</sup>

In their look at America's best-run companies during the early 1980s, Peters and Waterman said, "leadership fails when it concentrates on sheer survival. Institutional survival, properly understood, is a matter of maintaining values and distinctive identity."<sup>8</sup>

Peters expanded this thesis in 1987 when he wrote about the strategy of offering "niche-market oriented, higher value-added strategies as a means to achieve uniqueness in a crowded marketplace," in the classic management playbook, *Thriving on Chaos*. He calls such strategies "essential for survival."<sup>9</sup>

The information explosion in the last decade has transformed the marketplace, and many institutions haven't recognized the changes or made any adjustments in their communication strategies to compensate. That's a big mistake, according to Ed Miller, who writes, "The tools of communication are undergoing the most profound changes since the Gutenberg. Competitive threats are everywhere."<sup>10</sup> He recommends the public get a "navigator" to wade through "the information glut (which) contributes to the complexity people

face in their lives." He added, "A curious public will find an even greater need...as technology makes available more data than people can find, much less use."<sup>11</sup>

## The Paradoxes

"The cardinal responsibility of leadership is to identify the dominant contradiction at each point in history," according to James MacGregor Burns.<sup>12</sup> [need footnote ref unless this is a quote from Miller's book]

The complicating factor for institutions trying to survive and thrive in this over-communicated, noisy environment is how to manage the paradoxes.

For the Department of Energy the dominant contradiction or paradox is our split mission of security and openness. A second contradiction is the difficulties we face in the struggle to "manage the paradox of interdependence and independence."<sup>13</sup> [need footnote]

The various departmental elements that reside at the Department of Energy are operating in what management analysts call a "joint fortune situation."

Such situations "are defined as those in which separate parties (individuals, groups, organizations, states) each with their own particular interests, are affected to some extent by the actions of the others. Because their activities mutually interact, they cannot ignore each other, so that each must compete or cooperate, in order to forward its own particular ends."<sup>14</sup>

The Department of Energy is a classic "joint fortune" enterprise. With a wide array of activities that runs the gamut from national security to science to environmental cleanup and energy efficiencies to sources and production, our mission is diffused. However, our customer activities are still based in the "stove-pipes" they grew up in. The idea of change has never been reviewed or analyzed by management.

Each of our "stove-pipes" is on its own path, with little motivation to work together on common goals or cross-cutting issues like improving our corporate identity or becoming a world-class leader in customer service. The price for so-called editorial independence may be "a sense of belonging to a place and a people."<sup>15</sup>

According to those who have looked at winning strategies to foster inter-dependence, "Executives will...be measured by the extent to which they create unique and definitive capabilities within their organization," as opposed to classic organization chart performance.<sup>16</sup>

The struggle between our need to keep certain material and information classified and secret, and our desire to communicate with the public on that which is not secret also splits our communications strategy in two. Peters and Waterman write that excellent companies "are obsessed about widely sharing information and preventing secrecy," which is an impossible standard for the Department of Energy.<sup>17</sup>

Our responsibility is to see that the taxpayer has reasonable access to public information their tax dollars helped finance. As our examination of

the current DOE customer experience shows, that goal is not being met.

The forces of secrecy and independence have a debilitating impact on our organization's identity. A poor identity can spell trouble for an organization.

## Complaints

A time-honored tradition of dissatisfied customers is the power to complain.

As two academics from the Glacier Institute of Management wrote in 1968, "groups will seek to mold executive activities to an acceptable form by exercising what power they have in a situation. The general public may complain or protest, customers may haggle or desert...where they find some aspect of the executive activity intolerable; the result in each case depends on the group's relative power in the situation."<sup>18</sup>

What do we really know about the propensity of the public to complain when they get poor service or can't find what they are looking for? And how do we factor this knowledge into a managers' decisions on customer service? There are a couple of surveys that help provide the answers.

The AARP commissioned a survey in March 1999 entitled Consumer Behavior, Experience and Attitudes, by the firm of Princeton Survey Research Associates that shows consumers generally have a rough time. This snapshot of public behavior found that 60 percent of consumers "say they took at least one action as a result of their most recent bad experience in

purchasing a product or service" including complaining, refusing payment or taking legal action.<sup>19</sup>

It is not just our imagination that customer service is slipping. A whopping 82 percent of consumers surveyed said they "had a bad experience at some point in time when purchasing a product or service."<sup>20</sup>

What power does an unhappy consumer have to influence the marketplace? The complaints may or may not reverse the outcome of the unsatisfactory transaction. Consumer's complaints appear to create a corrosive effect on the institution that is the subject of the complaints, although much of the damage may be hidden.

Tom Peter's research shows complaints are organic in nature. He reports that, "26 of every 27 customers who have a bad experience with you fail to report it...(and) 90 percent of those who complain won't come back... Perhaps worst of all, the average person who has been burned tells nine to 10 colleagues; 13 percent of the malcontents will spread the bad news to 20 or more people."<sup>21</sup>

The demanding customer is also becoming savvier and has more weapons at his or her disposal. The trend is something trend-watcher Faith Popcorn calls "vigilante consumerism." This movement is, in effect, an army and says "with high-tech 'protest tools' at our fingertips, speed is on our side."<sup>22</sup>

"We Vigilante Consumers seek substance over style, truth over packaging, answers over press releases," writes Popcorn. "We translate feelings into action, wallets

into weapons. For us, shopping is war. The enemy is whoever doesn't meet our needs."<sup>23</sup>

It is clear that handling complaints well should be emphasized when an institution sets its customer service agenda. Peters finds "you can get 82 to 95 percent of these customers back if you resolve the complaint in a timely and thoughtful fashion."

In fact, in its most recent survey of what employees think about their agency's customer orientation, NPR focuses on complaint resolution. This NPR survey asked Federal employees if they believe that "there are well-defined systems for linking customers' feedback and complaints to employees who can act on the information."<sup>24</sup>

The NPR philosophy on complaints is clear in a 1997 report which instructs Federal agencies to treat every complaint like "a gift" that should be "cherished" because "a dissatisfied customer spends time pinpointing what's wrong" and gives us the chance to improve.<sup>25</sup> They counsel agencies to build follow-up and early warning systems to alert managers when due dates are missed or products and services go undelivered.<sup>26</sup>

## The Unhealthy Organization

Against this backdrop, the ability to analyze why some organizations are healthy and others are not is critically important. There are different factors that indicate when an organization is in poor health. We'll look at three ways of measuring unhealthy organizations and make some preliminary

assessments about where DOE fits into these schemes.

Current customer service operations at the Department of Energy might be considered “routed” or “sinking,” under the matrix of defeat sketched by Sun Zhu in his ancient textbook for managers, *The Art of War*.

"If when their strategic power is equal, one attacks ten, this is called running off," writes Sun Zhu. "If the troops are strong, but the officers are weak, it is termed lax. If the officers are strong but the troops weak, it is termed sinking. If the higher officers are angry and insubordinate, engaging the enemy themselves out of unrestrained anger while the general does not yet know their capability, it is termed 'crumbling'.

"If the general is weak and not strict, unenlightened in his instructions and leadership; the officers and troops lack constant duties; and their deployment of troops into formation is askew, it is termed chaotic. If the general, unable to fathom the enemy, engages large numbers with a small number, attacks the strong with the weak, while the army lacks a properly selected vanguard, it is termed routed."<sup>27</sup>

A more contemporary analyst created a grid to describe and dissect organizational strength. On one axis, he examined whether the organization was doing the right job or the wrong job. On the opposite axis, he examined if the job was being done right or poorly. Against this grid, the danger-zone is being classified in the grid that identifies you as doing the wrong job poorly.<sup>28</sup>

The right job is focusing our consumer information resources on the public at large. Doing it well means we have well-defined systems for linking feedback and complaints to employees who can take action.

In contrast to this standard, today our clearinghouses and hotlines are focused on serving the policy elite and governmental allies, not the general public. Moreover, our own employees believe we are doing a poor job: 65 percent told NPR that systems for linking customers' feedback and complaints to employees who can act on the information was not well-defined.<sup>29</sup>

Another management analyst provided a "balance sheet" look at the costs and the consequences of mismanagement. These include:

- under-informed employees;
- under-developed products and markets;
- a negative public image;
- lack of employee commitment and goodwill;
- conformity and over-compliance;
- under-performing technologies; and
- angry, alienated customers.<sup>30</sup>

Our research into the current experience and expectations of DOE customers reveals the serious disconnect between the public and the Department of Energy. Moreover, under-informed employees, under-developed products, under-performing technologies and a lack of employee commitment were all evidenced in this research.

## Old Systems

The "demanding customer" is the primary reason why the "old company culture deal: obedience and diligence in exchange for security" has gone by the wayside in most every arena, according to Michael Hammer in his article, *The Soul of the New Organization*. "When the customer comes first in the environment, something has to adjust in the company culture. Customers care nothing for our management structure, our strategic plan, or our financial structure. They are interested in only one thing: results."<sup>31</sup>

The primary finding here -- that the environment in which private and public sector enterprises operate is undergoing a sea change that must be acknowledged and reacted to by management -- is one that is shared widely:

"The old structures were not right for the next decade, let alone the next century," said Frances Hesselbein.<sup>32</sup>

"Stress builds as people keep trying to meet twenty-first century needs within the nineteenth century creations that are the dominant forms of organization today," says Frederick G. Harmon.<sup>33</sup>

"The (new) organization must focus on resource accumulation and resource leverage, more than resource allocation per se," said C.K. Prahalad.<sup>34</sup>

"The hierarchy was established to preserve a set of cherished capabilities: clear accountability, legitimate authority, established routines, division of labor and specialization. In a world of

unpredictable change, globalization, dynamic technologies and educated employees and consumers, these capabilities will not work," said Dave Ulrich.<sup>35</sup>

"Will your industry or trade survive the future? The number of companies that have disappeared because of a failure to renew their product assortments or change over to a new industry in time to survive justifies this question," said Pierre J. Everaert.<sup>36</sup>

"The new market realities demand flexibility and speed. The new technologies permit their achievement -- but only if we turn our backs decisively on our love affair with size and its handmaidens, stability and predictability," said Tom Peters.<sup>37</sup>

Two related themes in the literature are loss of identity and the shift of the customer to the middle of the action.

"We are facing a new century where the U.S. role in the global economy is in question, where U.S. organizations have lost their old identity and are struggling to create a new one, and where the American dream needs to be reconceived and redefined," says Deepak Sethi. "To meet the new challenges that confront us, we do not have time for evolution. What we need is a revolution in the way we think about who we are and what our relationship is to one another."<sup>38</sup>

"Top down, supply-driven production model of the past will be replaced by the customer-driven information center of the future," said Edward Miller in his examination of the communications age. "Readers will be more than passive customers; they will be electronically linked partners in the

news-selection process, suppliers of information, and even competitors."<sup>39</sup>

Unfortunately, "laissez-faire" management is alive and well in many corporate and government systems, including ours. "Companies often hold on to flagrantly faulty assumptions about their world for as long as a decade, despite overwhelming evidence that the world has changed," wrote Tom Peters and Robert Waterman as they were examining America's best-run companies and what made them tick.<sup>40</sup> However, holding onto structures more appropriate for an old system while trying to operate successfully in a new one is a poisonous decision that infects entire systems.

## Paralysis

Failure to re-vitalize and redirect in the face of a fast-changing environment that puts the customer first breeds dysfunction, according to management theorists. Dysfunction takes many different forms of paralysis, including unresponsiveness, lack of accountability and under-utilized resources. One thing is clear: in broken systems, functional integrity trumps efficiencies.

This ineffective behavior is in part a survival instinct that kicks in when an old system has not caught up with the present. The organizational mechanisms for dealing with what Alvin Toffler identified in *Future Shock* as "the new issues that either fall between bureaucratic cracks or span so many levels in the bureaucracy it's not clear who should do what" have not been created; "consequently

nobody does anything."<sup>41</sup> [is this Toffler quote in Peters book?]

"Trying to sort out who is responsible for what, and under what circumstances -- and incidentally, 'which boss do I report to on this one or do I keep everyone informed?' -- and keeping it all straight becomes nearly impossible," writes Tom Peters, echoing a familiar DOE refrain. "This breeds staffers who gain and retain substantial power by ensuring that everything stays complex and unclear."<sup>42</sup>

In public sector institutions, paralysis and dysfunction are not new problems. One classic illustration is the glimpse into then-President Truman's world as he forecast how government would work under President-elect Eisenhower, who was taking the helm after years in the military.

"He'll sit here," Truman would remark (tapping his desk for emphasis), "and he'll say, 'Do this! Do that! And nothing will happen. Poor Ike -- it won't be a bit like the army. He'll find it very frustrating.'"<sup>43</sup>

When systems fail to be responsive, as Truman thought it would be for Ike, management problems multiply. According to Peters and Waterman, "gamesmanship replaces pragmatic action", a "home-run product mentality" rules supreme and "paralysis-induced by analysis" which require "hopelessly complicated and ultimately unworkable management structures" rule the day.<sup>44</sup>

The issue of authority and accountability, or the lack thereof, is also relevant to this management

review because our hotlines and clearinghouses are currently spread over so many parts of the complex. Because there is no corporate management or information sharing in the current structure, senior management is in the untenable position of being responsible for the function in the eyes of the public without the means or the information to know what is going on.

"If a manager is to be held accountable for the results of the work of people in executive roles subordinate to his own, the extent of his authority over them is obviously critical," write A.D. Newman and R.W. Rowbottom. "If the manager has less authority than this, it is no longer meaningful to hold him accountable for the results of the work."<sup>45</sup>

These two academics make two additional observations that are on point here. First, they say, "Where a department leans heavily on outside services, there arises the undesirable situation in which the head of the department is accountable for achieving certain results without having authority or control over many of the resources needed to achieve those results. This raises the whole question of 'centralized' versus decentralized services."<sup>46</sup>

Second, they say that managers who must answer for the results of work done through other people but lack the "minimal authority" vis-à-vis these other people are "inappropriate and ineffective."<sup>47</sup>

A related management concern is the issue of under-utilized resources. Organizations can suffer this fate because of weak leadership, poorly designed systems -- or both.

In today's organization, the under-utilized employee is often living in an old organization that has lost resources and/or leadership, but has been left to drift. Cutting budgets and changing organization charts without realigning the workforce is a mistake that can leave staff disconnected from the organization in more ways than one.

Rosabeth Moss Kanter points out that a "feeling of overload" afflicts many workers in the new organizations, exacerbated by the fact that "downsizing often reduces the number of people without reducing the number of tasks."<sup>48</sup>

Failure to use your people effectively can have unfortunate consequences for an organization. "If they are well-treated, but cannot be employed, if they are loved but cannot be commanded, or when in chaos they cannot be governed, they may be compared to arrogant children and cannot be used," wrote Sun Zhu in *The Art of War*.

Failure to adjust to a changing environment can have debilitating consequences for an organization. Unresponsiveness, lack of accountability and under-utilized resources are all cousins of the paralysis that sets in when an organization stubbornly refuses to adjust to change.

## What the Customer Wants

Why does the organization exist? For what? For whom? These are the questions one has to ask as we review the design of our future customer

service systems and ask where we take it from here.<sup>49</sup>

Secretary Bill Richardson set certain standards for accountability for this agency on his first-day address to employees when he said, "We need to remember that we are accountable to the people, and we need the people to trust us."<sup>50</sup>

As a public entity that is here to serve the taxpayers, the Department of Energy must begin answering these questions by putting ourselves in the shoes of the customer.

The customer comes into the fore during three main activities in an "executive system": accessing market needs, creating and negotiating transactions and producing/distributing goods or services.<sup>51</sup>

What then does the customer expect at each of these junctures of the relationship? The standard the Clinton/Gore Administration set is summarized in the 1997 publication *Putting Customers First*.<sup>52</sup>

First, the customer is asking us to be responsive in accessing their needs.

As we create and negotiate transactions, customers are asking for "more and easier access to services". They also want "to be treated with courtesy and respect."

The public wants the delivery systems for communications to be timely and efficient. Productivity issues, like access issues, offer the prospects of cost savings when improvements are made.

More recently, NPR authors note a trend among government agencies that are aiming "to establish

consistent requirements and provide related agency services, information and products to customers at a single location."<sup>53</sup>

In a NPR examination of one-stop customer service operations in the private and public sectors these operations got results: public access was improved and savings were pocketed.

"Without fail, benchmarked companies report improvements in their operations and gains in their performance by moving to one-stop customer service," the NPR authors write. "One-stop shop practitioners are achieving impressive results in terms of higher customer satisfaction, higher employee satisfaction, improved efficiency and operation and increased profits."<sup>54</sup>

Today's leading private sector enterprises are also focused on improving delivery systems. An examination of the "emerging competitive landscape" by one author noted that industry leaders like Quicken, Charles Schwab, and Dell Computers all share this focus on "removing the inefficiencies and the costs involved in the delivery of goods and services from the manufacture to the end user."<sup>55</sup>

The public also wants quality, which often means that the communication was both clear and easily understood. Under this header, also falls the desire to have accurate information.

To get these results, we must have an "adequate prescription" about where we are going and how we are getting there, as well as the correct "allocation of resources, beyond those

of the performer himself, to make the task possible in the given situation."<sup>56</sup>

Management analysts also tell us we also need standards, at three levels: the minimum acceptable, the target and the expected or most likely.<sup>57</sup>

The goal is to strengthen our customer services in the areas of accessing the market, improving transactions and producing/distributing goods. This review gives us a seven-step recipe for creating a system that meets our customer's high-level requirements in these areas. It is a matter of targeting improvements on seven performance factors: (1) be responsive, (2) offer more and easier access, (3) demonstrate courtesy and respect, (4) be timely and efficient -- which often means one-stop service, (5) enhance quality, (6) adopt standards and (7) allocate the correct resources.

### The Goal: Becoming Agile

The literature on surviving the competitive crunch and becoming a leader in customer service has one consistent idea throughout: "agility."

"You don't want to put in place an organization that, five years from now, can't respond quickly to the next wave of industry change... Nimbleness and agility should be your principle design criteria."<sup>58</sup>

"No system that depends on segregating wisdom and decision making into a managerial class can possibly offer the speed and agility that customers demand."<sup>59</sup>

"In today's world...the oscillations no longer are controllable, nor do we want them to be. Rather, the organization needs to be let loose to ride the riptides of change and move in new directions. It needs to be fast and flexible, able to change directions quickly and nimbly and to innovate continually."<sup>60</sup>

"The capacity for change focuses on agility, flexibility and speed. Both losers and winners will face uncertain futures...With a focus on capability, executives will...be less worried about organization charts and structures and more about how to get work done regardless of structure."<sup>61</sup>

"Organization design is more like locating a snow fence to deflect the drifting snow than like building a snowman... Organizations are to be sailed rather than driven, and ...the effectiveness of leadership often depends on being able to time small interventions so that the force of natural organizational processes are amplified."<sup>62</sup>

Even mankind's most ancient managerial literature, *The Art of War*, stresses this idea, to great affect.

"The army's disposition of force is like water," writes Sun Tzu. "Water's configuration avoids heights and races downward. The army's disposition of force avoids the substantial and strikes the vacuous. Water configures its flow in accord with the terrain; the army controls its victory in accord with the enemy. Thus the army does not maintain any constant strategic configuration of power, water has no constant shape."<sup>63</sup>

### Horizontal Design

Creators of structures to achieve world-class customer-focused service need to bear in mind one other trend: vertical organizations are out and horizontal organizations are in.

"The hierarchical emphasis in traditional American corporations was orderly, at least in theory. Information flowed down a vertical chain of command; that chain also ranked people in terms of their status, compensation, authority, and influence," writes Rosabeth Moss Kantor. "Today, more work is being done in cross-functional or cross department project teams. People are encouraged to look horizontally across the organization for influence and collaboration, rather than upward to their bosses."<sup>64</sup>

Dave Ulrich writes, "Boundaryless capabilities are important for the organization of the future. As boundaries are removed, organizations can make decisions faster and better."<sup>65</sup>

"Middle managers are to be responsible for seeking out and battering down the very functional barriers they were formerly paid to protect," writes Tom Peters. "Every middle manager should spring out of the gate each morning as a dedicated, proactive boundary-smasher. He or she is not just passively coordinating but aggressively seeking ways to force activity that insures that multiple functions occur faster.

"In this new role, the middle manager must become (1) expeditor/barrier destroyer, (2) on-call expert, and (3) diffuser of good news. In short, the middle manager must practice fast-paced 'horizontal

management', not traditional, delaying 'vertical management'."<sup>66</sup>

At the heart of this advice to flatten the management structure is the desire to forge a common identity and survive in the fast-paced, customer-driven future within which public institutions must operate. As we confront the changing environment, and measure ourselves against the best in the business, the concept of horizontal management becomes very attractive.

This design has multiple merits: it recognizes that we are in a "joint fortune" enterprise; it leverages our unique capacities to create a customer service identity; and it could give the public greater satisfaction with our informational products and services.

As NPR points out, "Many of our partner organizations underwent extensive consolidations of their customer service operations in moving to one-stop service. For example, more than half the companies we visited formerly had numerous points of contact for customers many ranging from 20 to more than 50 and subsequently consolidated their customer service functions into a single central location. Such consolidations reduced satellite office overhead, resources, duplicative staffing and processes, and overall processing time."<sup>67</sup>

This type of design, along with operational considerations, is further considered in the "Options" section at the close of this management review study.

Healthy Organization Profile

We've examined some of the character traits of a dysfunctional organization. We've also weighed evidence of what customers want and some key characteristics of future organizations. So what does a healthy organization look like?

Writing on behalf of energy conglomerate The Southern Company, its managers make similar prescriptions for building a healthy company. "Healthy companies will become far less obsessed with organizational structure and far more focused on key processes. Work will be done through seamless partnerships with suppliers and customers. The success of each entity will be interdependent, leaving no room for turf fights."<sup>68</sup>

The main trend Peters chronicles in *Thriving on Chaos* is "the movement toward efficiency through smallness" which he says is "accelerating in virtually every industry today."<sup>69</sup>

He sites two classic studies to make the case for efficiency through smallness. One, by the economist Joe Bain in 1956, looked at "the cost advantages flowing to multi-plant, as opposed to single-plant, firms in twenty industries. In no case was owning more than one plant a major advantage!...More recently, Frederic Scherer studied the fate of fifteen former subsidiaries of conglomerates that had been sold to their former managers. All but one showed substantial improvements in profit."<sup>70</sup>

Tom Peters says that to get "a clear picture of the successful firm in the 1990s and beyond" one must look for organizations that are:

Flatter (have fewer layers of organizational structure);

Populated by more autonomous units (have fewer central staff second guessers...);

Oriented toward...creating niche markets;

Quality conscious;

Service conscious;

More responsive;

Faster at innovation;

A user of highly trained, flexible people.<sup>71</sup>

Richard Beckhard, has constructed a similar profile of a healthy organization, but adds two more attributes:

It has a strong sensing system for receiving current information on all parts of the system and their interactions; (and)

It's management is information driven...(and) access to information is widely shared.<sup>72</sup>

### Best in the Business

The entities we examined include: (1) EdPubs, the Department of Education's new One-Stop shop service; (2) USGS reinvention work at the Department of Interior; (3) the creation and management of the Trade Information Center at the Department of Commerce; and, (4) a new customer-service strategy at Blue Cross/Blue Shield.

These four entities offer different prescriptions for how to cope with

information delivery needs in the public and private sectors.

The example of the Department of Education, recently recognized with a Hammer award by NPR, shows an agency which scrapped a multi-access strategy for a one-stop shop approach using a performance based contract.

The reinvention work at the Department of Interior's geological map service, USGS, offers another roadmap to the same endpoint. The object of better customer service and seamless delivery was the same as the Department of Education, but the Department of Interior chose to achieve that goal with a hybrid of contractors and federal employees.

In 1991 the Department of Commerce collapsed the public information activities of 19 different trade-oriented agencies into a one-stop shop called the Trade Information Center. This outfit began staffing with a nucleus of eight Presidential Management Interns (PMI), who received special training to make them ready to assist customers with answers to their questions and get them the information they need. Their staff is now composed of PMIs and permanent staff due to the increased responsiveness and customer demand for information.

PMIs rotate out to other parts of the Department after this experience, which gives the Department a good pipeline for future managers who have a solid background in customer relations with the agency and helps avoid burnout at the front lines of their customer service system.<sup>73</sup>

Finally, we looked at a private-sector organization that has just put

together a state-of-the-art automated customer service system. Blue Cross/Blue Shield has created a customer service answer line with a menu drive option that gives customers the option of getting a live operator or diving directly into a deep library of health related informational materials available by fax, mail or internet.

This overview of these four systems will help benchmark the "Best in the Business" so we can observe what is working exceptionally well for customers outside the DOE orbit.

### Department of Education

The Department of Education elected to re-invent its publication delivery system in 1997.<sup>74</sup> The effort culminated 17 months later when, in May 1998, the agency opened a one-stop shop customer service center. To date the service has saved \$588,000 in operating costs and for the first time, has "provided the department with an accurate inventory of its publications."<sup>75</sup>

As a result of their efforts, Department of Education officials say that customer satisfaction is up 70 percent compared to two years ago, as measured by a recent NPR survey. Their objective, to give their customers fast, seamless service and dissemination of high-quality information and products, is being achieved.

They began by trying to build a list of titles for what the Department of Education published, and examined improvements in the delivery systems such as consolidating their inventory. To scope their project, they

determined that they would focus on primary materials that the Department of Education produces. They also decided to only look at materials that are printed by the Government Printing Office.

"Things were so befuddled we had to bite off one piece and attack it, and then decide when we were ready to go to the next step," said Blaine Dessey.

They discovered there were 2,500 titles. There was some resistance as they began their effort, but they found the benefits of reform were quickly obvious to the detractors.

"You can't argue with improvement. It was about team building," said Jim Clemmens, the Department of Education official who managed the consolidation effort working with 16 different offices within his agency. "I was about to be ridden out on a rail for a few dark days, but it is really worth it."

Another way they attacked their problem was by conducting a so-called mystery shopper exercise between January 17 and February 4, 1997. They knew they had problems, as Mr. Clemmens said, but did not know how bad they were until the results came in. Twenty-two percent of the customers never received the requested information; others received the information but it took 6-7 weeks.

Clemmens said to transform their system they required three things: a vision, the support and leadership of the CEO and Senior management, and financial support. Along the way, they discovered that a performance-based contract was another critical element of success, and their "model" contract was recognized by the Office

of Management and Budget as one other agencies should emulate.

They awarded the clearinghouse contract to Aspen Systems Corporation in March 13, 1998 and opened the doors on May 26, 1998. The warehouse is 95,000 square feet and offers customers access via phone, fax, mail or Internet. The call center is staffed by professional personnel, and includes bilingual service representatives. This represents a quantum leap from the previous stovepipe organization that had no comprehensive bibliography, no inventory, no knowledge of costs, and no bilingual capability.

Since the one-stop shop opened (through April 30, 1999) they have increased the volume of their service responding to 128,345 calls, and disseminated over 71 million products.

Another hidden benefit has been the monthly reports on the center activities that have helped management focus on what will be another thorny publications issue: the 1000 publications that they now produce which have an annual readership of 50 people or less.

As one of the managers of the one-stop shop center noted, this gives them chance to "shoot the dogs and take their money." The taxpayer investment that is taken up in creating these little-read documents, not to mention the cost of laying them out and printing them, is wasteful spending. Especially when you consider "just in time" printing capability or Internet publishing. As she explained, this is really about putting a stake in the heart of "vanity publications" which don't have an

audience large enough to justify the cost.

The report also helps management see what the popular documents are on any given month. This information increases responsiveness to customers. It also helps management offer real value to their customers, and puts front line employees at the agency back to work on their core responsibilities.

Jim Clemmens credits the public-private partnership as one factor in their success. It is a shared responsibility that is built on the foundation of solid customer service and exceptional performance with built-in performance standards and reporting.

According to Mr. Clemmens, before they created their one-stop shop, it was quite routine for managers to have to field routine requests for information from the public, and be involved in "mailing parties" to make sure that certain outreach projects were completed. It was a mirror of the "go-it-alone/everybody for themselves" routine that is commonplace at the Department of Energy.

Now staff at the Department of Education can have confidence that when they send a task to the one stop shop, be it a mailing or a customer inquiry, that that task will be taken care of in a professional and efficient way. That helps them get back to business and not do things that are not their responsibility or that shifts them away from their priority projects. This was one of the hidden benefits of the project.

Department of Interior

The U.S. Geological Survey has completed a significant project to reinvent its product and delivery service.<sup>76</sup>

The "Before" (1994-1995) and "After" (1999) snapshots illuminate the impact of the project. USGS reduced the number of titles from 130,000 to 93,000. They also reduced supervisors from twelve to four. They moved from 98 government full time employees to 79. They reduced Federal fulltime staff from 98 to 79 and increase contractor staff from 18 to 30. They formerly filled 140,000 orders per year, with annual sales of \$7.6 million. Now, orders total 110,000, but sales have increased to \$8.7 million.

USGS has made substantial customer service improvements. Now, they track whether the right map is shipped on time. Before they just kept track of the numbers of maps shipped. Mail handling used to take 21 steps, and now it takes just four. Fulfillment time for orders used to be up to 12 weeks, and now it is no longer than one week. They also have begun putting customer comment cards in their shipments, a new effort at generating feedback.

The feedback has been good. Their inventory is properly managed for the first time. Organization structure and management has been streamlined. Work teams are accountable.

And customers are satisfied, as can be seen from two pieces of correspondence. In 1997, before their changes a woman named Vicki said that USGS could "keep better track of incoming orders. It took 10 weeks to receive my order." By 1999, a

customer named Jim was writing, "Excellent service, excellent product. Are you guys sure you are the public sector?"

USGS credited success by noting that they restructured by process, not function. It was also a team-based design which set clear, explicit objectives, eliminated "wait time" and trained for new goals and objectives. They also decentralized authority and made sure that communications from leadership were clear.

The Department of Education is looking for continuous improvement. Their next projects in the reinvention queue are a web catalog, expanded business partner agreements, and increased performance based contracting.

### Blue Cross/Blue Shield

Blue Cross Blue Shield has launched a toll-free phone service which it promotes as "your resource for health advice and health information." This resource is multi-faceted. According to a brochure on the service recently mailed to clients, "It provides Nurse Advice, Long-term Health Counseling, a Health Information Library, Health Care Resources and an AudioHealth Library Directory."

Clients are also linked to a central call center if they need to speak to an operator during business hours during the ten-week open season, when Blue Cross is recruiting more clients. At all other times, a recording tells the caller to call their appropriate local plan administrator for human contact, but

the automated contact is available 24/7.

Customers can get service 24 hours a day, seven days a week off of this central system, at their own convenience by using the library feature available through their touch-tone keypad, regardless what "season" it is. There are over 100 hot topics in this consumer information database with advice available by recording, fax, mail or web. Topics included were those covered by the Health Plan, and one-pagers were prepared. This process of identifying the information and producing it in multi-media formats took approximately 1800 hours.

The calling center is out-sourced to a location in Omaha, NE. The center takes 1-800 calls for all 56 BC/BS plans, but only during the annual Open Season (October 18/19 through December). As part of their marketing strategy, this call center is open for business the ten-week period of the open season. It is staffed by a seasonal staff of 200 and receives between 85,000 -150,000 calls while in operation.

A prepared script establishes the customer in the database with the prompts for basic information (name, address, phone, medical plan, etc.) A "smart screen" uses a "crossroads" concept to take the operator into the directions the caller asks for.

The Help Screen uses Key Words to direct the operator in providing information or expanding questions from the client. For example, "Surgery" input would prompt "Inpatient or Outpatient?" The next prompt would ask "Standard or High Plan"? The output of this query would provide the

operator with information on the percent of payment/co-payment for the customer. There are 2000 key words in the system.

The "crossroads" system is also used to link to the 56 separate plans. Nightly, as requests are made from customers to the calling center, a customer mailing list for information requests is sent to each plan. The local plan is then responsible for calling the client directly.

A Fulfillment Needs Center is a subcontractor of the Telephone Service Contractor. The Telephone Service Center generates labels for the literature to be mailed from each of the BC/BS plans. The Center mails the labels overnight to each plan that has a limited number of days to respond to the customer.

"The Call center was established because it was obvious that the paper-system wasn't working," said Eddie Dwyer<sup>77</sup>, who described the history and operations of this service in an interview. It has taken two years to fully establish the center. The contractor had the technology (hardware), but the system (i.e. the key words and architecture) needed to be customized to make it work.

One management challenge over the life of the call center has been the decline of operator quality. In order to maintain the requisite level of professionalism, BC/BS raised salaries from \$7/hour to \$11/hour. This year, for the first time, applicants must have some college and some health care background. Intensive 2-week training is provided to 200 employees prior to open season.

Because of the sophistication level of the callers, particularly retired federal employees, the calling center had to insure the operators were very knowledgeable.

This year's Request for Proposal will include operational standards and penalties to further insure optimal calling center performance.

BC/BS instituted the 800 call center during open season to relieve some of the burden on the individual plans. Customer satisfaction surveys show a 96% good to excellent service rating. Approximately 20 million hits were made on the web site and 4000 calls were made to the audio library, but "people still like to talk with a live person."<sup>78</sup>

### Trade Information Center

The Department of Commerce Trade Information Center (TIC) is an "entry-point" for information resources from 19 Federal agencies that promote the exportation of U.S. goods, according to Wendy Smith the TIC Director. Its creation was the result of an interagency trade promotion coordination committee recommendation to simplify the export process. Opening in 1991 with primarily Presidential Management Interns (PMI's), two-thirds of the center is now composed of permanent staff. Along with the 6-8 PMI's, 24 staffers receive six weeks annual intensive training to respond to over 75,000 calls per year. Email, web inquiries and written correspondence are also addressed by this center.

Information management is the primary goal of the center. Sharing

and making information available by phone, mail and web site is vital to its mission. Currently a lot more information is available by phone than the web, which displays more general information. Numerous field offices also have access to the database. However, according to Ms. Smith, if she started over, she would have a web-based site with telephone backup.

The center depends upon information sharing, which is done with Lotus Notes. Any "shareware" will suffice to get new information simultaneously distributed. Each team is responsible for ensuring the quality of the information it provides. It is simultaneously uploaded to the Web.

The need for permanent staff arose as increased responsibilities presented more complex needs, such as regional as well as international trade. The difficulty of the questions necessitated a 3-tier response with the basic information answered by the PMI Interns, Country-specific teams and a General Question Team.

No voice mail is permitted. All calls are answered by a real person, and calls are rarely transferred. Referral phone numbers are given only after the caller receives basic counseling.

The Commerce Department has experienced the usual difficulties running a calling center, including maintaining staff motivation. Also, according to customer surveys, the customer satisfaction level drops when the caller is referred (to presumably a more knowledgeable source).

The biggest problem encountered in setting up this shop in 1991 was getting the information. Establishing contacts and providing regular

operator training have helped. The TIC publishes a book about all of its programs each year that is distributed to the participating agencies. The function of the book is to keep agency program information up-to-date and encourage increased participation. They have experienced growth because of the demand for international information.

Queuing and distributing calls was also a problem because the original budget had not accounted for the cost of state-of-the-art technology.

The challenges of building a successful Call Center were exacerbated by fights over money and jobs. In addition, TIC leaders are sensitive to the need for cooperation when taking resources from others inside the Federal system. Teaming with other resources and rotating operations with other programs could help so staffing and leadership responsibility is shared.

The primary goal of a simple operator calling center should be to provide a service that sends the caller to the right place the first time. Minimally, a database could provide key words (like a smart screen), as a starting place. At the very least, the Department's operators must have the agency's organization scheme in the database desktop. Training the operators on the smart system will allow them to get the caller to the right people more frequently. If a caller wants to talk to someone in Science, a drop-down menu of the offices and contacts would be provided for the caller. But this is only a first, minor band-aid to providing a true comprehensive customer friendly call center.

Wendy and TIC customers consider the Center a great success. The benefits are that the customer looking for export information has one place to start for all export questions. While Wendy did not have a dollar figure for funds saved, she said that just a reduction in FTEs alone would account for cost savings.

## Conclusion

Our literature review of organizations at the top of their game and those that are struggling shows us trends that are relevant to our management review of DOE's consumer service tools.

We are operating in an atmosphere where public trust is low, fear is high, and alienation is all around us. At the same time our customers -- the American consumer -- have grown more demanding, and complaints are on the rise everywhere we look.

The barriers to institutions like the Department of Energy in this atmosphere are many:

- there is too much "noise", making it hard to develop or communicate an identity;

- we have dual communications responsibilities between security and openness; and

- our heritage -- as an agency built from other parts of the government over 20 years ago -- is one of many independent actors who seldom nurture or acknowledge the inter-dependence that is essential for survival.

We also exhibit many of the characteristics of an unhealthy organization when it comes to our customer service commitments. In fact, by the measure of Sun Tzu, we might be called "sinking" or even "routed". We have a hard time managing our capabilities, and too often we are doing the wrong job and/or doing it badly. Functional integrity is trumping management efficiency at the Department of Energy when we examine customer service issues.

This is a problem that is well understood by our frontline employees: nearly two-thirds of them acknowledge that we do not have well-defined systems to link customer's feedback and complaints to employees who can act on the information.

Although for the public sector, the consumer marketplace has been changing for entities like the Department of Energy, we have not kept pace with the changes. Our departmental elements are holding onto an old way of doing business in the face of these changes, and it is having a negative impact on departmental operations as a whole.

The dysfunction bred by the failure to adapt has meant we are too unresponsive, we lack accountability and our resources are under-utilized. Simply put: we are in paralysis.

In his opening day address to employees at the Department of Energy, Secretary Richardson pointed the agency in a new direction. He told his staff, "One of my highest priorities at the Department will be to let the American people know the many ways in which we serve them and to

determine how we can serve them better.

"I want the American people to know that the Department is their public servant and that we are working for them," said Richardson. "We are in a position to greatly increase our service to the American people...I pledge to you that the Department's work -- your work -- will be better understood by the very public we serve."<sup>79</sup>

Benchmarking best practices and the literature on marketing and customer service shows us the way toward meeting the goals set by Secretary Richardson.

In fact, the literature shows the way to meeting our customer's requirements is very clear. Seven steps -- responsiveness, easier access, courtesy, timeliness and efficiency, quality, standards and the correct resources -- can help us fix our broken customer service system.

Our benchmarking of successful public and private sector operations indicates that the wave of the future is to build smaller, agile and horizontally managed structures. The one-stop model is a proven success and can lead to marked improvements in efficiency, cost savings and customer satisfaction.

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<sup>4</sup> Ries, Al and Jack Trout, Positioning, the Battle to be Seen and Heard in the Overcrowded Marketplace, (1981, McGraw Hill, New York, New York) page 61.

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<sup>19</sup> Princeton Survey Research Associations, "Consumer Behavior, Experiences and Attitudes," (March, 1999, AARP, Washington, D.C.) page 23.

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<sup>23</sup> Popcorn, Ibid., page 278.

<sup>24</sup> Attachment A, Department of Energy Results, 1999 National Partnership for Reinventing Government Survey, (January 21, 2000, NPR, Washington, D.C.)

<sup>25</sup> Clinton, William J. and Al Gore, Ibid., page 11.

<sup>26</sup> Ibid., page 22.

<sup>27</sup> Sun Zhu, The Art of War, page 214.[\[full ref\]](#)

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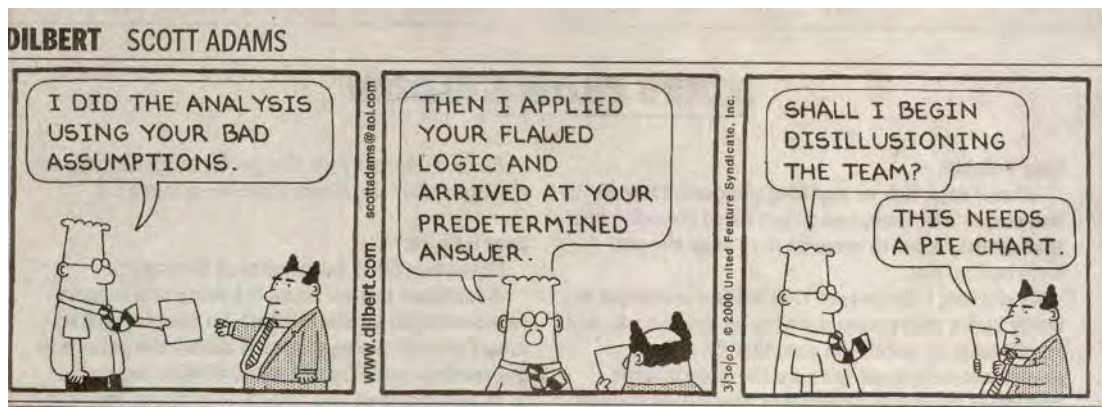
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- <sup>67</sup> "Serving the American Public" *Ibid.*, page 26.
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- <sup>73</sup> "Serving the American Public", page 32.
- <sup>74</sup> This data is drawn from workshop materials featured at the management

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# Chapter 3

## BASE CASE

### Stove-Pipe Systems / Patchwork Services



## Introduction

The Department of Energy's information dissemination management systems are a vital resource for the agency. This fact is recognized by a variety of edicts that govern how we do business.

"It is DOE policy (DOE P 1210.1) that public participation is a fundamental component in program operations, planning activities, and decision-making within the Department. The public is entitled to play a role in Department decision-making."

Public Law 95-91, the Department's Organization Act, provides ample "legislative mandates" for the provision of energy-related information to the public. Title I § 102 provides, "It is the purpose of this Act...(D) to disseminate "information resulting from such programs, including disseminating information on the commercial feasibility and use of energy from fossil, nuclear, solar, geothermal and other energy technologies. Section 102 continues at "(15) to create an awareness of, and responsibility for, the fuel and energy of rural and urban residents as such needs pertain to home heating and cooling, transportation, agricultural production, electrical generation, conservation, and research and development."

Executive Order 12160 states, "Agencies shall produce and distribute materials to inform consumers about the agencies' responsibilities and services, about their procedures for consumer participation, and about aspects of the marketplace for which they have responsibility."

The Department of Energy's annual performance agreement with the President also includes action items to improve communications with customers and the public; and ensure the Department's information systems are based on cost-effective technology solutions.

More recently, the Secretary of Energy opened a Consumer Information Office in March 1999. The DOE memorandum from the Secretary establishing the office tasked it with crafting "a cohesive Departmental strategy to provide enhanced information across the country for the American consumer." In addition the office was authorized to "develop and lead a departmental initiative to enhance and improve the department's communications with the American consumer by developing and promoting the latest technology innovations to reach the maximum audience...and expand and increase the efficiency with which the information is disseminated."

With the preceding policies, directives and commitments as the cornerstone for examining the way DOE delivers information to the public, the Office of Consumer Information undertook the "first ever" analysis of the Department of Energy's myriad clearinghouses and hotlines.

## Process

A previous effort to access the resources initiated by the CIO's office in 1996 fell flat. According to participants, it failed because those who were asked to conduct the review "owned" the resources, many staffers were territorial and refused to participate in the exercise, and it was

not seen as having senior management support because it was launched at the wrong level. It sputtered out of existence after 18 months without producing a final report.

On June 8 Deputy Secretary T. J. Glauthier authorized this management review of our current operations that was initiated by the Consumer Information Office. The Management Review Team sought to determine the policies, procedures, and delivery systems by which the public gained access to DOE information as a foundation to recommending changes management could undertake to improve delivery. This review has brought to light a “sleeping” issue which senior management has heretofore not paid attention to: our public information systems suffer from “management by neglect.”

Early on, the Management Review Team learned that there was no procurement policy or corporate administrative control of the proliferation of DOE hotlines, clearinghouses or web sites. Nor was there any way to determine if members of the public knew about the hotlines or clearinghouses in order to access consumer information.

The review team started our research with no idea of how many hotlines DOE manages, how many clearinghouses exist, how many positions are dedicated to this function and how much all this costs the taxpayer.

Our research into understanding the base case of our current operations took us in two directions: First we sought to get a clear picture of

current management of toll-free lines. A survey instrument <sup>1</sup> was designed and administered to all Headquarters program and field offices beginning early December 1999. The purpose was to collect operational and budget information on all the Department’s hotlines, clearinghouses and ancillary web sites and to determine the scope of the delivery systems and accessibility by the public. The scope broadened exponentially upon the discovery of a list of 404 toll-free numbers assigned to, or at the very least being paid for by, DOE. This does not include toll-free numbers purchased by our contractors.

Because of the lack of corporate oversight, the 404 numbers were not sufficiently labeled in any central file to help management determine the true purpose of each number. Therefore we had to call each number to ask about its history, purpose and audience. Some numbers had to be recalled several times as they rang either busy, no answer or the caller was informed in some way that a recall was necessary. Another questionnaire was designed to retrieve enough information to understand fully each toll-free telephone number.

Getting a handle on our clearinghouse resource management proved more complicated. A survey instrument was designed to illicit information from all operations offices, the energy technology center and the power marketing administrations about resources. These were forwarded in a memo under the Deputy Secretary’s signature. Each team member was assigned a batch of surveys to complete via one-on-one interviews over the course of six weeks time the surveys were completed.

The results provided us with the raw data to determine the scope of the Department’s consumer and public information delivery systems. The range of information offered to the public vary widely, from a very basic phone number with a voice-recording to the multi-million dollar web-based system that includes vast virtual collections of scientific and technical information used primarily by the scientific research community.

Despite this broad research and review effort, our results are not without data gaps. Some of these gaps are due to the differences in the surveyors’ technique, follow-up, and the knowledge base of the person being interviewed. Some information, such as budget figures could not be readily culled from the program direction fund. Other gaps were a function of differences in how the programs’ track and measure their systems services. Other holes in the data could only be attributed to the casual management and program oversight with which the hotline or clearinghouse was supported.

**Scope**

To define our terms, we use the word “Hotline” to denote a toll-free line designed to reach a mass audience with non-sensitive, unclassified, customized information about DOE products, services, or programs, sanctioned and set up across DOE by program offices, operations offices, laboratories, and power administrations.

A “Clearinghouse,” on the other hand, is a place to go to get DOE information; a centralized location

within program offices to provide information about DOE products and services via phone, fax, and publications.

Our survey results show that DOE owns and operates 30 Clearinghouse entities across the complex of 20 program offices, seven operations offices, one field office and three Power Marketing Administrations.<sup>2</sup> Looking at HQ alone, there are nine offices that support 21 clearinghouses or public access points.

There is a wide variation between program offices and who is offering what. The picture that came into focus was one that showed a Department with plenty of duplication of administrative duties, no corporate list of titles, no corporate oversight.

**HQ Clearinghouses**

| OFFICE | CLEARINGHOUSE  |
|--------|--|
| DP     | DP   |
| EE     | <ul style="list-style-type: none"> <li>• Building Energy Codes and Standards Hotline</li> <li>• National Clean Cities Hotline</li> <li>• EREC</li> <li>• OIT</li> <li>• Motor Challenge Info Clearinghouse (part of OIT)</li> </ul>  |
|        | <ul style="list-style-type: none"> <li>• National Alternative Fuels Center &amp; Hotline</li> <li>• National Center for Photovoltaics/NREL</li> <li>• Photovoltaic System Assistance Center/SNL</li> <li>• Solar Thermal Design Assistance Center</li> <li>• Biofuels Information Center/NREL</li> </ul> |
|        | ED Clearinghouse   |
|        | Environmental Justice Hotline  |
|        | EIA Clearinghouse  |
| EM     | CEMI   |

|    |  |
|----|--|
| FE | Clearinghouse  |
| MD | Clearinghouse (warehouse)  |
| NN | Clearinghouse  |
| SC | Clearinghouse  |
| SO | <ul style="list-style-type: none"> <li>• IAOP</li> <li>• ISRC</li> </ul> |

Three of seven operations offices maintain clearinghouses, some in conjunction with public reading rooms. Seven HQ, six operations offices and Southeast Area Power Marketing Administration have neither.

Specifically, the Office of Energy Efficiency and Renewable Energy (EE) supports ten:

- Energy Efficiency and Renewable Energy Clearinghouse (EREC)
- Office of Information Technology (OIT)
- The Motor Challenge Information Clearinghouse – part of OIT
- Alternative fuels Data Center and Hotline
- National Clean Cities Hotline
- Building Energy Codes and Standards Hotline
- Biofuels Information Center/NREL
- Photovoltaic Systems Assistance Center/SNL
- Solar Thermal Design Assistance Center/SNL
- National Center for Photovoltaics/ NREL

The Office of Security and Emergency Operations (SO) lists four programs with clearinghouses. A fifth program within SO, the Emergency Management Office, is developing a web site, but does distribute documents to the public.<sup>3</sup>

The Center for Emergency Management Information (CEMI) funded by the Office of Environmental Management has a clearinghouse which doubles as a production and outreach support facility.

### Findings

Across the complex, twelve public access points (hotlines or phones to request information) and twenty clearinghouses were identified.

Duplications were myriad. In one case we had duplicate access points to the same employee: Alternative Fuels and National Clean Cities have two different toll-free numbers managed by the same staff. Another example of duplications is the Savannah River technology transfer program that maintains one toll-free line for the program and another for the Deputy Director personally. Examples of program offices sharing resources were few and far between. One exception to sharing resources is the Environmental Justice Hotline, which is funded by the Office of Economic Impact and Diversity, and administered by the CEMI staff.

Where the survey indicated that customer activity numbers for hotlines and clearinghouses were identical, the presumption was made that it was a combined function.<sup>4</sup> Fourteen HQs, 9 operations offices, one field office, and one power marketing administration also have a web site providing materials similar to those provided by the hotline or clearinghouse.<sup>5</sup>

The “go-it-alone” approach to managing these resources bred a patchwork of services at each facility

that show no earmark of management oversight or control.

More specifically, fourteen of thirty clearinghouses and hotlines surveyed also provided walk-in service and twenty of thirty of the survey responders included response to mail requests.<sup>6</sup> Twelve of the hotlines and/or clearinghouses provided toll-free numbers.<sup>7</sup>

Significantly, two offices provided only electronic service. The Office of Management and Administration (MA) replaced a jobs hotline with a web site. However, according to Jerry Venanzi, "DOE has been trying in vain to get that job hotline out of the Bell Atlantic phonebook, but efforts do not appear to be doing any good."

One of the related issues we examined was whether the public had some expectation that web based material was incorporated into hotlines and clearinghouses distribution chains so there is a reasonable expectation that the type of information the public gets is consistent and reliable no matter what avenue they access it.

The vast majority of the web sites had 100% of their documents uploaded.

Over time, hotline and clearinghouse proliferation at this agency has created a myriad of public access points. Although the go-it-alone approach to managing clearinghouses and hotlines at the Department of Energy is very convenient for the content provider, it can be an exercise in frustration for the taxpayer. Externally, this sows taxpayer confusion. Internally, this situation not only provides no motivation to reduce costs and improve operations

Department-wide, and also hampers the ability of the agency to promote the information in a unified, cost-effective way.

At the foundation of the current structure is an organizing principle for agency communications via clearinghouses and hotlines that is dedicated to servicing the high-end users at the expense of the general public. There has been little serious evaluation about how this underlying decision impacts the Department of Energy's FY 99 Performance Agreement (CM2-2 and CM5-1) to improve information dissemination for the public and subscribe to a Department-wide framework for evaluating and implementing information management to reduce costs and improve operations.

### **Our Audience Size**

This survey, which covered activities across a calendar year, gave us some indication of our reach. We wanted to examine the audience and determine how much of our effort at public information dissemination is aimed at the general public as opposed to high-end users or government agencies. We are able to account for 150,000 consumer-response transactions in 1999.

For the programs that provided the information, the audiences varied significantly. Among the larger programs, the EE's Energy Efficiency and Renewable Energy Clearinghouse (EREC) had 43,602 (hotline and clearinghouse minus walk-ins and mail requests) contacts for FY 99, whereas Nevada had 50 hotline contacts. The Office of Security and Emergency

Operations (SO's) Infrastructure Assurance Outreach Program Clearinghouse, which is a technology transfer program that returns non-classified technology developed for the Cold War to industry, received 16,000 calls.

Significantly, the EERE clearinghouse has a \$1.15 million contract that limits its traffic to no more than 60,000 per year. This cap and the restrictions on marketing that come with it appear at cross-purposes with our agency policy on public information. Furthermore, this cap puts a roadblock in the way of helping the public to find and access our rich resources.

## Trends

One trend we noticed in this survey is that public calls for information are on the decline according to the interviewees. This can be explained in part to greater web-based access. The more stubborn management problem is that people don't turn to DOE for information because we make it so difficult to find. And we have no strategy to market our public access points in a cost-effective way.

The EIA is leading the way in making greater use of the web and has recently decided to put everything they do on the web. They plan to publish only five documents. No other office has undergone a similar rigorous review of their titles and distribution plans for the future. Another is OSTI that has been making full-text searchable DOE Scientific and Technical information available via the web since 1998. There are over 4 million pages and over 50,000

documents on the Web. OSTI served over 1.5 million in FY 1999. As a result, offices like EERE appear to have outdated information or questionable high-end promotional materials like canvas bags or videos in their inventory. For example, EERE Deputy Chief of Staff Peter Dreyfuss noted that a document about solar swimming pool heaters has references that are 12-15 years old. "This is not very good," writes Dreyfuss, "since we have dramatically changed the technology in the last decade and the reports they cite are way out of date."

Few standards or protocols exist for review and retirement of out of date or seldom requested materials. For some offices, document review was done under NUC Schedule C (Albuquerque) or every 2-3 years per policy (NETC).

As we found with our survey of 404 toll-free lines, there is no corporate oversight or responsibility for overall program direction for our clearinghouse operations. It was a surprise to discover even with all the dollars and staff we commit to this function, we had to set up yet another hotline to deal with the consumer response activities associated with the recent spike in oil prices because no infrastructure exists to deal with this sort of "out of the box" secretarial initiative.

## Transaction Costs

For those programs that had budget information available, the costs of each transaction were all over the board. Public information transactions include both responses to customer

requests as well as program-initiated outreach to the customer.

To benchmark costs of a government “fulfillment” center, we compared the cost of the GSA Consumer Information Center. This center provides documents only and no expert advice at a cost of approximately \$1.50 per transaction. This brings into focus the various levels of service provided by the myriad DOE operations. The DOE clearinghouses often spend the bulk of their resources and time serving high-end calls that are often not the general public. For example, EREC fielded approximately 6500 “ask an expert” calls that were often from the building industry.

In essence the function of DOE clearinghouses are four-fold: they do call center activity for document fulfillment, they do mail-house activity for bulk mailing, they do controlled correspondence for one-on-one advice, and they provide vast amounts of information via the Web.

EREC provided services to 59,756 people (including walk ins and mail requests) in 1999 at the program cost of \$1.15 million. The transaction cost was \$19 each.

For EIA, the transaction cost was \$93 per contact or \$11 per document.

In contrast, Idaho National Engineering and Environment Laboratory’s (INEEL) contracted cost was \$18 per transaction; the Office of Worker and Community Transition hotline cost was \$11. The Center for Environmental Management Information distributed to a mailing list of 25,000 people with a budget of \$480,000 at \$19/transaction.

**Costs Per Contact**

| OFFICE*            | TRANSACTION CONTACTS | TRANSACTION COST |
|--------------------|----------------------|------------------|
| EREC               | 59,756               | \$19             |
| EIA                | 21,400               | \$93             |
| INEEL              | 977                  | \$18             |
| EM                 | 25,000               | \$19             |
| OSTI               |                      | \$6              |
| Building Standards | 800                  | \$262            |
| OIT                | 6590                 | \$128            |

\*Partial list from survey

**Percentage of Public as Customer**

DOE’s primary audience appears to be government-to-government. The next most frequent customer is industry. Educators and the public are dead last for most program offices.

The general public is simply not a vital factor in most public information strategies, budgets or outcomes for DOE program offices. In fact, many programs failed to track those general public contracts and appear to cast a dim view of our public customer base.

As a percentage of its business, the highest volume of public contacts were at the Nevada Operations Office which counted 1276 walk-ins; a full 75 percent of all documented visitors. At the opposite end of the range, the power marketing administrations had almost none, as their primary customers are the utilities. Even some of DOE’s prime public programs such as INEEL and the Office of Economic Impact and Diversity clearinghouse identified only 50% of their visitors as the public. EREC showed 51% came from the public having folded in educators to raise that figure. The Office of Emergency Management’s

Center for Environmental Management Information claimed 24% public contact.<sup>8</sup>

In total, four programs claimed a clearinghouse general public audience greater than 50%, six said the public represented 20-40% of its audience and six said the public accounted for only 1-10% of its business.

| OPERATIONS OFFICE / PROGRAM                            | PERCENT PUBLIC |
|--|----------------|
| ED, EREC, ID, NV                                       | > 50%          |
| Alternative fuels / Clean Cities, EM, SC, ALO, OAK, RL | 20-45%         |
| DP, Building Codes & Standards, EIA, NN, NETC, SEAPA   | 1-10%          |

**Employees – Contractors and Feds**

In all there are almost 268 people who work full time on public information activities associated with responding to taxpayer generated requests for information.

Successfully completed surveys show we employ a total 138.7 Federal workers, and 129.59 contract personnel who work full time on public information activity.<sup>9</sup>

**Staffing Strategy by Program Office\***

|             |    |
|-------------|----|
| Federal     | 13 |
| Contractor  | 7  |
| Combination | 8  |

\*Two did not know staff number.

Of the offices that responded, the chart above shows the composition of the staff was split with the majority (13) using only Feds and the rest using contractors (7) or a combination of Feds and contractors.

As a comparison of the size range, at Headquarters, EIA employs 16 Federal and 4.5 FTE contractors. The smallest Program Office was the SO's Infrastructure Assurance Outreach Program with 0.1 FTE.

Furthermore, the picture that emerges is one of a relatively young organization. With few exceptions almost all of our clearinghouse operations are 6-10 years old.

**Budget for Reporting Programs/Offices**

| PROGRAM/OFFICE                    | BUDGET \$ FY 1999   |
|-----------------------------------|---------------------|
| Energy Efficiency                 | \$2.474 M           |
| Energy Information Administration | \$1.98 M            |
| Environmental Management          | \$480,000           |
| Materials Disposition             | \$750,000           |
| Fossil Energy                     | \$400,000           |
| Nuclear Energy                    | \$10,000            |
| Office of Science                 | \$8.6 M             |
| Community and Worker Transition   | \$25,000            |
| Idaho Operations                  | \$18,000            |
| Nevada Operations                 | \$200,000           |
| Richland Operations               | \$3.2M              |
| Southeastern Power Administration | \$50,000            |
| Western Area Power Administration | \$357,000           |
| <b>TOTAL (estimate)</b>           | <b>\$18,544,000</b> |

More than half of the offices are not included above because either they did not have a hotline or clearinghouse or could not report their budget because it was in program direction funding:

- Albuquerque Operations
- Bonneville Power Administration

Chicago Operations  
Chief Financial Officer  
Defense Programs  
Economic Impact and Diversity  
Independent Oversight and Performance Assurance  
Management and Administration  
National Energy Technology Center  
Nuclear Nonproliferation  
Oak Ridge Operations  
Oakland Operations  
Ohio Field Office  
Public Affairs  
Rocky Flats Field Office  
Savannah River Operations  
Security and Emergency Operations

### **Summary of Survey**

A handful of energetic program managers enthusiastically portrayed their hotline/ clearinghouse as truly responding to a need or mandate. However, the more common finding was a serious lack of information provided by others, as well as a lack of commitment to customer service.

There is a belief in some corners that management does not value this function. For example, Mark Ginsberg, DAS for BTS at EERE said he was operating on the belief that consumer information was not held in high regard. His chief reason for this was that it wasn't a budget item and the document had over one million in print - Energy Savers – is printed at no cost to the government because Owens-Corning has footed the bill as part of its own marketing activities in exchange for advertising on the back cover.

With transaction costs so high, some programs clearly need to review their level of service and ability to cost effectively and efficiently continue using current strategies. We appear to be frittering away scarce resources by serving the few at the expense of the many.

While our review found web sites are prolific, web sites alone will not meet the needs of many DOE customers who don't have access to the Internet.

The continued proliferation of very narrowly defined clearinghouses and hotlines appear to waste taxpayer dollars. In the aggregate, the Department could save considerable dollars in consolidating the numbers of hotlines/clearinghouses.

At the foundation of the current structure is an organizing principle for agency communications via clearinghouses and hotlines that is dedicated to servicing high-end users at the expense of the general public. There has been little serious evaluation about how this underlying decision impacts the Department's Performance Agreement to improve information dissemination for the public and subscribe to a Department-wide framework for evaluating and implementing information management to reduce costs and improve operations.

### **Telephone Survey Findings**

This first time look at DOE's toll-free phone lines shows the need to determine whether the reason for the toll-free line still exists and to evaluate if the line needs to continue to operate. We spend \$200,000/ year just to

maintain the infrastructure, not counting the per call charge incurred by the federal government. The public has a right to expect the use of toll-free lines to be properly managed and it is clear that is not the case at DOE. Toll-free lines that are duplicative, subsidize industry, or have no public purpose should be disconnected at once. Furthermore, opportunities to integrate operations are clear and would help promote more uniform, cost effective marketing of our public access points.

The lack of DOE policy or standards for toll-free number access and accountability has led to a proliferation of toll-free lines for which many are of dubious nature. For instance, there is a line in Oak Ridge to Josten's in Memphis "for awards ordering by Oak Ridge employees for employees."<sup>10</sup> A line was also discovered in the secured men's locker room in Kansas City, MO. A line assigned to Defense Programs in Albuquerque had a voice message from "Nick of Echo Tours." Also, another DP line was still active even though the caller was told that the line was to supposed to be disconnected.

Other strange management findings include a telephone number in Sandia National Laboratory that was reassigned to a Lab employee, who continues to get strange calls.<sup>11</sup>

The inventory obtained from the Office of Security and Emergency Operations listed 404 toll-free lines with limited identifying information. The list itself contained errors: eight of the numbers were listed twice; i.e., the same number was placed on the numbered grid consecutively.

The Team also reviewed the status of Departmental policy and standards on toll-free numbers including procedures for initiating, tracking and terminating them. In interviews with relevant staff at the Office of Security Operations and Emergency Management and the Office of Management and Administration, the team determined that there was no policy and there was no specific, identifiable Departmental procedure for acquiring a toll-free number, no process to track its use and no termination procedure.<sup>12</sup>

This lack of standards and policy has led to a chaotic outcome for DOE. Survey results of all 404 toll-free lines are classified for analysis in four categories:

- Non-functioning (112)
- Administrative (185)
- Business to Business (20)
- Public Access (22)

The non-functioning numbers need immediate attention.

Non-functioning lines or no answers numbered 49, while 56 were specifically out of service or reassigned. Seven rang continuously busy and could not be identified.<sup>13</sup>

The Department could take advantage of immediate savings by permanently deleting these numbers. At \$34.00 per month base rate, this would immediately save \$3808/month or \$45,696/year. This does not include per call charges to those lines. The five-year savings of this instant cost-savings effort would be \$228,480.

The Administration category included internal employee/ contractor

lines (56), fax/modem lines (97) pagers (4) and voice mail (28).

The third category was business-to-business, which consisted of twenty lines used primarily by and for DOE, DOE contractors and businesses doing business with DOE.

The final category is the one in most urgent need of further examination and long-range oversight. That's the category we call public access points. We have six sub-categories to examine.

| Categories           | number    |
|----------------------|-----------|
| Consumer Information |           |
| -Live                | 11        |
| -Recorded            | 12        |
| Public Participation | 5         |
| Health and Safety    | 10        |
| Job Hotlines         | 7         |
| Ethics               | 5         |
| <b>TOTAL</b>         | <b>49</b> |

Of the 404 numbers on the SO's list, twenty-two numbers were identified as consumer access lines; of these, only eleven were answered by a real person; twelve were voice recordings.<sup>14</sup>

There were 10 health and safety hotlines, most of which were voice recordings. These beg the question of why not real people to answer the concerns of the public, especially for lines with public names like "Nuclear Safety Hotline?" It makes you think of a bad episode of "The Simpson's" to imagine what this looks like to the public.

Five were public participation hotlines, such as NEPA hotlines and Citizen Advisory Board phone lines. These, too, were primarily recorded

lines, some announcing the next board meeting. Again, there is no rhyme or reason for why some boards have these and others don't, and the lack of consistency is troubling.

Seven job hotlines were available, specifically in operations offices, but none at Headquarters. This unevenness is questionable. There were 20 business-to-business lines where the customer was a business doing business with DOE or a DOE contractor, which begs the question about why we are subsidizing industry.

Five lines were identified as waste, fraud and abuse, or ethics hotlines; all of them invited the caller to leave a message. Why some facilities have them and others don't raises consistency questions. Perhaps all lines should go to the IG anyway?

Two lines were recordings for crime witness reporting, one of those was identified as an FBI Violent Criminal Help Desk.

Finally, 56 were identified as internal DOE employee or contractor numbers. Nobody at MA is "in charge" of monitoring and maintaining this resource. Instead numbers spring up whenever someone wants one and often don't get turned off after the need for the line has expired.

There are a fair number of internal use toll-free lines: 143 to be exact. Of the Power Marketing Administrations 33 numbers, 9 were identified as internal use numbers.

Across the complex, there were 4 pager numbers assigned to technicians, 99 fax or modem lines, 28 voicemails, and 3 teleconference lines.

The research indicates that even though some lines are designated toll-free, the voice message indicates a voice mail for a specific person. In one particular instance, upon reaching the person who's name was in the voice message, her explanation was that even though the line was designated a toll-free number, and she was responsible for it, she was also a team lead with 50 persons reporting to her.

When it was pointed out that a public caller would have no idea that the number with a generic voice message with this person's name was in fact, the correct number, she realized that she needed either to change her voice mail message or get another phone number for her team lead activities. This situation calls into question some of the other voice mail numbers encountered.

A policy needs to be established for the initiation, funding, operation and termination of all toll-free numbers. Consolidation of existing lines will immediately result in further savings and staff support.

If a call center operator were to replace many of these redundant and underutilized resources there would be no need to create new lines in the future as we did for the home heating oil hotline this winter. Instead programs could share operational resources and gain an agile resource that could adapt to changing needs.

## Summary

These two surveys by the Management Team equip senior management with the ability to "wrap its arms" around the thorny management problem. For the first

time the stark numbers and troubling anecdotes are out in the open. We believe the findings demonstrate beyond a doubt that the public's ability to communicate with the Department is tragically difficult. The magnitude of the dysfunction is troubling and in urgent need of management reform. The opportunity for improvement is enormous.

One interviewee managing an EE hotline told us, what he took for a compliment, that a customer had written that his hotline was one of DOE's "best kept secrets." That's precisely the problem: we are hiding our proverbial light under a basket!

Some programs (like EM) must manage their clearinghouse based on a budget ceiling; this induces "negative marketing." For many programs lack of funding knowledge prevents a critical evaluation for the continued need or improvement of the service. Too often hotline or clearinghouse managers lack internal processes to gather feedback critical to obtain consumer satisfaction. Some, like DP, were just now coming out of the classified closet to deal with the public. Other lines such as in the Congressional and Intergovernmental Office, budget cuts eliminated a staff person to handle calls; now the "service" is a voice recording and staff respond to the caller generally by referring them to another office.

The OSTI clearinghouse is entirely web based. This precludes a large sector of the public who do not have access to a computer. In addition to the web, OSTI uses other agencies to reach the public. OSTI sends its information to NTIS for public dissemination and works with GPO on

OSTI's public information systems. EE defends the use of their hotlines for that very reason; the public they serve for the energy-efficiency and home energy audits are the low-income homeowner.

It is clear that DOE's audience is vast; from interagency communication to John Q. Public to international calls. We have to be able to respond to all if we are to carry out our mission and policy as well as the vision the Secretary shared on his first day address to employees when he spoke about the need to make a better connection with the American Public.

## Solutions

The issues surfaced by our look at status quo operations of clearinghouses and hotlines include:

### Administration

- Lack of procurement policy for toll-free numbers
- Lack of management controls of toll-free numbers
- Lack of termination process for toll-free numbers, or other numbers that are no longer needed.

### Customer

- Lack of toll-free number service evaluation
- General public: more clout and access.
- No uniform policy or standards on customer feedback
- No department wide stakeholder mailing list.

- How do we measure our contacts? We need a common language and a way to give the general public more clout and access.

### Infrastructure/Documents

- Lack of oversight for implementing existing DOE administrative policy for consumer communication and information dissemination
- Lack of administrative control in existing Departmental public access points
- Lack of Departmental process for programmatic communication/integration among the various programs (i.e., Science with EE, NE, FE, EM, DP, etc)
- Who decides when it is recorded and when it is live
- Who decides how it is answered and if DOE is identified up front
- Lack of programmatic integration of information for the public
- No uniform policy or standards on retiring old documents or shifting others to web-only access
- No list of titles available about what is in print
- No corporate system for on-line ordering of documents.

### Web/Technology

- No uniform policy or standards on web access to documents available in print
- No corporate system for on-line ordering of documents.

**Table 1**  
**Review of Toll-Free Numbers**

A survey/questionnaire was conducted on the DOE's Toll-Free numbers to identify the existence, location and function of each of the 404 Toll-Free numbers on the Agency's inventory list. The survey was completed by calling each number and conducting a brief questionnaire on the phone with the contact person, if available. The following categories were identified.

*Note: 8 of the phones numbers are recorded twice on the inventory list.*

| Category  | Number | Comments  |
|---|--------|---|
| Public Access   | 11     | Working phones with live person(s) answering and are accessible to the Public.  |
| Public Access   | 12     | Working phones with recorded messages or automated distribution with options.   |
| Internal  | 56     | Available to DOE employees and contractors (some are voice mails), employee hotlines for benefits info, etc.              |
| Voice Mail Services                                     | 28     | Voice mail lines for DOE employees and contractors. Public may call these lines to contact the employees and contractors. |
| Tele-conference Services                                | 3      | Callers have a code to call in to participate in conference calls   |
| Health and Safety Hotlines                              | 10     | These are primarily voice message hotlines.   |
| Public Participation                                    | 5      | These are NEPA and Site Specific Advisory Board lines.  |
| Pagers  | 4      | Pagers for the contracting technicians within the Department.   |
| Business to Business                                    | 20     | Available for business to business use only   |
| Fax, Modems, E-mails                                    | 97     | These number are responding as faxes and modems, although some maybe e-mail lines.  |
| No Answers  | 49     | Continuous ringing. These numbers may be space holders and being paid for by DOE, and are not in use.                     |
| Out of Service/Disconnected                             | 56     | Voice recordings indicated that the number is disconnected or out of service. Up to seven could be already reassigned.    |
| Busy Signals  | 7      | Continuous busy signals. May be out of service.   |
| Crime Witness Hotline/FBI Criminal Apprehension Program | 2      | Portland, Oregon (A Federal Hotline of DOE) #312DOE Contractor (Bechtel) for Las Vegas area                               |
| Power Marketing Administrations                         | 33     | These lines are internal and external to the PMAs.  |
| Job Information   | 6      | These are local job hot-lines.  |
| Ethics  | 5      | Waste, Fraud & Abuse and Inspector General Hotlines.  |

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Chapter 3 Base Case

<sup>1</sup> Appendix A: Survey Instrument

<sup>2</sup> The Southwest Area Power Administration was the only power marketing administration that did not respond.

<sup>3</sup> Table 1 Universe of Survey

<sup>4</sup> Table 2 Numbers of Contacts

<sup>5</sup> Table 3 Hotlines and Clearinghouses v. Web Support

<sup>6</sup> Table 1 Universe of Survey

<sup>7</sup> Ibid.

<sup>8</sup> Table 4 Percent of Public contacts

<sup>9</sup> Table 5 Federal Personnel v. Contractors

<sup>10</sup> Ibid. #349

<sup>11</sup> Ibid. #155

<sup>12</sup> Toll-free Number Final Report

<sup>13</sup> Department of Energy, 800/877/888 Inventory, November 1, 1999.

<sup>14</sup> Table 4 Toll-free Number Categories

## **Chapter 4**

**Recommendation:**

**Making the Vision a Reality**

“Better Delivery/Bigger Audience” is the driving force of the Management Review Team for research into how to improve public information delivery at the Department of Energy. The goal was to identify the distribution system that would provide the best public service to meet and exceed the best practices in the business, and to do it cost effectively.

Our conclusion: major reforms are needed to provide the best service to the taxpayer. The time has arrived for a “One Stop Shop.”

### Hopes and Fears

As we lay out the details of this recommendation, the outcome of our nine-month project, it is appropriate to share with you this team’s hopes and fears.

We believe this report provides the Department an opportunity to better inform the American public about and what we do to serve the public in the spirit Secretary Richardson challenged us during his first day address to DOE employees. We hope that management thinks big, takes this effort seriously, and is willing to take advantage of the moment to implement these ideas on improving customer service. Our greatest hope is that management takes a hard look at this recommendation and follow through with it.

Conversely, the Team also expressed its fears. Among them are the fear that the recommendation will become “overtaken by events,” that senior management will not

follow through and that institutional resistance will “wait you out.”

Another fear is that the Department will continue to focus on parochial interests at the expense of our corporate interests. We firmly believe thinking too small and continuing our “stovepipe” culture where everyone does their own thing would be the wrong approach.

### Our Incentives

To build the case for change that we present to you in this and final chapter of our report, we crossed three hurdles. In order to do a needs assessment of the high-level requirements for this function, we asked the public what it wanted and expected from DOE. Then we searched for the “best in class” to examine trends and best practices. Finally, we took a close look at our current situation to provide a picture of the “base case” and the costs associated with maintaining the status quo.

The Team structured its recommendations fully aware of the Department’s dual responsibilities to maintain security and promote openness. These two responsibilities compete and contradict one another affecting the Department’s conduct of operations. Our assessment is that it is time for the “openness” part of our mission to launch into a rapid and significant reform.

We know from listening to the public that our department is perceived as a remote and complex system that is cumbersome to

navigate. Our survey of telephone service quality shows that only 23 percent of the calls to the Department resulted in an answer; 20 percent were dead-ends; and 57 percent resulted in a referral to another number.

We found overwhelming evidence that the Department's myriad hotlines and clearinghouses do not serve the general public well. Rather, they are focused on a small niche audience of "elites" who sap most of our resources at the expense of serving the larger public. Some public information delivery systems even contain contractual limitations driven by their budget that restrict how many people can be served. For instance, EERE caps its contacts to no more than 60,000 per year.

## Resources

When we started this review, we made a commitment to management to get a firm grip on the resources spent in this business line of DOE operations.

At the outset, we guessed that this function – clearinghouses and hotlines – consumed an operational budget of \$20 million/ year, used 70 staff and that we had 100 toll-free lines. As our final research results came in, we discovered we spend \$47 million/year, use 268 FTE staff and contract employees and pay for more than 400 toll-free lines.

Certainly much of this budget involves work and activities, such as document preparation and publication, public outreach activities

or technical advice that should continue to reside with the program offices. However, much of the work on the delivery side is redundant and duplicative and could be more efficiently managed with a "One Stop Shop" style of organization.

Our point is the resources are clearly available to develop an outstanding delivery system; we just need to effectively manage the existing capacity reengineering where necessary, trimming items that are not functioning up to par. Much of DOE's current public information needs to be far better coordinated among the Department's programs, consolidated and expanded in available media, and distributed more widely and effectively. Retaining a stovepipe culture has hurt the Department's ability to communicate effectively and efficiently with the public.

In addition, the Department needs a new configuration to aggressively seek opportunities to partner internally and externally, to maximize outreach initiatives. The Energy Efficiency and Renewable Energy Office's Tips for Energy Savers publication with Owens-Corning is a prime example of a successful partnering that is all too rare at DOE.

Our core recommendation for a "One Stop Shop" and strategies to get there offers the Department an opportunity to overhaul completely the way the Department does business with all of its stakeholders.

## The Vision

To provide a best in class information distribution system for the American taxpayer with service that meets or exceeds the best practices in business, we recommend DOE make a rapid transformation to a “One Stop Shop.”

A “One Stop Shop” unifies information delivery by integrating multiple access points – phone, fax, clearinghouse and web-based – to deliver to taxpayers an information system infrastructure which offers reliable, transparent and current information.

Multiple access points enable the public to choose which method of communication is convenient and available to them: web site, e-mail, fax, or telephone. In addition to obtaining information on the web, the customer could:

- Order materials on line or through the toll-free phone service or clearinghouse services;

- Search the site and download documents off the web;

- Enjoy seamless referrals to other Departmental and Federal/ Non-Federal resources; and,

- Communicate with informed customer services representatives instead of getting passed around or handed off to recorded information lines.

Multiple access points also ensure cost efficiency by using advanced technology on and off the Web to promote and distribute our “best sellers.” We need to allow members of the public who do not have access to a computer the option of calling DOE on a single toll-

free phone number to get the same information.

The Office of Consumer Information’s Consumer Web site “energy.gov” is ready to become the Department’s portal to access all the rest of the Department’s web sites. With the Web as the backbone, the consumer will be able to read, download, and order materials, search the Internet across all of DOE’s web sites, and communicate via e-mail with Department staff.

With a single toll-free telephone number, the public could access all of DOE’s services as well. According to marketing expert Judith Oppenheimer,<sup>1</sup> President of ICB, Inc., “800 (numbers become) branded, triggering an elevated consumer response, and a pronounced buying behavior. (888/877/866/855, etc. get too easily confused with the proliferation of new local area codes, and inevitably send miss-dials to the 800 version. They do not perform, or represent, as well as 800.)” Utilizing “smart screen” technology, trained operators could assist the public in quickly finding correct information with one call; order publications and materials; and, answer most of the public’s frequently asked questions.

This vision is the future of public information. The public expects and wants to be informed in a manner that is convenient for them, not simply convenient to the bureaucracy. With the advanced communication technology available in today’s marketplace, the Department can be a leader in offering the public the best service,

and the most relevant information, cost-effectively.

Implementation of “One Stop Shop” begins with the vision that DOE can be the best in the business. The charge to make “better delivery with a bigger audience” can be fully realized only by adopting this recommendation.

### **Action Plan**

Our action plan has five achievable goals, and 17 different strategies in support of the goals:

- Make "Better Delivery/Bigger Audience" a reality;
- "One Stop Shop": unify the DOE public information system;
- Institutionalize the skills of the consumer/public information function;
- Help people find our information with routine public service announcements; campaigns; and
- Establish corporate standards and protocols.

Our action plan is to make “Better Delivery/Bigger Audience” a reality. We want to provide the best service for American taxpayers with a re-engineered, customer driven focus. The system will meet and exceed best practices in business, and it will be cost-effective. The taxpayers should have a reasonable expectation they will have easy access to services and products they helped pay for. Fixing our broken

delivery systems goes a long way towards making that happen.

The “One Stop Shop” will unify the public information system by creating a single point of access with a multi-tier access system using the web as the fundamental infrastructure. Telephone, e-mail, fax and hard copy will be integrated and accessed according to the customer’s needs.

The “One Stop Shop” approach needs to be institutionalized. This will require creating a separate control point in the budget and building this function into Government Performance and Results Act (GPRA), the annual Performance Agreement with the President and the Strategic Plan. A Board of Directors, composed of senior managers whose status, authority, and position bring depth and commitment to the enterprise, is also essential.

Marketing of the “One Stop Shop” is another vital component to its success. For the public to use it, they must know where to find it. This should include Public Service Announcements on radio, TV and other venues as well as stamping this information on hard copy documents and on the web page.

Finally, the Department must establish corporate standards and protocols. “Rules of the road” will help define and insure reliable customer service as well as production guidelines with corporate standards regarding when dated material is retired.

Timing and sequencing of the action plan is also important.

Because this recommendation is a radical departure from today's hodge-podge of programs and services, the action plan should be adopted all at once instead of piecemeal in order to assure the project the stamina and institutional support it will need to work.

### **Goal 1: Bigger Audience/Better Delivery**

There are three tactical strategies we recommend here. First, we must begin with a commitment to use the latest technology to be a leader providing state-of-the-art "One Stop Shop" with features an integrated fulfillment center using smart screen technology, and on-line ordering for all of the most popular publications DOE. Second, we must have a commitment to identify and produce bilingual consumer/public information products for certain best sellers.

Third, we must establish a walk-in service at Headquarters for the public to have access to the most popular DOE publications from a visible display in the front lobby instead of hiding our material behind guards and x-ray machines.

By beginning with this framework we build a professional full-service operation that has an opportunity for success. If, on the other hand, our public information operations continues to be a window-dressing operation with a "tin-cup" way of doing business and staff continues to "make-do" with "whatever we can scavenge" mentality, it will fall flat on its face.

### **Goal 2: One Stop Shop**

A centralized document warehouse/distribution center, like that of the Department of Education's EdPubs, would provide a cost-effective system that would allow the public to e-mail or call the one toll-free number to request Departmental publications. Currently, we have no online ordering system but utilizing the "National Library" section of the energy.gov site that will provide electronic access to DOE and other world wide energy-related information, will allow us to build toward such a system in the future.

This distribution center would mail out responses to requests, maintain inventory and report monthly on what documents were in demand and those that were not.

The results of our lack of customer service infrastructure was made apparent recently when the workers advocacy office found itself without the know-how or expertise to open a call center to handle calls from the public announcing the occupational health initiative. With a unified "One Stop Shop" and appropriate scripts from the program, this would not have been a cumbersome assignment.

To unify our public information systems, we need to adopt four specific strategies. First we recommend a big win: pull the plug on 100 toll-free phone lines that we know for sure are no longer in service. This would result in an immediate reduction of \$41,400 per year for just the monthly service

charge -- \$207,000 saved over five years.

Second, we recommend utilizing a Department of Education performance-based contract as our model Request for Proposal, and empower a Board of Directors (see goal 3) and new staff to get it on the street as soon as possible.

Third, you assign the General Counsel's Office, the Chief Finance Office, and the Office of Procurement to do a 30-day calendar review of the limits of current contract obligations. We need to determine what our contractual obligations are in moving forward toward centralized operations.

Fourth, we should move quickly to separate the ordinary from the extraordinary. This entails establishing a corporate distribution center for ordinary materials that are requested by the public as well as program bulk mail distributions. Extraordinary materials like technical help, personal letters and trade shows will remain the responsibility of the program offices.

The Board of Directors should arbitrate disagreements on classification and this process should be put on a three-month clock.

Within this three-month time period programs also should be required to conduct an inventory of documents in print and in stock plus for a strategic plan regarding which documents will remain in print in five years and what will be put online or archived to the board for review. The program offices review of all titles in circulation should be put on a 90-day

timetable and go to the Board of Directors for review.

By cataloguing our publications list, the Department would, for the first time, be able to determine a complete list of titles in print. The next step would be to structure an evaluation process to determine whether some of the documents need to be archived.

This effort is fundamentally about knowledge management. The review would also offer the opportunity to determine what information gaps needed to be filled and where we are not publishing material the public wants. Monthly reports to management about what is moving off the shelves and what is not would help us gauge our communications strategies and resource allocations effectively.

### **Goal 3: Institutionalize Our Skills**

It is our conclusion that DOE has the skills to produce top-flight public information documents but that the management of this resource has been too lax and our delivery system needs repair.

The Management Review Team recognizes that policy alone will not make the "One Stop Shop" a reality. Institutionalizing our skills is a vital and necessary step. To succeed we need strong vocal support and oversight by senior management. We also need a recognized forum to hash out the details of this action plan and identify and remove barriers.

Because input by all program offices interacting with the public is vital, the creation of a Board of Directors in the next 60 days is recommended. The Board will insure the success of the Department's "One Stop Shop" by implementing good business practices and coordination and cooperation among the board members.

Those selected for the board should have decision-making authority and a direct report relationship to their program director or Assistant Secretary. This board should have professional development and training opportunities built into its operations.

We have identified staffing resources as a priority strategy to make this project a success. Developing an internal infrastructure necessary for day-to-day operations is critical. DOE staff with technical expertise in customer service issues and trends as well as procurement and program management skills are vital to help the board stay on track, meet its commitments and effectively oversee operational details.

This would be the optimal time to institutionalize the Office of Consumer Information for this purpose, and provide for a career senior GS-15 level Deputy and an assistant (i.e., GS-9 level) for this purpose in the next 60 days to provide full time staff support to the board and this initiative.

This is consistent with the Consumer Information Office mission: "develop and lead a Departmental initiative to enhance and improve the Department's

communications with the American consumer by developing and promoting the latest innovations in web based technologies to provide interactive exchange with consumers, to reach the maximum audience...and to expand and increase the efficiency with which the information is disseminated."

The Board of Directors will be responsible for recommending to the Deputy Secretary whether the "One Stop Shop" should be operated by full time Federal workers or contractors, or a combination of the two. Without knowing the results of the recommended CFO-Procurement-GC review it is premature to make a recommendation on structure.

This task force should start with the Department of Education's Request for Proposal as its focus but consider alternatives.

The Management Review Team found that in some business sectors outsourcing was on the increase. Departments like Education found it was the only cost effective way to get the latest technology infrastructure they wanted. However, at a Customer Resource Management Expo<sup>2</sup>, an expert pointed out that the pendulum had already begun to swing back to in-house operation because performance measures are more difficult to manage under a contract-only basis.

We can also institutionalize the skills of this function by firmly embodying it in the GPRA Strategic Plan and other relevant documents.

To institutionalize the budget, we need to create a separate control point in the FY01 budget.

#### **Goal 4: Marketing**

The Department needs both an internal and external communication plan for “the One Stop Shop” to be launched. This should include announcements for senior staff, distribution of the report, and briefings across the complex by members of the management review team.

Information about this Publications Center would be published on the web site, on the documents, business cards, telephone books and on Departmental web sites to help us effectively cross-market this public access point.

As part of the management and operations of the “One Stop Shop,” we must continue to pulse the public about our customer service operations for feedback.

Finally, the Consumer Information Office should be formally authorized by senior management to budget and plan routine public service announcements on our public information products and services.

#### **Goal 5: Establish Corporate Standards and Protocols**

A first step in establishing corporate standards and protocols is the adoption of a policy that incorporates the goal of providing the

DOE customer with the best service through the "One Stop Shop". This needs to be developed by the Board of Directors, and signed out by senior management to institutionalize the concept. Possible be vetting through the Field Management Council or Chief Operating Officer is likely.

Another important standard to establish is procurement, administration rules on who gets to use toll-free lines and when they are stopped. Currently no rules exist and everyone does whatever they want. It is vital to stem the propagation of these lines and to institute some management control.

This will be a key strategy that must be driven by management and the people empowered to make it happen must have full authority to do this properly.

We expect consolidating the document distribution system could also result in substantial Department savings that come with economies of scale and shared resources.

#### **Benefits and Costs to DOE**

For the DOE employee or DOE telephone operator who fields calls daily from the public, a “One Stop Shop” will provide transparent access to all of the Department’s public information. No more hunting for phone numbers or web sites. Staff will no longer have to chase around internally for information on where to send a customer.

By peeling away the fulfillment center and generic call center

functions from the 30 clearinghouses and the 45 numbered hotlines/public access points with a consumer or public purpose (See appendix "Contact Us"), DOE staff will gain certain benefits. Staff will gain the freedom to focus on their program goals and objectives and leave bulk mailing and fulfillment center duties to customer service representatives trained for that purpose.

DOE's credibility and image as a customer-based organization will be enhanced by the ease with which the public acquires our information. Important too are the rewards of being known and given credit for DOE's contributions to the general welfare of America's citizens.

We will also adopt best practices in management by moving to a horizontal approach to dealing with the cross-cutting business line of customer service, and developing corporate standards and protocols. The "go it alone" approach is not working. Finally, it will be a cost-effective information management system, to provide customer driven best in class service to the American taxpayer.

There are also costs. We would have to re-bid existing contracts in order to ultimately and streamline obligations. We would have to create two additional staff slots for this function, in the Consumer Information Office.

We would also have to realign current staff duties toward long-term, more strategic duties as the "One Stop Shop" took on routine fulfillment center and call center operational responsibility. For example, the Public Information Office in the

Public Affairs Office would have to re-invent itself, perhaps taking on more proactive duties in dealing with electronic media outreach or having their day-to-day operations folded into regular press liaison and contacts to manage reactive press relations. Creating a strategic communications wing in place of public information would be viable.

In the same way, present contractors would have to realign their duties to do things that are not "ordinary" and positions may be eliminated as these duties flow to a corporate board driven structure.

Program offices would have to dedicate staff to serve on the Board of Directors and make sure that these positions had internal support so they could operate effectively.

Congress might have to buy into this new way of doing business due to current funding strategies led by the program offices that seek specific line items for specific duties that are narrowly assigned.

Finally, some vanity publications with low distributions may be stopped or moved online, which may cause some complaints from the authors or their narrow subscriber/reader base.

On balance, we strongly believe the benefits outweigh the costs.

#### Five Stages of Change

The five stages of change: shock; flood of emotion (or denial); bargain; depression and acceptance are a normal part of organizational growth and development. By recognizing that these stages occur, they can be planned for to insure that

implementation progresses smoothly.

**Five Stages of Change<sup>3</sup>**

| STAGE      | SOLUTION               |
|------------|------------------------|
| Shock      | Open Communication     |
| Denial     | Plan                   |
| Bargain    | Use the current skills |
| Depression | Encourage input        |
| Acceptance | Best in Class Service  |

We expect announcing a transition to "One Stop Shop" will shock both program managers and contractors. Should this proposal be agreed to by management, the management review team is available to fan out and schedule briefings with Program Office Managers to describe the scope of this initiative and what is expected of them. By communicating openly and early in the process, the shock stage should be short-lived.

The second stage is denial. Denial can be overcome by a solid implementation plan with deadlines and assignments for which commitment to the process is part of the performance measure of the implementation staff.

Bargaining will be part of the process the Board of Directors must sift through to truly maximize the technical and program management skill mix. As staff see the inexorable move to innovation, depression may occur. This can be overcome by encouraging participation and input.

Finally, acceptance, when personnel realize that using the best the Department offers in creating a best in class system is a better outcome for our manpower and resources.

**Conclusion**

Without all five stages in place, complex change is doomed. Without vision you get confusion. Without skills, you get anxiety. Without incentives, you get gradual change. Without resources, you get frustration. Without an action plan, you get false starts.

In managing complex change, the team has been lead by five strategies that will insure success:

- Vision
- Skills
- Incentives
- Resources
- Action Plan<sup>4</sup>

In creating a vision of a unified information delivery system, we made the public's needs and expectations central to us. We also used the vision to measure where DOE is now in providing information to the public.

We have clearly found that DOE has the skills to reform its public information distribution system. We must retain and depend upon the program offices for supplying the technical expertise and the products to be delivered to DOE's stakeholders. However the delivery system needs the help a properly configured organization and wise use of contract dollars would bring.

In looking at the best practices of both government and industry, we found great incentives to move forward with our vision of a major

transformation in customer service at DOE.

In assessing where DOE is currently, we recognized that we have the resources. We own both the technical expertise, as well as important and credible information to disseminate to members of the public. Furthermore, the public wants this information and too often can't find it with the current inferior structure in place. Resources that we lack can be found. We recognize state-of-the-art hardware and software presently exists that delivers that information -- correct information, available in a consumer-friendly format at the public's convenience -- is what the situation requires.

Finally, we realized without an action plan, all our research would be wasted. The action plan of 5 goals and 20 strategies in support of those goals, with your concurrence, will be the launching pad for the total transformation of the Department's public information delivery system:

1. Make Better Delivery/Bigger Audience a Reality
2. One Stop Shop: Unify the Public Information System
3. Institutionalize Skills
4. Marketing: Helping People Find Us
5. Establish Corporate Standards and Protocols

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<sup>1</sup> President, ICB, Inc.

<sup>2</sup> April 1, 2000, Washington Convention Center, CRM Expo

<sup>3</sup><http://www.doi.gov/pfm/conf98/rivers/tsld015.html>

<sup>44</sup> Id.

## Tables

**Table 1**  
**Universe of Hotlines/Clearinghouses/Walk-in/Mail Requests/Toll-Free Nos.**

| <b>PROGRAM/OPERATIONS OFFICE</b>             | <b>HOTLINES</b> | <b>CLEARING HOUSE</b> | <b>COMBINED CONTACTS</b> | <b>MAIL REQUESTS</b> | <b>WALK-INS</b> |
|--|-----------------|-----------------------|--------------------------|----------------------|-----------------|
| CHIEF FINANCIAL OFFICER                      | No              | No                    | Yes                      | Yes                  | No              |
| DEFENSE PROGRAMS                             | Yes             | Yes                   | No                       | No                   | Yes             |
| <b>ECONOMIC IMPACT AND DIVERSITY</b>         |                 |                       |                          |                      |                 |
| Equal Employment Opportunity                 | No              | Yes                   | Yes                      | Yes                  | No              |
| Environmental Justice                        | Yes             | Yes                   | No                       | Yes                  | Yes             |
| <b>ENERGY EFFICIENCY</b>                     |                 |                       |                          |                      |                 |
| Building Codes and Standards                 | Yes             | Yes                   | No                       | Unknown              | Yes             |
| EREC   | Yes             | Yes                   | Yes                      | Yes                  | Yes             |
| Industrial Technologies                      | Yes             | Yes                   | Yes                      | Yes                  | Yes             |
| Alternative Fuels                            | Yes             | Yes                   | Yes                      | Yes                  | Yes             |
| National Clean Cities                        | Yes             | Yes                   | Yes                      | Yes                  | Yes             |
| <b>ECONOMIC IMPACT AND DIVERSITY</b>         | No              | Yes                   | Yes                      | Yes                  | No              |
| <b>ENVIRONMENTAL MANAGEMENT</b>              | Yes             | Yes                   | Yes                      | Yes                  | Yes             |
| <b>MATERIALS DISPOSITION</b>                 | No              | Yes                   | No                       | Unknown              | No              |
| <b>FOSSILE ENERGY</b>                        | No              | Yes                   | No                       | Yes                  | No              |
| <b>MANAGEMENT AND ADMINISTRATION</b>         |                 | Replaced With Web     |                          | No                   | No              |
| <b>NUCLEAR ENERGY</b>                        | No              | No                    | No                       | No                   | No              |
| <b>NUCLEAR NONPROLIFERATION</b>              | No              | Yes                   | No                       | Yes                  | No              |
| <b>OVESIGHT AND QUALITY ASSURANCE</b>        | No              | No                    | At sites                 | Unknown              | No              |
| <b>PUBLIC AFFIARS</b>                        | No              | No                    | Yes                      | Yes                  | No              |
| <b>SCIENCE – OSTI</b>                        | No              | Electronic only       | No                       | Unknown              | No              |
| <b>SECURITY AND EMERGENCY OPERATIONS</b>     |                 |                       |                          |                      |                 |
| IAOP   | No              | Yes                   | No                       | No                   | No              |
| Emergency Management                         | No              | No                    | No                       | No                   | No              |
| ISRC   | No              | Yes                   | No                       | Unknown              | No              |
| NNSI   | No              | Yes                   | No                       | No                   | No              |
| <b>WORKER AND COMMUNITY TRANSITION</b>       | Yes             | No                    | No                       | No                   | No              |
| <b>ALBUQUERQUE OPERATIONS</b>                | As needed*      | No                    | Yes                      | Yes                  | As needed*      |
| <b>CHICAGO OPERATIONS</b>                    | No              | No                    | No                       | Unknown              | No              |
| <b>IDAHO OPERATIONS</b>                      | Yes             | No                    | No                       | Yes                  | Yes             |
| <b>NEVADA OPERATIONS</b>                     | Yes             | Yes                   | Yes                      | Yes                  | No              |
| <b>OAKLAND OPERATIONS</b>                    | Yes             | Yes                   | Yes                      | Yes                  | No              |
| <b>OAK RIDGE OPERATIONS</b>                  | No              | No                    | Yes                      | Yes                  | No              |
| <b>OHIO</b>                                  | No              | No                    | No                       | No                   | No              |
| <b>RICHLAND OPERATIONS</b>                   | No              | Yes                   | Yes                      | Yes                  | No              |
| <b>ROCKY FLATS</b>                           | No              | No                    | Reading Room             | Unknown              | Yes             |
| <b>SAVANNAH RIVER OPERATIONS</b>             | No              | No                    | Yes                      | Yes                  | No              |
| <b>NATIONAL ENERGY TECHNOLOGY LABORATORY</b> | Yes             | No                    | No                       | Rare                 | Yes             |
| <b>BONNEVILLE POWER ADMINISTRATION</b>       | No              | Yes                   | No                       | No                   | Yes             |
| <b>SOUTHEASTERN POWER ADMINISTRATION</b>     | No              | No                    | No                       | No                   | No              |
| <b>SOUTHWESTERN POWER ADMINISTRATION</b>     | No info         |                       |                          |                      |                 |
| <b>WESTERN AREA POWER ADMINISTRATION</b>     | No              | Yes                   | No                       | No                   | Yes             |

\* NEPA and Emergency only

**Table 2**  
**Number of Contacts for Hotlines, Clearinghouses and**  
**Combined Hotlines and Clearinghouses**

| <b>PROGRAM/OPERATIONS OFFICE</b>         | <b>HOTLINES</b> | <b>CLEARING HOUSE</b> | <b>COMBINED CONTACTS</b> | <b>MAIL REQUESTS</b> | <b>WALK-INS</b> |
|--|-----------------|-----------------------|--------------------------|----------------------|-----------------|
| CHIEF FINANCIAL OFFICER                  | No              | No                    |                          | 5                    | 10              |
| DEFENSE PROGRAMS                         | Yes             | Yes                   |                          |                      |                 |
| <b>ECONOMIC IMPACT AND DIVERSITY</b>     |                 |                       |                          |                      |                 |
| Equal Employment Opportunity             | No              | 2,000                 |                          | 300                  | 2000            |
| Environmental Justice                    | Yes             | Yes                   |                          |                      |                 |
| <b>ENERGY EFFICIENCY</b>                 |                 |                       |                          |                      |                 |
| Building Codes and Standards             | Yes             | Yes                   | 800                      |                      |                 |
| EREC                                     | Yes             | Yes                   | 43,602                   | 16,677               | 17              |
| Industrial Technologies                  | Yes             | Yes                   | 3,110                    | 3,450                | 30              |
| Alternative Fuels                        | Yes             | Yes                   | 575                      | 600                  | 45              |
| National Clean Cities                    |                 |                       |                          |                      |                 |
| <b>ECONOMIC IMPACT AND DIVERSITY</b>     | No              | 16,500                |                          | 1500                 | 3,400           |
| <b>ENVIRONMENTAL MANAGEMENT</b>          | Yes             | Yes                   | 1,028                    | 100                  | 5               |
| <b>MATERIALS DISPOSITION</b>             | No              | Unknown               |                          |                      |                 |
| <b>FOSSILE ENERGY</b>                    | No              | 1800                  |                          | 2000                 | 50              |
| <b>MANAGEMENT AND ADMINISTRATION</b>     |                 | Replaced with Web     |                          |                      |                 |
| <b>NUCLEAR ENERGY</b>                    | No              | No                    |                          |                      |                 |
| <b>NUCLEAR NONPROLIFERATION</b>          | No              | 20                    |                          | 12                   |                 |
| <b>OVESIGHT AND QUALITY ASSURANCE</b>    | No              | No                    |                          | Unknown              |                 |
| <b>PUBLIC AFFIARS</b>                    | No              | No                    |                          | 2500                 | 5000            |
| <b>SCIENCE – OSTI</b>                    | No              | Electronic only       |                          |                      |                 |
| <b>SECURITY AND EMERGENCY OPERATIONS</b> |                 |                       |                          |                      |                 |
| IAOP                                     | No              | 16,000                |                          |                      |                 |
| Emergency Management                     | No              | No                    | No                       | No                   | No              |
| ISRC                                     | No              | 1,000                 |                          |                      |                 |
| NNSI                                     | No              | 2,800                 |                          |                      |                 |
| <b>WORKER AND COMMUNITY TRANSITION</b>   | 2,200           | No                    |                          |                      |                 |
| <b>ALBUQUERQUE OPERATIONS</b>            | As needed*      | No                    |                          |                      | 30-40           |
| <b>CHICAGO OPERATIONS</b>                | No              | No                    |                          |                      |                 |
| <b>IDAHO OPERATIONS</b>                  | 620             | No                    |                          | 375                  |                 |
| <b>NEVADA OPERATIONS</b>                 | 50              |                       |                          | 126                  | 1,276           |
| <b>OAKLAND OPERATIONS</b>                | Yes             | 3,000                 |                          | 200                  | 400             |
| <b>OAK RIDGE OPERATIONS</b>              | No              | 5,000                 |                          | 100                  | 2,064           |
| <b>OHIO FIELD OFFICE</b>                 | No              | No                    |                          |                      |                 |
| <b>RICHLAND OPERATIONS</b>               | No              | Yes                   |                          |                      |                 |
| <b>ROCKY FLATS FIELD OFFICE</b>          | No              | No                    |                          |                      |                 |
| <b>SAVANNAH RIVER OPERATIONS</b>         | No              | No                    |                          |                      |                 |

\* NEPA and Emergency only

| <u>PROGRAM/OPERATIONS OFFICE</u>      | <u>HOTLINES</u> | <u>CLEARING<br/>HOUSE</u> | <u>COMBINED<br/>CONTACTS</u> | <u>MAIL<br/>REQUESTS</u> | <u>WALK-INS</u> |
|---------------------------------------|-----------------|---------------------------|------------------------------|--------------------------|-----------------|
| NATIONAL ENERGY TECHNOLOGY LABORATORY | 500             | No                        |                              | Rare                     |                 |
| BONNEVILLE POWER ADMINISTRATION       | No              | 2,000                     |                              |                          |                 |
| SOUTHEASTERN POWER ADMINISTRATION     | No              | No                        |                              |                          |                 |
| SOUTHWESTERN POWER ADMINISTRATION     | No info         |                           |                              |                          |                 |
| WESTERN AREA POWER ADMINISTRATION     | No              | 219                       |                              |                          |                 |

**Table 3**  
**Hotlines/Clearinghouses v. Web Sites**

| <b>OFFICE</b>                                 | <b>HOTLINES</b> | <b>CLEARING HOUSE</b> | <b>WEB SITE</b> |
|---|-----------------|-----------------------|-----------------|
| CHIEF FINANCIAL OFFICER                       | No              | No                    | No              |
| DEFENSE PROGRAMS                              | Yes             | Yes                   | Yes             |
| <b>ECONOMIC IMPACT AND DIVERSITY</b>          |                 |                       |                 |
| Equal Employment Opportunity                  | No              | Yes                   | No              |
| Environmental Justice                         | Yes             | Yes                   | Yes             |
| <b>ENERGY EFFICIENCY</b>                      |                 |                       |                 |
| Building Codes and Standards                  | Yes             | Yes                   | Yes             |
| EREC  | Yes             | Yes                   | Yes             |
| Industrial Technologies                       | Yes             | Yes                   | No              |
| Biofuels Information                          | No              | Yes                   | Yes             |
| Motor Challenge                               | No              | Yes                   | Yes             |
| Solar Thermal                                 | Yes             | Yes                   | Yes             |
| National Clearinghouse of Photovoltaics       | No              | Yes                   | Yes             |
| Photovoltaic                                  | Yes             | Yes                   | Yes             |
| Alternative Fuels                             | Yes             | Yes                   | Yes             |
| National Clean Cities                         | No              | Yes                   | Yes             |
| <b>ENERGY INFORMATION ADMINISTRATION</b>      | Yes             | Yes                   | Yes             |
| <b>ENVIRONMENTAL MANAGEMENT</b>               | No              | Yes                   | Yes             |
| <b>MATERIALS DISPOSITION</b>                  | No              | Yes                   | Yes             |
| <b>FOSSIL ENERGY</b>                          | No              | Yes                   | Yes             |
| <b>MANAGEMENT AND ADMINISTRATION</b>          | No              | No                    | Yes – only      |
| <b>NUCLEAR ENERGY</b>                         | No              | Yes                   | Yes             |
| <b>NUCLEAR NONPROLIFERATION</b>               | No              | No                    | Yes             |
| <b>OVERSIGHT AND QUALITY ASSURANCE</b>        | No              | No                    | Yes             |
| <b>PUBLIC AFFAIRS</b>                         | No              | No                    | No              |
| <b>OFFICE OF SCIENCE – OSTI</b>               | No              | GPO                   | Yes             |
| <b>SECURITY AND EMERGENCY OPERATIONS</b>      |                 |                       |                 |
| IAOP  | No              | No                    | Yes             |
| Emergency Management                          | No              | No                    | Yes             |
| ISRC  | No              | No                    | In Dev.         |
| NNSI  | No              | No                    | Yes             |
| <b>COMMUNITY AND WORKER TRANSITION</b>        | Yes             | No                    | Yes             |
| <b>ALBUQUERQUE OPERATIONS</b>                 | As needed*      | No                    | As needed*      |
| <b>CHICAGO OPERATIONS</b>                     | Yes             | No                    | Yes             |
| <b>IDAHO OPERATIONS</b>                       | Yes             | No                    | Yes             |
| <b>NEVADA OPERATIONS</b>                      | No              | Yes                   | Yes             |
| <b>OAKLAND OPERATIONS</b>                     | Yes             | Yes                   | Yes             |
| <b>OAK RIDGE OPERATIONS</b>                   | No              | No                    | Yes             |
| <b>OHIO FIELD OFFICE</b>                      | No              | No                    | No              |
| <b>RICHLAND OPERATIONS</b>                    | No              | Yes                   | Yes             |
| <b>ROCKY FLATS FIELD OFFICE</b>               | No              | No                    | Yes             |
| <b>SAVANNAH RIVER OPERATIONS</b>              | No              | Yes                   | Yes             |
| <b>NATIONAL ENERGY TECHNOLOGY LABORATORY</b>  | No              | No                    | Yes             |
| <b>BONNEVILLE POWER ADMINISTRATION</b>        | No              | Yes                   | Yes             |
| <b>SOUTHEASTERN POWER ADMINISTRATION</b>      | No              | Yes                   | Yes             |
| <b>SOUTHWESTERN AREA POWER ADMINISTRATION</b> | No info         |                       |                 |
| <b>WESTERN AREA POWER ADMINISTRATION</b>      | No              | No                    | Yes             |

**Table 4**  
**Review of Toll-Free Numbers**

A survey/questionnaire was conducted on the DOE's Toll-Free numbers to identify the existence, location and function of each of the 404 Toll-Free numbers on the Agency's inventory list. The survey was completed by calling each number and conducting a brief questionnaire on the phone with the contact person, if available. The following categories were identified.

*Note: 8 of the phones numbers are recorded twice on the inventory list.*

| CATEGORY  | NUMBER | COMMENTS  |
|---|--------|---|
| Public Access   | 11     | Working phones with live person(s) answering and are accessible to the Public.  |
| Public Access   | 12     | Working phones with recorded messages or automated distribution with options.   |
| Internal  | 56     | Available to DOE employees and contractors (some are voice mails), employee hotlines for benefits info, etc.              |
| Voice Mail Services                                     | 28     | Voice mail lines for DOE employees and contractors. Public may call these lines to contact the employees and contractors. |
| Tele-conference Services                                | 3      | Callers have a code to call in to participate in conference calls   |
| Health and Safety Hotlines                              | 10     | These are primarily voice message hotlines.   |
| Public Participation                                    | 5      | These are NEPA and Site Specific Advisory Board lines.  |
| Pagers  | 4      | Pagers for the contracting technicians within the Department.   |
| Business to Business                                    | 20     | Available for business to business use only   |
| Fax, Modems, E-mails                                    | 97     | These number are responding as faxes and modems, although some maybe e-mail lines.  |
| No Answers  | 49     | Continuous ringing. These numbers may be space holders and being paid for by DOE, and are not in use.                     |
| Out of Service/Disconnected                             | 56     | Voice recordings indicated that the number is disconnected or out of service. Up to seven could be already reassigned.    |
| Busy Signals  | 7      | Continuous busy signals. May be out of service.   |
| Crime Witness Hotline/FBI Criminal Apprehension Program | 2      | Portland, Oregon (A Federal Hotline of DOE) #312DOE Contractor (Bechtel) for Las Vegas area                               |

## **APPENDIX B**

### **Questionnaire Points of Contact**

Congressional and Intergovernmental Affairs (CI) - Jay Vivari  
Office of Defense Programs - John Ventura  
Office of Economic Impact and Diversity - John Shay and Anne Young  
Office of Energy Efficiency and Renewable Energy - Ben Finsell, Pat Rose, Sarah Kirchen  
Office of Environment, Safety and Health - Betty Beavers  
Energy Information Administration - John Weiner  
Office of Environmental Management - Melinda Downing  
Office of Independent Oversight and Performance Assurance - Kathleen Schmidt  
Office of Intelligence - Garnett Pickette  
Office of Fissile Materials Disposition - Bert Stevenson  
Office of Fossil Energy - Robert Porter  
Inspector General (GC) - John Hartman  
Office of Nonproliferation and National Security - Adam Scheinnan  
Office of Nuclear Energy - John Stamos  
Office of Policy - Michael Freshe  
Office of Public Affairs - Chet Gray  
Office of Civilian Radioactive Waste Management - Ronald Milner  
Office of Science - Walt Warnick  
Office of Security and Emergency Operations - Dave Jones  
Office of Worker and Community Transition - Sheila Dillard  
Albuquerque Operations Office - Tracy Loughhead  
Chicago Operations Office - Chris Kiswiniarski  
Idaho Operations Offices - Brad Bugger  
Nevada Operations Office - Jadin Allmen  
Oakland Operations Office - Larry Herman  
Oak Ridge Operations Office - Walter Perry  
Ohio Operations Office - Ken Morgan  
Richland Operations Office - Mike Talbot  
Rocky Flats Operations Office - Anna Martinez  
Savannah River Operations Office - Becky Craft  
Bonneville Power Administration - Dulcy Mahar  
Southeast Area Power Administration - Joel Seymour  
Western Area Power Administration - Laverne Kyriss  
National Energy Technology Center - Dan Cillo

2000-013209 5/16 3:48



**Department of Energy**  
Washington, DC 20585

May 12, 2000

Deputy Secretary T.J. Glauthier  
U.S. Department of Energy  
1000 Independence Ave., S.W.  
Washington, D.C. 20585

Dear Mr. Deputy Secretary:

On behalf of the members of your Management Review Team on Clearinghouses and Hotlines, I respectfully submit the attached report to you for your review and consideration.

It was a rare privilege to participate in this assignment, and our team would like to thank you for the opportunity you gave us to take a fresh look at a critical aspect of our agency's interface with the public. This nine-month examination of the operations and management of the Department of Energy's vast web of clearinghouses and hotlines has been a daunting but exhilarating exercise.

It was daunting because our report represents the first time in anyone's memory that the Department of Energy has successfully "put their arms around" this challenging issue. We set out to give you a clear picture of how the Department spends these resources and what our customer's experience has been navigating the current public information delivery systems.

It was exhilarating because you gave a group of DOE employees the freedom and the authority to dream a little. We got into the weeds and compared our agency against the best in the business, asked the tough questions and – most importantly – thought "outside the box" about how to design a system that serves the public better and provides a higher level of accountability to management.

In the last chapter, our Action Plan presents a bold approach to improving our operations – a rapid transition to "One-Stop Shop". We hope this recommendation will get serious attention and consideration from you and your staff. We think it represents the wave of the future for customer-driven service at federal agencies.

Our group would be delighted to provide you with a briefing about our research and this report at a time of your convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen McShea".

Kathleen McShea  
Director, Office of Consumer Information

Attachment.



Printed with soy ink on recycled paper



# Department of Energy

Washington, DC 20585

MEMORANDUM FOR THE DEPUTY SECRETARY

June 8, 1999

FROM: KATHY MCSHEA  
DIRECTOR, CONSUMER INFORMATION OFFICE

ISSUE: **Action:** Create a Fast Track Management Review to tackle the issue of proliferating clearinghouses and hotlines, with options presented from a diagnostic team which helps define the problem and an advisory committee of select Assistant Secretaries and others to react to the options and help you make a decision. This three-month process should lead to an outcome that:

- Creates *for the first-time ever* a "One-Stop Shopping Center" for DOE public and consumer information;
- Cuts the cost of hotlines and clearinghouses by at least a third;
- Clearly defines the target audience for all of DOE as the general public – instead of so-called high-end users – placing public convenience as a top priority for the service; and
- Achieves a cost-effective information management system for the public that maximizes opportunities to achieve economies-of-scale and motivates improved operations department wide; including:
  1. The creation of standards and protocols for integrating web-based material into hotlines and clearinghouse distribution chains, so there is a reasonable expectation that the type of information the public gets is consistent and reliable no matter what avenue they access it from; and
  2. The creation of standards and protocols for when public information material is retired or reviewed so the public is assured that information they get from these channels is not dated or stale.

BACKGROUND: See attached proposal memo. The best estimate available is that DOE spends nearly \$7 million on over 20 competing clearinghouses, employing over 70 people. There is no reliable information available about the number of hotlines available, but the estimate has been in the hundreds.

SENSITIVITIES: Given the recent lackluster history of this type of reform effort at the Department, it is important that this new effort be clearly seen as a management-driven enterprise.

POLICY IMPACT: None.

RECOMMENDATION: That you adopt this proposal as your own and announce it to the senior staff at the next available opportunity.

CONCUR:

NON-CONCUR:

JJM 6-8-99 - esp. focus on  
The Value of  
Convenience to  
users.

June 22, 2000

**MEMORANDUM TO THE DEPUTY SECRETARY**

**FROM:** Kathy McShea, Director  
Consumer Information

**ACTION:** Approval of the attached action plan from the management review team on Hotlines and Clearinghouses *{See Attachment "A"}*. The goals of this action plan are to increase integration at the Department of Energy, provide total solutions to customer information needs and assist our effort to transform the Department of Energy into a market-driven customer-focused agency. This plan includes recommendations to

- Use the latest technology, including the launching an immediate gateway call center to provide better telephone service to the public, and -- by 2002 -- a unified on-line ordering system for publications with an integrated "One-stop Shop" clearinghouse to support that service;
- Institutionalize our consumer information skills, along with a horizontal management structure to capture cross-cutting opportunities to improve operations; and
- Embrace strategic planning for public information products.

**BACKGROUND:** Last year you commissioned the management review team to review the status and operations of the many clearinghouses and hotlines operated by the Department of Energy. The team delivered the report to you on May 12, and provided two briefings to discuss our findings and recommendations. The action plan reflects points we believe you agreed to in the last meeting.

The management review team's report shows that we need to do a better job delivering our consumer and public information services. We have significant work to do to make the caller's interaction with the Department effective and responsive. There is wide variation between how the program offices create and use publications for the general public. The status quo provides no incentives to reduce costs and improve operations Department-wide, and actually hampers the ability of the agency to promote the information in a unified, coherent, cost-effective way.

Much of the work of the Department is excellent and directly relevant to the very people who pay for it – the American taxpayer. We believe this action plan will help achieve the Department's goal of delivering the best service to American taxpayers. Taxpayers have a reasonable expectation that they will have easy access to federal services, and this plan should put us on the right track to meet these expectations.

These reforms are also expected to provide the necessary incentives to reduce costs and improve operations. As we move to better corporate management of this resource it is clear that institutionalizing performance-based management of our public information delivery systems will yield significant savings and better results for the public. We expect duplicative administrative functions will be identified and removed as the more integrated, uniform and cost-effective management approach of this action plan takes hold.

The management review team believes the informal reporting relationship to management that has been established during Secretary Richardson's tenure for the consumer information office has provided a necessary and important link to senior management that has helped this initiative take hold. By formalizing this arrangement in DOE mission statements and providing a small nucleus of career professionals to support this office's mission and function, these reforms can come to life and support the executive order on consumer affairs which requires....

**SENSITIVITIES:** There are sensitivities in the program offices who will be impacted by these reforms, however we believe that their concerns can be answered and that tremendous benefits financial and otherwise will accrue to the department if we move forward. In addition, implementing this action plan initially will require additional resources and organization that better orient our resources for serving our public customers.

**POLICY IMPACT:** We recommend that the Department of Energy commit itself to a unified system of information delivery, including online ordering of popular publications, by 2002 (one year ahead of ambitious schedule announced by Vice President Gore earlier this month). We also ask all DOE publications be printed to include the following on the cover or back cover:

- energy.gov logo;
- the new gateway toll free number (1-800-dial-DOE);
- the web address where the report will reside online (if known) or energy.gov/library (if not known).

The advisory board also will be tasked with developing a longer-range plan, including the creation of a policy on customer service and use of toll free lines.

**CONCUR:** \_\_\_\_\_

**CC:** John Gilligan, Chief Information Officer  
David Klaus, Director of Office of Management & Administration  
Mike Telson, Chief Financial Officer

Attachments:

- A. Action Plan
  1. "DOE Caller Gateway" Recording Script
  2. List of dormant phone numbers identified by the Team
  3. Budget Projections
  4. Memo from S-2 to Departmental Elements Announcing Adoption of Action Plan

MANAGEMENT REVIEW  
STATUS AND OPERATIONS OF DEPARTMENT OF ENERGY CLEARINGHOUSE  
AND HOTLINES

June 22, 2000

**ACTION PLAN**

Our goals:

1. Increase integration
2. Provide total solutions to customers' information needs
3. Transform the Department of Energy into a market driven, customer-focused agency

**Recommendation:** *That you adopt the following goals and strategies*

**1. Use the Latest Technology**

- Use a "gateway" calling system for both 1-800-dial-DOE and 202-586-6000 which includes a touch tone system to guide callers to our high-volume services, including EREC, NEIC, EM, energy.gov, the people locator operators and a recording of public meetings. (target: 30 days) *{see attachment one}*
- Utilize smart-screen technology with "gateway" operator system; Link it to Management and Integration effort by upgrading the service to include a call center which offers callers the option "to speak to an information specialist about connecting to further energy activities".
- Commit the agency to having a unified on-line ordering system for popular publications and the one-stop shop information delivery system to support it by 2002. Use the energy.gov/library web page as the immediate foundation for online publications of our most popular information, reports and fact-sheets.

**2. Institutionalize our Consumer and Public Information Skills**

- Launch the Consumer Information Advisory Board, reporting to the Office of Consumer Information, and composed of members from each program office which maintains public access points. These members should be nominated by their program office and have a direct reporting relationship to the head of the program office, including attendance at their office's senior staff meetings. (target: 60 days)
- Hire two career professional FTEs at the Consumer Information Office to staff this one-stop shop initiative at the GS-15 and GS-7-9 salary levels. (target: 30 days for PD, 60 days for hire)
- DOE mission statements should be adjusted to reflect the institutionalization of the Consumer Information function. (target: 30 days)

- Rewrite necessary mission & function statements to clarify roles and responsibilities and formalize the informal working relationship begun by Secretary Richardson for MA-9 by designating a position on the organizational chart similar to the Office of Scheduling and the Secretary's Energy Advisory Board.

### **3. Identify and Drop Dormant Toll-free Lines**

- The dormant numbers should first be identified by their letters to assure that we are not dropping a line that could serve useful marketing purposes in the future. *{See attachment 2 for dormant numbers identified by the team}*
- Retain number #197 on the list, to use for "gateway": 1-800-DIAL-DOE.
- The CIO is working the task of dropping dormant lines, using the survey data developed by the management review team. (target: 30 days)

### **4. Support a Procurement/Financial Strategy**

- We recommend that the Consumer Information Office use the management and integration concept to develop a contract to provide the following services:
  - seamless referrals and transfers through a toll free line to clearinghouses not mentioned in the "gateway" message;
  - provide list maintenance services and a cost-effective alternative to programs for bulk mailings;
  - appropriate relationships with other clearinghouse contracts or contracting officers to obtain relevant information;
  - monthly reports on traffic similar to the performance based contract used by the Department of Education;
- That we provide \$1.245 M per year in seed money to the initiative the first fiscal year (Approximately \$400,000 over current budget), and provide for a charge-back payment system for future funding cycles and operations. Program offices would contribute to the cost of services based on the amount of information they produce for public distribution and shared funding would and put these activities into a corporate strategic plan while retaining the ability to be agile and quick *{see attachment 3 for budget projections.}*

### **5. Begin Strategic Planning**

- Require the program offices to participate in a strategic planning exercise to chart the future consumer information activities. This exercise should include 4 steps (target: 90 days)
  - Inventory of current titles, what's on the shelf & in print;
  - What will be on-line only in 5 years and what vanity publications will be eliminated;
  - What should be published that isn't;
  - Hispanic language needs?
- These strategic plans should be vetted through the Board of Advisors

### **6. Help People Find Us**

- That the energy.gov logo be printed on the front or back cover of all DOE publications, along with the new gateway toll free line (1-800-dial-DOE); In

addition, the precise URL where the document will reside should be listed if it is known at the time of the printing; If it is unknown, the energy.gov/library URL should be used instead, as a matter of policy.

- That we authorize the Consumer Information Office, in cooperation with the advisory board, be the lead office in marketing matters, including public service announcements, and that this role be reflected in DOE mission statements.

#### **7. Commission Advisory Board to Develop a Long-Range Plan in Support of these Goals.**

- Integrate the unified online ordering system into a “One-stop Shop” document distribution center that unifies DOE hotlines and clearinghouses in one place.
- Work with programs to separate ordinary from extraordinary publications to build the inventory of the “One-stop Shop” with the “ordinary” publications.
- Provide a unified walk-in center in the front lobby of the DOE HQ.
- Create a policy on customer service and toll-free lines.
- Build the mission of the initiative into GPRA, and Strategic Plan Documents.
- Develop systems to pulse public for feedback on DOE customer service experience.

Upon the adoption of this plan, a memo from Deputy Secretary announcing plan will be distributed *{see attachment 3}* and the Director of Consumer Information will be commissioned to fan out and brief HQ staff meetings.

*Attachment 3*

**Budget projection**

**OPERATIONS**

|  |            |
|--|------------|
| Phone referral service/call center       | \$480,000. |
| Monthly reports on distribution/delivery | \$150,000. |
| List maintenance services                | \$15,000.  |
| Smart Screen and online ordering tech    | \$150,000. |
| Public Service Announcements, literature | \$300,000  |

**ESTIMATED ANNUAL OPERATIONS COST : \$1,095,000**

**STAFF**

|                     |            |
|---------------------|------------|
| 2 FTE with benefits | \$200,000. |
|---------------------|------------|

**ESTIMATED COST WITH STAFF ADDED: \$1,295,000.**

**SAVINGS**

|                           |           |
|---------------------------|-----------|
| IMMEDIATE ANNUAL SAVINGS* | \$50,000. |
|---------------------------|-----------|

\* Other savings expected beyond the cost of maintaining unneeded toll free line infrastructure. No immediate projection of further management efficiencies is available, however these reforms are also expected to provide the necessary motivation to reduce costs and improve operations. As we move to better corporate management of this resource it is clear that institutionalizing performance-based management of our public information delivery systems will yield significant savings and better results for the public. We expect duplicative administrative functions will be identified and removed as the more integrated, uniform and cost-effective management approach of this action plan takes hold.

**TOTAL PROJECTED COST OF INITIATIVE \$1,245,000.**

## Mgt Review: Options

### *Our Goals:*

1. Increase connectivity
2. Total solutions to customers
3. Transformation into a market-driven customer focused agency

## Two paths

### ⌘ Original Recommendation: One Stop Shop

- ☒ *opportunity for radical transformation of neglected business practices*
- ☒ *captures the momentum of the moment created by this report to bless a "big idea"*

### ⌘ A Starting Place: A Smaller, Quicker Operation, which acts as a Pilot Project

- ☒ *provides a core to build around*
- ☒ *provides benefits along the way*

## Smaller, quicker operation

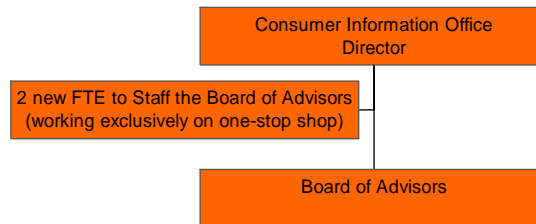
- ⌘ Retains elements of original plan, moves other ideas to phase two
- ⌘ Institutionalizes Consumer Info Office
- ⌘ Launches first-ever strategic planning for consumer information products, services
- ⌘ Management & Integration Contract
- ⌘ Central Outreach Strategy
- ⌘ Promote One-stop Shop with EE first

## Items to retain

- ⌘ Use latest technology
  - ☑ smart screen tech
  - ☑ On-line ordering
  - ☑ As foundation, use *energy.gov/publications*
- ⌘ Institutionalize it
  - ☑ Launch advisory board
  - ☑ Hire 2 new FTE at Consumer Office to staff the one-stop shop initiative
  - ☑ Fix mission statements
- ⌘ Kill dormant 800 #s
- ⌘ Procurement/financial strategy needed
- ⌘ Begin strategic planning
- ⌘ Communicate to DOE
  - ☑ Memo from TJ on plan
  - ☑ Team could fan out to brief HQ staff mtgs
- ⌘ Marketing (PSAs etc.)

# Institutionalize Consumer Information Activities

Infrastructure for Plan to Grow into One Stop Shop



## Strategic planning

- ⌘ Includes 4 elements
  - ☒ Inventory of current titles/what's on the shelf
  - ☒ What will be on-line only in five years?
  - ☒ What should be published that isn't?
  - ☒ Hispanic language needs?
- ⌘ Reports Results to Board of Advisors
- ⌘ Mirrors planning already done by EIA

## New idea: management & integration contract

- ⌘ Reporting to Board of Advisors, funded by Consumer Info Office
- ⌘ Providing monthly reports on traffic
- ⌘ All other program contracts would report to this new entity
- ⌘ Would also provide seamless referrals/transfers through a toll free line
- ⌘ Would manage all outreach mail over 1000 & maintain a unified mailing list

## New idea: central outreach strategy

- ⌘ Board of Advisors needs clout: giving them the lead on authorizing outreach mail over 1000 copies provides it
- ⌘ Harmonizing our systems could lead to savings
- ⌘ Gives management input into how we are using our resources...input that doesn't currently exist

## New idea: promote EE 1st

- ⌘ Leadership by example
- ⌘ EERE is a microcosm of the DOE universe
- ⌘ Collapsing 10 hotlines & clearinghouses into one is progress
- ⌘ *cost: does it wed/limit us to this contractor for rest of department if one-stop shop is ultimate goal?*

## Longer range plan

- ⌘ One-stop shop configured as a unified document distribution center
- ⌘ Programs to separate ordinary from extraordinary, peel off best-sellers, FAQs
- ⌘ Unified walk-in center at HQ
- ⌘ Policy on customer service, toll free lines
- ⌘ Built into GPRA, Strategic Plan for DOE
- ⌘ Pulse public for feedback on service

## Volume & costs compared

- ⌘ Department of Education responded to 128,345 calls, 133,712 letters & disseminated 71 million products costing \$7 million +
- ⌘ Transactions accounted for in FY99 by DOE Survey: 150,000 responses
- ⌘ DOE Corporate outreach activities not captured by management review

## Listening to the management "experts"

- ⌘ When the customer comes first, something has to adjust in the company culture. Customers care nothing for management structure...They are interested only in one thing: results.  
-- Michael Hammer
- ⌘ The old structures were not right for the next decade, let alone the next century.  
-- Frances Hesselbein
- ⌘ The new organization must focus on resource accumulation and resource leverage, more than resource allocation, per se.  
-- C.K. Prahalad

## Listening to the customer

“Information should be available to the common citizen without any hassle or run-around...”