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Citizen Satisfaction with Federal Government Lags Private Sector, e-Gov Still a Bright Spot in Federal Services According to ACSI

Poor Complaint Handling Creates Dissatisfaction; Service Courteous but Inefficient

Ann Arbor, Mich. (December 14, 2007)—Citizens are less satisfied with federal government services than they are with private sector services, according to the annual federal government report from the American Customer Satisfaction Index (ACSI) released today. In aggregate, citizen satisfaction with the federal government is 67.8 on ACSI's 100-point scale, 11 percent lower than the National ACSI (75.2). Private sector services score 74.

"Citizens expect more from government," said Claes Fornell, head of ACSI at the University of Michigan and author of *The Satisfied Customer: Winners and Losers in the Battle for Buyer Preference*. "The federal government should be concerned when satisfaction is on par with airlines and cable TV."

Although the federal government receives fewer complaints on average than the private sector, ACSI data show that federal government agencies could do a much better job handling the complaints they do receive. Only 9.1 percent of federal agency customers complained compared to 14.3 percent throughout the entire private sector. Complaint rates for Cable TV (44%), wireless telephone service (34%) and banks (27%) were much higher, but the federal government scores much lower in its ability to handle complaints.

Responding to complaints in a timely and effective manner can have a large impact on overall customer satisfaction. The ACSI for citizens whose complaints are handled well is 67. That drops to a dismal 28 when complaints remain unresolved.

"In all likelihood, the reason that government agencies get fewer complaints than most corporations is that dissatisfied citizens don't expect complaining to be worth the trouble," said Fornell. "Yet the lesson here is clear: good complaint handling will improve an agency's satisfaction."

Citizen satisfaction with e-government continues to outpace the overall federal government sector. The ACSI e-Government index is 73.4 for 2007, which is 8 percent higher than the overall federal government. In 2007, 20 percent of measured websites scored at 80 or better, but 28 percent are below 70. This suggests that although there is great potential, delivery of government services online is a mixed success.

Among agencies, taxpayer satisfaction with the IRS's paper filing process made the largest gain, up 8 percent this year to an all-time high of 55. This year's most satisfying agencies include the Mint (86) and the National Cemetery Administration in the

Department of Veterans Affairs (95). The Department of Interior, home of the National Park Service, leads federal departments as a whole at 79. Federal government departments with the lowest customer satisfaction include The Department of Treasury (60) and The Department of Homeland Security, with an ACSI score of 49, which puts it at the very bottom of the list.

ABOUT THE ACSI

The American Customer Satisfaction Index (ACSI) is the only uniform, national, cross-industry measure of satisfaction with the quality of goods and services available in the United States. In 1999, the federal government selected ACSI to be a standard metric for measuring citizen satisfaction. Over 100 Federal government agencies have used ACSI to measure citizen satisfaction of more than 200 services and programs. The Index is produced by the University of Michigan, in partnership with the American Society for Quality (ASQ) and CFI Group, an international consulting firm. ForeSee Results sponsors the e-commerce, e-business, and e-government indexes.

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