



NEW ZEALANDERS' SATISFACTION
WITH PUBLIC SERVICES

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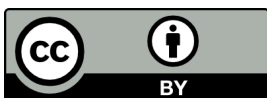
Kiwis Count

JUNE 2014 ANNUAL REPORT

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Executive Summary

Kiwis Count measures New Zealanders' trust in and satisfaction with public services and is a key indicator of how well government agencies are performing.

In the last 12 months, *Kiwis Count* results show New Zealanders' trust in and satisfaction with the public services they have used have both improved. This shows a public service delivering well and working hard to improve services in a context of increasing customer expectations.

A consistent theme to increased *Kiwis Count* satisfaction scores is agencies redesigning their services around the customer and the needs of the customer. In an environment where customer expectations are increasing, agencies must continue to deliver and evolve, with the customer in mind, to ensure satisfaction scores keep increasing.

In 2014 technical changes in how *Kiwis Count* results are calculated were implemented. A description of these changes is included in Appendix Two.



Some previously published service quality scores have been revised and more statistically significant changes in service quality score are identified.

A new online tool has been developed to view *Kiwis Count* data. It can be viewed at <http://www.ssc.govt.nz/sites/all/files/kiwis-count-june2014-interactive-report.xlsx>



Trust

- **New Zealanders' trust in public services** based on their most recent experience **has increased one point over the year to 77**. This is ten points higher than 2007.
- **New Zealanders' overall perception of trust of public services** (not based on using a particular service) has **increased three points** from 42 in 2012 **to 45 in 2014**. This is 16 points higher than 2007.
- Both experience and perception of trust have increased over time. Since 2007 perception of trust has generally grown at a faster rate, closing the gap between New Zealanders' perception of trust in public services and their actual experience of trust.
- The perception of trust in the private sector has now fallen behind public sector as public sector trust increased in 2014. Private sector trust was very similar to that in the public sector in 2012 and 2013.

The *Kiwis Count* trust results corroborate other findings that "the New Zealand State services are rated highly for their standards of integrity and conduct at the international level, and are considered to be one of the most transparent public services in the world".¹

Satisfaction

- **The overall Service Quality Score (SQS) for June 2014 is 73**, a point higher than June 2012 and June 2013. Satisfaction has increased from 68 in 2007. The rate of increase has slowed since 2012.
- Over the 2014 year, one service (Education Review Office school or early childhood reports) had a statistically significant increase of five SQS points from 66 to 71.
- Since 2007, satisfaction with private sector services has been lower than satisfaction with public services and, while satisfaction has increased over the period, the rate of increase has been slower than that of satisfaction with public services.

¹ See the State Service Commission's latest Integrity and Conduct survey report at <http://www.ssc.govt.nz/integrity-and-conduct-survey-2013-report>

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Introduction

Since 2007, *Kiwis Count* has measured New Zealanders' trust in and satisfaction with public services.²

At the beginning of 2012, *Kiwis Count* adopted a new continuous survey methodology. This is the second report showing year-on-year comparisons. The annual information included in this report draws on the experience of 6,099 New Zealanders who completed *Kiwis Count* between July 2013 and June 2014.

The sample size for 2013-2014 is substantially larger than that of past years. This is because a module of questions seeking parental and caregivers' satisfaction with Education services was included in the *Kiwis Count* survey from January 2014 to June 2014 and the number

of respondents asked to participate in *Kiwis Count* was boosted to ensure a sufficient number of parents answered the survey.

This report discusses the annual trust and overall satisfaction figures before discussing lessons learnt about service improvement and then presenting the annual service quality score results for individual services.

In addition to this report of annual results, the *Kiwis Count* team releases quarterly results and plans to release other specialist reports through the upcoming year.

² See Appendix 1: The *Kiwis Count* Survey for an explanation of the survey and its methodology and Appendix 2 for a description of calculation changes made in 2014.

2014 Annual Results: Trust

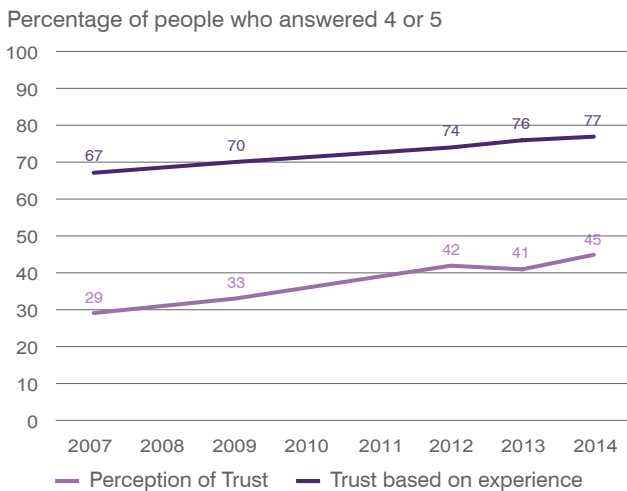
Trust in Public Services

Kiwis Count measures trust in public services in two ways: by perception and by experience.

Consistently, New Zealanders' trust in public services by experience (*"Thinking about your most recent service contact, can you trust them [public servants] to do what is right?"*) has measured much higher than the perception of trust (*"Thinking about your overall impressions from what you know or have heard from family, friends or the media, to what extent do you trust the public service?"*).

By both measures, trust has increased markedly over the whole period.³ The perception of trust has increased 16 points and the experience of trust has increased 10 points since 2007. Over the last two years, both perception and experience of trust has increased three points.

Figure 1: Experience and Perception of Trust in Public Services

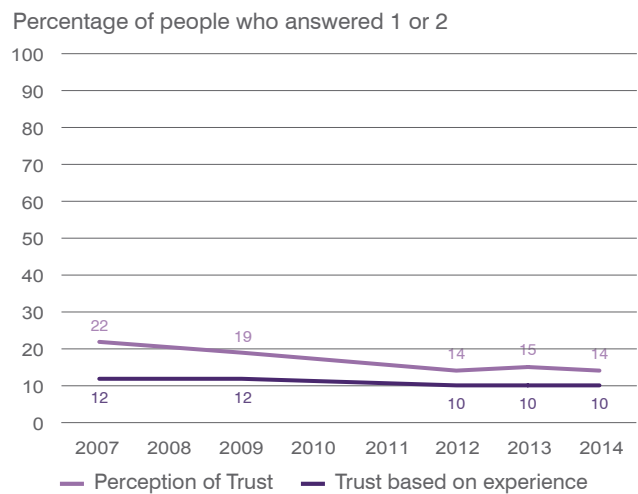


The percentage of people who do not trust public services has remained static over the past 2 years, but the percentage of people who distrusted public services from 2012–2014 is less than the percentage who distrusted public services in 2007 and 2009, particularly for perception of distrust which is eight points lower in 2014 than 2007.

The increased levels of trust and decreased level of distrust are pleasing. In addition to conducting the *Kiwis Count* survey, the State Services Commission has surveyed State servants' perceptions of the integrity of colleagues and managers every 3 years since 2007. The Integrity and Conduct survey has consistently found that State servants perceive the integrity of their colleagues and immediate managers highly and 81% of them report that they "go the extra mile" in working for their agency.

The *Kiwis Count* trust results also corroborate other findings that "the New Zealand State services are rated highly for their standards of integrity and conduct at the international level, and are considered to be one of the most transparent public services in the world"⁴. International measures that rate New Zealand either at, or in, the top five countries of the populations measured include the Open Budget Index, the Corruptions Perceptions Index, the Open Data Barometer and the World Bank's Assessment of governments' regulation of commerce.

Figure 2: Experience and Perception of Distrust of Public Services



³ Those who trust are considered to be those people who answer with a 4 or a 5 where 1 is "do not trust them at all" and 5 is "trust them completely". Those who distrust are those people who answer with a 1 or a 2.

⁴ See the State Service Commission's latest Integrity and Conduct survey report at <http://www.ssc.govt.nz/integrity-and-conduct-survey-2013-report>

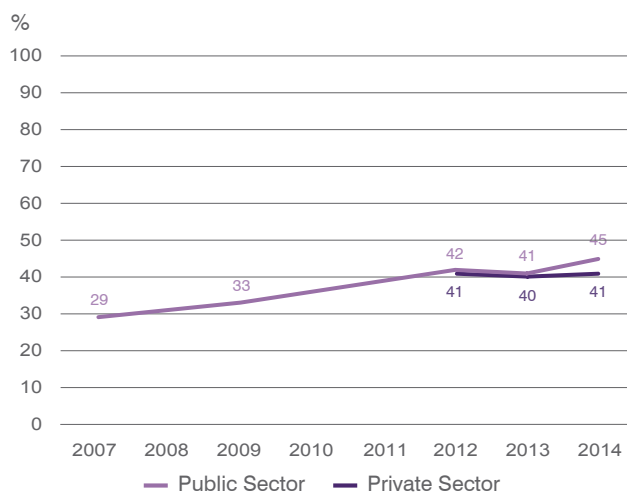
Trust in non-government services

Since 2012, *Kiwis Count* has also measured New Zealanders' perception of trust in the private sector ("to what extent do you trust the private sector?") to help benchmark the results for public services.

Figure 3 shows that the perception of trust in the private sector has now fallen behind public sector trust as public sector trust increased in 2014. Private sector trust was very similar to that in the public sector in 2012 and 2013.

Interestingly in 2013 both public and private sector trust dropped slightly from their 2012 scores. This may have been to do with the well publicised privacy breaches which occurred towards the end of 2012 (an analysis of *Kiwis Count* survey results show that perception of trust results fell at the same time).

Figure 3: Perception of Trust in Public Service and the Private Sector



Evidence from Research Partner

There is some evidence that the increasing trust in public services could be influenced by New Zealanders' trust growing in general (however this might be expected to also positively influence the private sector result).

The evidence for this comes from the Quality of Life Survey which measures a range of perceptions of people in six of New Zealand's largest cities using a similar methodology to *Kiwis Count*. In the 2014 results, 65% of respondents said people can usually or almost always be trusted, compared to 62% in 2012. This is a statistically significant increase.



2014 Annual Results: Service Quality

Overall Service Quality Trend

Kiwis Count measures New Zealanders' satisfaction with 42 commonly used services. Individual services have Service Quality Scores (SQS) calculated and an overall SQS across all services is then derived from them.

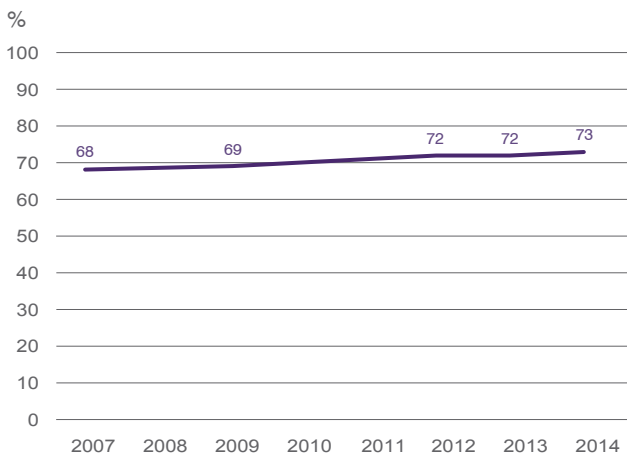
New Zealanders tell us that our public services are doing well. In an environment where expectations are rising about what the public expects of its agencies, satisfaction with public services has steadily improved.

Overall satisfaction has increased five points from 68 in 2007 to 73 in the June 2014 year.⁵ If we compare this to Canada over a similar period, New Zealand's level of improvement is two and a half times that of Canada's where overall satisfaction has increased 2 points from 72 in 2008 to 74 in 2012.

However, New Zealand's rate of increase is slowing. New Zealand's one point increase since 2012 is comparable to the rate of increase between 2007 and 2009. Satisfaction rose faster between 2009 and 2012.

Given the global financial crisis began in 2010 and there has been constrained fiscal expenditure since, these results indicate a public service delivering well and working hard to improve services.

Figure 4: *Kiwis Count* Overall Service Quality Score

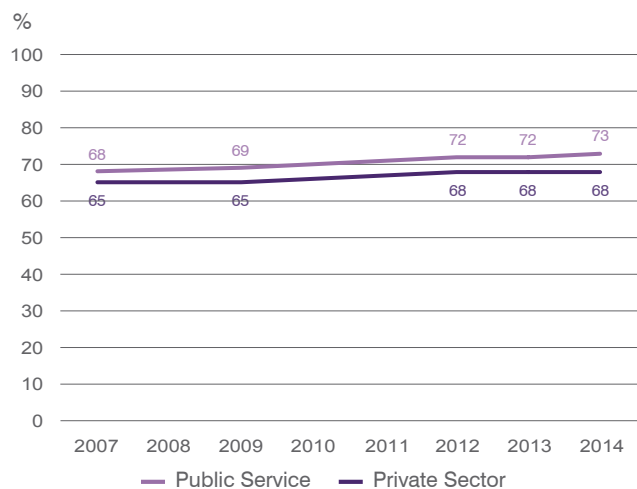


Private Sector Service Quality

Kiwis Count also asks New Zealanders about their use of and satisfaction with seven types of private sector companies (banks or finance companies, insurance companies, internet service providers, postal or courier companies, telephone companies, credit card companies and electricity or gas companies). These scores are also aggregated up to give an overall private sector service quality score.

Figure 5 shows that, since 2007, satisfaction with private sector services has been lower than satisfaction with public services and, while satisfaction with private sector services has increased over the period, the rate of increase has been slower than that of satisfaction with public services.

Figure 5: Service Quality Score (Public Services and the Private Sector)



⁵ A new continuous survey methodology for *Kiwis Count* began in January 2012. For comparability purposes the June 2013 *Kiwis Count* report used the January – June data points for the overall annual service quality scores for 2012 and 2013. Now there are two full years of data since the continuous survey methodology began, this June 2014 *Kiwis Count* report uses the July-June data points for the overall annual service quality scores for 2013 and 2014. The first six months of data are still being used for the 2012 data point. In the June 2013 report, the overall service quality score for 2013 was 73 and was based on the six months of data from January – June 2013. Calculating the figure using the whole year's data, from July – June 2013, sees this figure drop to 72.

Lessons Learnt

Kiwis Count is an improvement and learning tool for those providing public services, not an accountability measure.

Improvement in SQSs speaks of agencies working hard to improve service and customer satisfaction. Improvement over time is more important than absolute SQSs achieved.

The *Kiwis Count* team has investigated a number of service improvements and has reported on them in the past in various case studies. Each service has different characteristics, but a consistent theme to increased satisfaction scores is agencies redesigning their services around the customer and the needs of the customer. Key lessons from the case studies are discussed below.

The importance of transforming services based on customer need is consistent with the findings of the State Services Commission's (SSC) New Zealand Experience Research (NZE) Programme, of which *Kiwis Count* is a part. The NZE Programme has identified the key drivers of satisfaction and told agencies there is a better chance of improving satisfaction if service improvement is focused on the drivers. A description of key aspects of NZE is included in Appendix One and more information on it and the drivers can be found at <http://www.ssc.govt.nz/nzers-experience>.

The Fines Service

Over five years (from 2007 to 2012), the public's satisfaction with the fines service, run by the Ministry of Justice's Collections unit, increased nine points as measured by *Kiwis Count*. This is the best improvement in SQS measured through *Kiwis Count*. This increase has been maintained from 2012 to 2014.

A new national service delivery model that is centred around the customer was introduced in May 2011. Based on the obvious fact that people don't like being fined (the reluctant customer), customers were segmented into groups based on their willingness to pay and attitude to compliance, and resources applied where they would make the biggest difference.

A case study detailing changes to the fines service was included in the *Kiwis Count* June 2013 report (and is repeated in Appendix Three of this report). That year (2013) the changes to the fines service also won the IPANZ award for Improving public value through business transformation.

This example illustrates an important point: well designed, customer centric services deliver better results and cost less than poorly designed services. The Collections Unit increased satisfaction, collected more fines and reduced operating costs by \$2 million a year.

Most New Zealanders want to meet their obligations with government. Well designed, customer centric services achieve higher levels of voluntary compliance at lower cost. Poorly designed services achieve less voluntary compliance, and typically incur higher costs through the need to follow up non-compliant individuals, explain complex or bureaucratic processes and the cost of re-work resulting from failed attempts to comply.



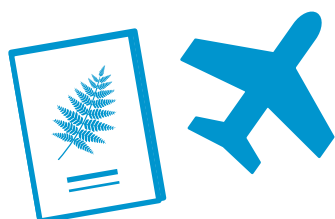
Arrival Processes at the Border

A focus on improving service delivery has also had a direct impact on the SQS of arrival processes. From Australia, satisfaction with arrival processes increased six points from 2009 to 2014 and from anywhere except Australia, satisfaction increased seven points.

The *Kiwis Count* June 2013 report showcased the Customs Service's automated passenger clearance system, Smartgate, as a key service improvement that had contributed to the increasing service quality score. (This case study is repeated in Appendix Four of this report.)

A key issue for users of border services is the multiplicity of agencies they have to deal with. To create a more integrated and responsive border management system, border agencies have worked together since 2007 to enhance risk management and improve service delivery.

In addition to Smartgate, the Joint Border Management System (JBMS), the Immigration Global Management System (IGMS), and other customer centric initiatives have been and are being implemented to improve both the individual and business customer interface at the border. A list of these initiatives is outlined in Appendix Five of this report. All passenger focused initiatives have contributed to the increased satisfaction score measured by *Kiwis Count*.



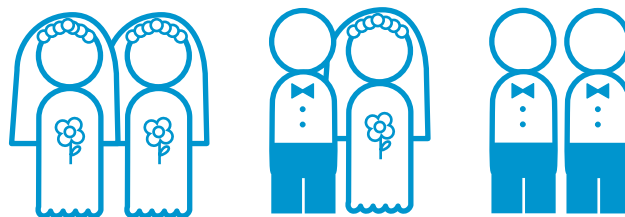
Births, Deaths, Marriages and Civil Unions

The *Kiwis Count* March 2013 report included a case study from Internal Affairs about how a systematic focus on improving service delivery had resulted in the SQS for the Births, Deaths, Marriage and Civil Union Registration Service (BDM) climbing eight points over the preceding six years. (This case study is repeated in Appendix Six of this report).

While the annual SQS for BDM climbed again in 2013, quarterly results in that year showed a downward trend from December 2012. This downward trend is now apparent in the 2014 annual result (4 SQS points down from 2013). BDM's own customer satisfaction survey identified an increasing level of dissatisfaction that registration of births, marriage and civil unions is not yet possible online.

To turn these results around, BDM have a project underway to enable parents to notify their new-borns birth online and order an associated birth certificate at the same time. This is scheduled to go live in February 2015. Also, further work is planned in 2015 so couples will be able to give notice of their intended marriage or civil union online.

This example illustrates another important point. Services must continually evolve to meet customers' changing expectations. The number one driver of satisfaction for New Zealanders is meeting expectations. New Zealanders' expectations are constantly changing based on technological advances and increased accessibility to technology (eg to mobile devices), their interactions with the private sector and the best the public sector has to offer. A highly satisfactory service in 2012 may not meet New Zealanders' expectations in 2014 and agencies must continue to evolve in order to keep satisfaction with public services high.



Individual Services Quality Trend

As described on page 7, *Kiwis Count* measures New Zealanders' satisfaction with 42 commonly used services. In this section, we discuss changes in service quality score for individual services.

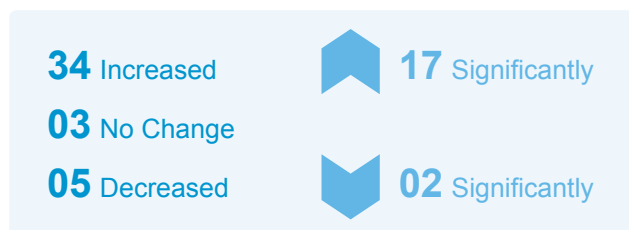
In the 2013 *Kiwis Count* report, we discussed level of improvement in individual SQSs since they were first measured and, where possible, compared our New Zealand service results against Canadian best in class and average results. We did this to provide agencies with information they could use to examine their services in their efforts to improve them.

This year, we have ordered the services by levels of improvement over the past year and also highlight those services which have had statistically significant increases or decreases since they were first measured by *Kiwis Count*. As mentioned earlier, the median level of change over the year is 0 points, with a level of change ranging from +6 to -7 points.

Level of improvement over time is important as it highlights significant improvements over time as well as services which may be stagnating or falling behind.

Statistically significant increases are a factor of how much a service is used as well as quantum of change. For example, public libraries with only a one point SQS increase over time and no increase over the last year, has experienced a significant increase since the service was first measured as it is the service with the second highest usage (53% of respondents had visited a public library within the past year).

Since 2007 (or first measured)



In June 2014, 34 services have improved their annual scores on their first measured score. Seventeen of these increases have been statistically significant. They are:

- National environmental issues or the Resources Management Act.
- A university, polytechnic or wānanga about a course you are attending or may attend in the future.

- A kindergarten, day-care, crèche, preschool, home-based service, playcentre. Kōhango Reo, Aoga Amata, Puna Reo or playgroup etc that your child attends or may attend in the future.
- Received outpatient services from a public hospital (includes A & E).
- Visited a public library.
- Your local council about rubbish or recycling.
- A passport.
- The arrival process after landing at a New Zealand international airport from anywhere except Australia.
- The arrival process after landing at a New Zealand international airport from anywhere from Australia.
- The police (for a non-emergency situation).
- Paying fines or getting information about fines.
- Emergency services i.e.111.
- Accident compensation for injuries.
- Registered a business entity for tax purposes or filed a tax return.
- Stayed in a public hospital.
- Used an 0800 number for health information.
- Your local council about a building permit.

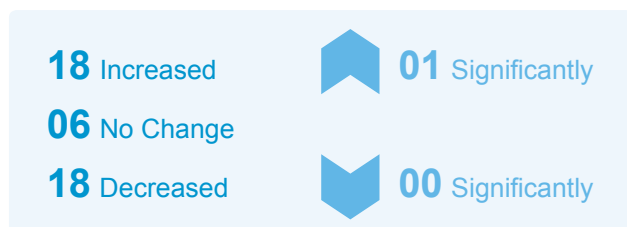
Three services have the same service quality score as first measured.

Five services had decreases in service quality since first measured. Two of these decreases have been statistically significant. They are:

- Applying for or receiving a student loan or student allowance.
- Visited sorted.org.nz for information to help manage your personal finances or retirement income.

The median level of improvement since they were first measured is three points, with the level of change ranging from +9 to -5 points.

Over the Year:



In June 2014, 18 services improved their annual scores on their June 2013 score. One of these improvements was statistically significant:

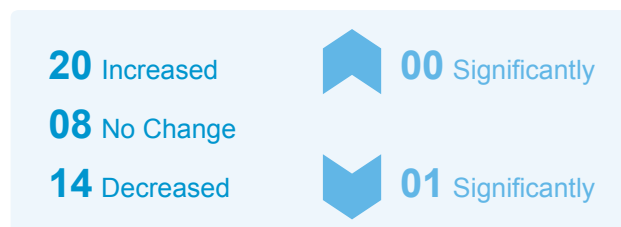
- Education Review Office school or early childhood reports with the SQS increasing five points over the year from 66 to 71.

Six services recorded the same service quality score as in June 2013.

Eighteen services recorded decreases in service quality over the year. None of these decreases were statistically significant.

The median level of change over the year is zero points, with the level of change ranging from +6 to -7 points.

Over the Quarter:



In June 2014, 20 services improved their scores on their March 2014 score. None of these increases were statistically significant.

Eight services recorded the same service quality score as March 2014.

Fourteen services recorded decreases in service quality over the year. One of these decreases was statistically significant:

- Received outpatient services from a public hospital (including A & E) which declined one point from 73 to 72.

The median level of change over the quarter was zero points, with the level of change ranging from +4 to -3 points.

Table 1 Annual Service Quality Scores for Individual Services

Service	Annual					Level of improvement over year	Significant change from 2013	Significant change since first measured
	2007	2009	2012	2013	2014			
A court, about a case you were involved with	-	52	49	50	56	6		
ERO (Education Review Office) school or early childhood reports	-	-	68	66	71	5	YES ▲	
National environmental issues or the Resources Management Act	41	48	42	45	48	3		YES ▲
Accident compensation for injuries	65	64	70	67	70	3		YES ▲
Living in a Housing New Zealand home	-	-	58	64	66	2		
A kindergarten, day-care, crèche, preschool, home-based service, playcentre, Kohanga Reo, Aoga Amata, Puna Reo or playgroup etc that your child attends or may attend in the future	73	76	77	79	81	2		YES ▲
The police (for a non-emergency) situation	62	64	66	66	68	2		YES ▲
Employment or retaining opportunities	64	61	59	61	63	2		
Your local council about a building permit	44	51	55	49	50	1		YES ▲
Your local council about rubbish or recycling (excluding the actual collection of rubbish and recycling from your household each week)	63	65	68	66	67	1		YES ▲
A passport	76	77	79	79	80	1		YES ▲
Obtaining family services or counselling	68	65	65	69	70	1		
Importing goods into New Zealand or customs duties	62	57	66	63	64	1		
Your local council about property rates	59	57	55	59	60	1		
Visited a national park	79	76	78	78	79	1		
Obtain, renewed, change or replace a driver licence	-	-	75	73	74	1		
A state or state integrated (public) school that your child attends or may attend in the future	77	72	74	75	76	1		
Visit sorted.org.nz for information to help manage your personal finances or retirement income	-	-	81	75	76	1		YES ▼
Paying fines or getting information about fines	54	57	63	63	63	0		YES ▲
The arrival process after landing at a New Zealand international airport from anywhere except Australia	-	72	77	79	79	0		YES ▲

Note Bold signifies significant change since the previous period.

Service	Annual					Level of improvement over year	Significant change from 2013	Significant change since first measured
	2007	2009	2012	2013	2014			
The Community Services card	73	74	75	75	75	0		
Visited a public library	83	82	85	84	84	0		YES ▲
Licensed or registered a vehicle	-	-	80	80	80	0		
A rental property bond lodgement, refund or transfer	-	-	71	71	71	0		
Used an 0800 number for health information	67	70	70	75	74	-1		YES ▲
The arrival process after landing at a New Zealand international airport from Australia	-	73	79	80	79	-1		YES ▲
Registered a business entity for tax purposes or filed a tax return	-	64	71	71	70	-1		YES ▲
Received outpatient services from a public hospital (includes A & E)	69	68	72	74	73	-1		YES ▲
A university, polytechnic or wananga about a course you are attending or may attend in the future	70	70	75	74	73	-1		YES ▲
Contact with Statistics New Zealand for information or about taking part in a survey	65	67	67	68	67	-1		
A hunting or fishing license	77	72	79	80	79	-1		
Sickness, domestic purposes or unemployment benefit	59	59	60	61	60	-1		
Emergency services i.e. 111	73	77	84	81	79	-2		YES ▲
Your local council about road maintenance	42	45	48	48	46	-2		
Stayed in a public hospital	68	71	74	74	72	-2		YES ▲
A housing subsidy or accommodation supplement	56	62	64	61	59	-2		
New Zealand Superannuation	79	75	84	83	81	-2		
Registering a new company or filing an annual return for a registered company	70	71	74	74	72	-2		
Enquired about tax, receiving tax credits (such as Working for Families), Student loan repayments or KiwiSaver	-	59	61	62	60	-2		
Registering a birth, death, marriage or civil union	72	75	77	80	76	-4		
Applying for or receiving a student loan or student allowance	59	59	52	59	54	-5		YES ▼
A childcare subsidy	56	65	60	67	60	-7		

Note Bold signifies significant change since the previous period.

Appendix 1: The *Kiwis Count* Survey

This report is the second report of annual results, and the ninth in a series of quarterly updates from the *Kiwis Count* survey.

The annual information included in the report draws on the experiences of 6,099 New Zealanders who completed *Kiwis Count* between July 2013 and June 2014.

Background

In 2007, for the first time, the State Services Commission asked a sample of New Zealanders about their experiences and views of public services. Known as the *Kiwis Count* survey, this provided rich information on how New Zealand's public services were performing in the eyes of the people who use them. The survey ran for a second time in 2009.

In late 2011, the State Services Commission contracted Nielsen to manage the collection and reporting of *Kiwis Count*. Nielsen and Commission staff worked together to turn *Kiwis Count* from a point-in-time survey into a continuous survey with ongoing data collection and regular reporting. This would enable trends over time to be examined and the earlier identification of issues.

Based on the methodology of a Canadian government survey called Citizens First, *Kiwis Count* measures satisfaction in public services. Public services means all services provided by government and includes central and local government services, tertiary institutions, schools and hospitals.

Kiwis Count is part of a wider research initiative called the New Zealanders' Experience Research Programme (NZE) designed to find out how New Zealanders experience public services, and to develop tools through which services can improve.

Kiwis Count Updates

Each quarter, the State Services Commission publishes an update from *Kiwis Count* to highlight areas of strength and areas for improvement in the quality of service delivered to New Zealanders. The focus of releases has been on the core part of *Kiwis Count* – the service quality scores for 42 commonly used services. With each quarterly update, a clearer picture of the trends in the quality of service delivery is emerging.

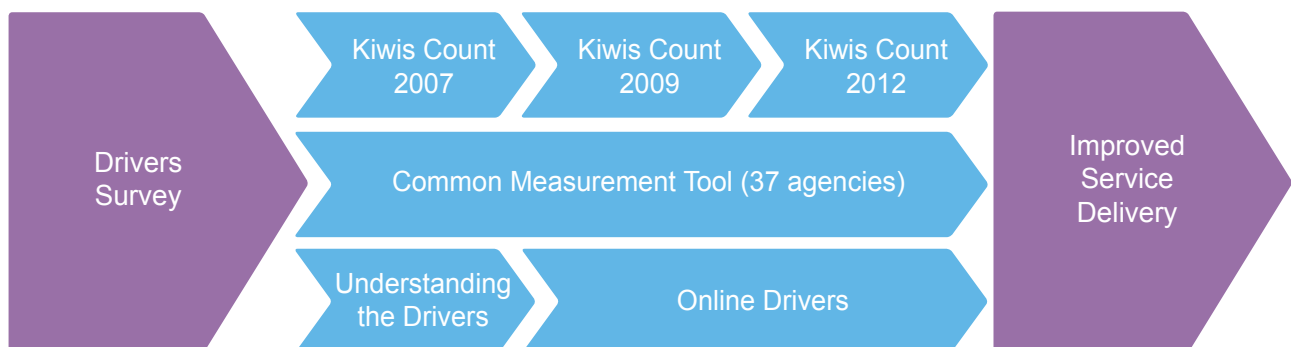
Each quarterly release reports on the past two quarters of data. For example, a September quarterly release, will report on data collected from April to September, and compare these results to those collected between January and June. This six-monthly rolling average approach boosts the sample size to over 1,000 per quarter, reducing the potential for volatility from quarter to quarter.

In addition to quarterly reporting, each June report also reports on an annual data series. For example, the June 2014 release reports on data collected between July 2013 and June 2014, and compares this with data collected between July 2012 and June 2013.

In August 2013, the *Kiwis Count* team also published a separate Channels Report based on the data collected in the channels module of questions which were included in the survey in 2012 (<http://www.ssc.govt.nz/kiwis-count-channels-report-2013>). The Channels Report is about how New Zealanders are accessing public services, the extent of the shift towards online service delivery and satisfaction with the different service delivery channels (face-to-face, telephone and online).

In addition to the ongoing quarterly reports, the *Kiwis Count* team plan to release other specialist reports through the upcoming year.

New Zealanders' Experience Research Programme (NZE)



Survey Approach

The *Kiwis Count* team have published a survey methodology report on the SSC website (<http://www.ssc.govt.nz/kiwis-count-survey-methodology>). In 2014 a number of the *Kiwis Count* calculations were changed – see Appendix Two for an explanation of those changes. The following two pages provide an overview of the survey approach.

Questionnaire content

The *Kiwis Count* survey is modular. At the heart of the survey are questions about the 42 public services that New Zealanders use most frequently. These core questions have been and will remain fixed for the next few years, with new questions added only as required to reflect actual changes in services.

The modular part of the questionnaire is designed to change as required to focus on service delivery priorities:

- In the 2012 calendar year the survey included a module of questions on channel use and preferences. This repeated a module of questions which was included in the 2009 survey.
- Starting in 2013 a module of questions about the ease of transacting with government in the digital environment replaced the previous module. The new module, developed with the team responsible for Result 10⁶ of the Better Public Services programme, will be one of a suite of measures used to report on the progress of Result 10.
- In further consultation with the Result 10 team, the 2013 questions were amended slightly at the beginning of 2014 to capture information about relative satisfaction depending on whether services were accessed via single or multi channel.
- For the first half of 2014, a new module of questions was included. It was about parent/primary caregiver⁶ satisfaction with education services.

Comment from Research Partner on Response Rate



An important focus in the development and running of the *Kiwis Count* Survey is achieving and maintaining a high response rate.

The response rate for *Kiwis Count* has been relatively stable since the survey became continuous in 2012. The on-going methodology has allowed us to trial a number of initiatives to continue the high response rate and attempt to improve it further.

Learnings from other public sector organisations using the same methodology are regularly shared to gain a better understanding of the impact of initiatives. Among these surveys, the response rates range between 23% and 53%. As each of these surveys has been run more than once, with slight changes each measure, we are beginning to build a picture of what has the most impact on response rate. Analysis across these studies indicates that the key drivers of response rate include:

- Sampling – the more oversampling of hard-to-reach groups used, the lower the response rate achieved.
- Questionnaire length – the length of the survey has had a direct impact on the response rate for more than one study. When all else stays the same, increasing the questionnaire directly decreases the response rate. An increase in questionnaire length has resulted in lower response rates for *Kiwis Count* in the first half of 2014.
- Incentive – when a pen is included with the survey pack and / or a prize draw offered to respondents, a higher response rate is achieved.

Other sources of impact include the design and persuasiveness of the materials, the timing between communications and in the case of the Canterbury Earthquake Recovery Authority's Wellbeing Survey, the further away from the earthquakes the lower the response rate (as the survey is about earthquake recovery).

Response rate continues to be a focus for *Kiwis Count*. The trialling of initiatives will continue, as will the sharing of learnings from other studies to help maintain and attempt to improve response rate.

⁶ Result 10 is that "New Zealanders can complete their transactions with the Government easily in a digital environment".

Continuous Surveying

Unlike the 2007 and 2009 *Kiwis Count* surveys that were point-in-time collections, *Kiwis Count* is now a continuous survey. At the start of each month, Nielsen sends out 432 survey invitations.⁷ The change in approach increases the frequency of reporting from biennially to quarterly and provides a regular stream of performance information for Ministers, agencies and the public.

Encouraging Online Participation

In late 2011, SSC worked with Nielsen to redesign the survey processes to encourage online participation and reduce survey costs. Because of these changes, there has been a significant shift towards online participation. Fifty six percent of respondents chose to complete the survey online in the six months to June 2014 (compared with 57% in the six months to June 2013, 55% in the six months to June 2012, 17% in 2009 and 8% in 2007).

Sample Size and Response Rate

The response rate between January 2014 and June 2014 was 46%.

This is lower than the January 2013 to June 2013 response rate of 53% and the same as the response rate from January 2012 to June 2012.

At this stage it is unclear why the 2014 response rate has dropped to the 2012 level but the most likely explanation is that the increased survey size from January – June 2014 (due to the inclusion of the Education Module) led to some invitees choosing not to respond.

In the year to June 2014, 6,099 New Zealanders completed the survey, compared to 2,371 in the year to June 2013, and 1,121 in the six months to June 2012.

Service Quality Scores

The *Kiwis Count* survey asks New Zealanders to rate services or express opinions using a scale from 1 to 5. To enable comparisons between *Kiwis Count* and Citizens First to be made, we have adopted the Canadian approach of converting five point rating scales to service quality scores ranging from 0 to 100.

The overall Service Quality Score is calculated by rescaling the result from each respondent's five point scale (1,2,3,4,5) to a 101 point scale (0,25,50,75,100) then calculating an average of these scores from all the services used.

Example: the service quality question

A2 Please tick 'yes' if in the last 12 months you have personally used or had contact with a public service organisation about any of the following. Then rate the quality of the service provided.		In the last 12 months have you used or had contact about...?		If Yes: What was the quality of the service?				
		Yes	No	Very poor				Very good
01	Visited a national park	<input type="checkbox"/>	<input type="checkbox"/>	1	2	3	4	5
02	A hunting or fishing licence	<input type="checkbox"/>	<input type="checkbox"/>	1	2	3	4	5
⋮								
42	Registered a business entity for tax purposes or filed a tax return	<input type="checkbox"/>	<input type="checkbox"/>	1	2	3	4	5

⁷ More survey invitations were sent out in the first half of 2014 to ensure a sufficient sample of parents/primary caregivers answered the survey.

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Appendix 2: Explanation of 2014 *Kiwis Count* Calculation Changes

A change in the *Kiwis Count* IT system in 2014 gave the *Kiwis Count* team an opportunity to review the way *Kiwis Count* figures are calculated. As a result, two changes have been made to better account for the rolling average nature of the quarterly results:

1. The averaging of results across six months (i.e. the rolling average calculation itself).
2. The calculation for statistical significance in changes between quarterly results from two overlapping time periods.

These changes are explained here.

All annual and quarterly results since 2012 have been recalculated in line with these changes and this report and future reports will use the recalculated figures. In summary, the new results show some minor changes in numeric value for some services and there are a few more services which are now identified as having significant changes than with the previous significance calculation.

The Rolling Average Calculation

In order to ensure a sufficient sample size, *Kiwis Count* quarterly releases report on the past two quarters of data. For example, a September quarterly release, will report on data collected from April to September, and compare these results to those collected between January and June. Using two quarters of data boosts the sample size to over 1,000 per quarterly release.

In the past, calculations for all quarterly results were based on averaging the aggregate results from two quarters of data, i.e.

$$\text{Result Period (n)} = \frac{\text{Result Quarter (n-1)} + \text{Result Quarter (n)}}{2}$$

For example, if the SQS score for a service in the June quarter was 70 and for the September quarter was 72, then the SQS score for the September rolling-average time period would be 71.

Going forward, calculations for all results will be based on pooling two quarters of data into one six monthly sample, i.e.

$$\text{Result Period(n)} = \text{Result(Quarter(n-1)sample} + \text{Quarter(n)sample)}$$

The two methods will give the same result if the same number of people answered a particular question in both Quarter (n-1) and Quarter (n)

However, if there are more responses in Quarter (n-1) than Quarter (n), averaging the quarters under the old method meant that the responses in Quarter (n-1) were worth less with respect to the final result than the responses in Quarter (n). Therefore, the new method has the advantage that each survey response will be worth the same with respect to the final result of the period. The new method also has the advantage of being less IT intensive to calculate.

The Statistical Significance Calculation

In the past, calculations for statistical significance in changes in service quality scores were made:

- for quarterly results, using the rolling average samples, and
- for both annual and quarterly result, at the 90% significance level (to be consistent with the methodology used to measure significant change between 2007 and 2009 in the 2009 *Kiwis Count* report).

Quarterly Rolling Averages

This meant the statistical significance test for differences in quarterly results was being applied on non-independent samples. This is illustrated below, where if significance is calculated on R2 against R1, sample Q2 is repeated:

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Quarter	Q1			Q2			Q3			Q4		
Reporting	R1						R2					
	R3											

where R1 = (Q1 + Q2)/2
 where R2 = (Q2 + Q3)/2
 where R3 = (Q3 + Q4)/2

Significance testing for R2 of R1
 = independent t-test Q3 vs Q1
 Q2 is excluded because it is constant

Including Q2 in both R1 and R2 had two opposing effects on the significance testing. First, it increased the sample size making the change appear more significant. Second, it averaged out the difference between the quarterly results, making the change appear less significant. The second effect is larger, meaning that the previous method was calculating significance around the 97%-98% significance level.

Going forward, for results from 2012 onward:

- The calculations for statistical significance of changes in quarterly results will remove the common quarter sample from both rolling samples. In this example, calculating the significance of R2 against R1, will mean Q2 is removed from both rolling samples and effectively the significance of Q3 is calculated against Q1.

This is the most commonly used method statisticians use to deal with non-independent samples.

- Calculate significance at the 95% level.

Because the previous method (non-independent samples and testing at 90%) produced results at the 97%-98% significance level, the new method (calculating quarterly significance on independent samples at the 95% level) means more services are identified as having quarterly significant changes than previously published.

Appendix 3: Case Study from Fines Service

As included in the *Kiwis Count* June 2013 Quarterly Report

‘The Reluctant Customer’⁸ Transforming the Collections Operating Model

Over six years, the public’s satisfaction with the fines system, run by the Ministry of Justice’s Collections unit, has increased 9 points as measured by *Kiwis Count*. In 2007, the service quality score was just 54 and in 2013, this has risen to 63.

So, in a difficult area such as fines collection, how did Collections achieve higher satisfaction levels and what benefits have resulted?

Collections’ first step was a decision to change the way it worked. The operation was based out of 28 court houses, making it difficult to deliver nationally consistent services and organise staff and resources to quickly and effectively respond to customers’ needs.

It responded by introducing a new National Service Delivery Model in May 2011 that is centred on the customer. Based on the obvious fact that people don’t like being fined (The Reluctant Customer), Collections designed customer-specific services, supported by a new staff culture, and new technology and processes. Customers were segmented into groups based on their willingness to pay and attitude to compliance, and resources applied where they would make the biggest difference.

The model allows Collections to meet customers’ expectations of how services should be delivered, focus more attention on people who don’t want to pay, monitor national workflows and productivity, and automatically prioritise and assign work to staff anywhere in the country.

For the majority of customers – who have an unpaid infringement such as a parking ticket – it is now quick and easy to pay online and by telephone. For others, data matching improves the accuracy of contact details and text messaging is used to contact them. People can also pay bailiffs who carry EFTPOS machines, and disputing fines can be done by email rather than having to visit a court.



Collections at a glance

- 580 staff
- 455,000 people with fines
- About \$220 million collected per year
- \$250 million new fines imposed in 2012
- \$560 million owed (a 9-year low).

This has led to a rise in public satisfaction levels and overall confidence in the fines system, as well as significant benefits for Collections and the taxpayer, including:

- Collections debt has reduced by \$245 million since 2008/09 – and is at the lowest level since 2004.
- The value of overdue fines has fallen by \$180 million (43%) since 2009.
- 34% of customers now have a repayment plan in place.
- Operating costs are down \$2 million a year.
- 40% of fines dispute applications are filed via email with a 48-hour turnaround (this used to be four weeks).

⁸ ‘The Reluctant Customer’ project was a joint winner of the 2013 IPANZ award for Improving Public Value through Business Transformation.

Appendix 4: SmartGate Case Study

As included in the *Kiwis Count* June 2013 Quarterly Report

Streamlining passenger processing without compromising security

Customs aims to protect and promote New Zealand through world class border management, and is always looking for new ways to improve the border experience for passengers.

The introduction of SmartGate has been central to simplifying and streamlining border processing. Over six million New Zealanders and Australians have used SmartGate in New Zealand since its introduction in 2009, and from July 2013 US and UK ePassport holders have been able to use SmartGate when departing the country.

SmartGate uses the electronic information in ePassports and facial recognition technology to perform customs and immigration checks without compromising security. Advanced facial recognition software, based on the science of biometrics, compares your face with the digital copy of your photo in your ePassport chip. Precise and complex measurements of unique facial features provide one of the most accurate and secure means of identification.

Customs' focus is on achieving high assurance with a light touch, and SmartGate technology has accomplished this and brought about a step change in passenger processing by reducing government 'touch points' at the border. Accurate and faster passenger processing has improved border security by allowing Customs to concentrate on more high-risk travellers.

An integral part of improving the passenger experience has been monitoring and using passengers' feedback. *Kiwis Count* has been an important part of this along with Customs' own satisfaction surveys which have been carried out for a number of years. The most recent survey differs to *Kiwis Count* in that it includes all passengers i.e. New Zealanders and other nationalities. This means that we can look at passenger satisfaction by nationality and also by whether SmartGate was used or not.



The results show passenger satisfaction overall is at 90%, with passengers using SmartGate showing 93% satisfaction, and passengers using manual processing showing 87%. However, the real story is the trend behind these numbers. This shows that satisfaction levels with manual processing have remained the same since 2010 but satisfaction with SmartGate has gone up by over 10%.

Customs continues to work on ways to enhance the travel experience for passengers. Testing of the next generation SmartGate prototype, SmartGate Plus, was carried out at Air New Zealand's premier departure point in Auckland between June and October this year. The prototype uses face-on-the-fly technology which photographs a person as they approach the scanner, building a 3D image that is then flattened and matched against the ePassport photo. SmartGate Plus is faster and more intuitive, and it only takes approximately nine seconds.

It is this type of technology that in the future will help Customs meet the challenge of managing increasing volumes of travellers while making compliance easy to do and hard to avoid.

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Appendix 5: Initiatives Complete, Underway or Planned by the Agencies Working at the Border to Improve Service Delivery

In 2012 Cabinet recommended that there would be significantly greater benefit to be gained through leveraging the existing work programmes of the border agencies, especially IT investments, to deliver further improvements to risk management and service delivery. These new initiatives, would enable the sector to focus on delivering services together, to enable:

- more effective management of risk, ideally offshore, through better targeting of risk and the sector sharing information and intelligence
- more joined-up approach to promote voluntary compliance by passengers, importers and craft operators
- sharing tools and resources, and carrying out tasks on each other's behalf to enable the sector to manage increasing volumes of trade and travellers, and the range of risks to be managed
- simpler processes and reduced intervention for low-risk passengers, traders and craft operators as agencies would be able to better identify them through partnerships, more sophisticated profiling and targeting and wider use of automated passenger processing
- benefits for clients through reduced compliance costs and other regulatory-related costs, as agencies would perform tasks on each other's behalf and coordinate inspections and searches.

Agencies have subsequently worked on delivering new initiatives to respond to this.

In addition to Smartgate (see Appendix Four), the following border initiatives were implemented prior to June 2013 (i.e. when the *Kiwis Count* case study was published) to improve service delivery:

- Segmenting passengers in a way that allows the Ministry of Primary Industries (MPI) to target resources towards people that pose a higher biosecurity risk. For example, Australian and New Zealand passport holders which MPI deems low risk can be cleared via the "Green lane" (formerly Direct Exit), where their baggage is not x-rayed. All other passengers, including New Zealanders, Australians, and passport holders from all other countries, are subject to full x-ray baggage screening and/or physical search.
- The introduction of joint counters at the majority of ports around the country. This allows for a single contact point for those importers and exporters who are requiring assistance or need to present documentation to MPI or Customs.

Initiatives implemented since June 2013 include:

- Immigration's routine border referrals are now being managed by Customs at the Primary Line. This change improves the timely facilitation of low risk passengers and has allowed an increased focus for Immigration at secondary processing
- the roll out of the Trade Single Window which is part of the JBMS. This ultimately provides a single point through which clients (importers, exporters, airlines, shipping companies, express couriers and freight forwarders) will submit information to, and receive responses from, border agencies
- express freight consignments are now being inspected by both MPI and Customs at the Customs' Air Cargo Inspection Facility at Auckland Airport. This initiative was developed in close collaboration with the Conference of Asia Pacific Express Carriers (CAPEC) and rolled out on 11 June 2013. There is now a single and consistent process where goods are x-rayed and inspected by Customs and MPI officers working side by side, making better use of resources and cutting down on clearance time
- MPI has installed 12 new x-ray machines at Auckland, Christchurch, Wellington and Queenstown airports. The new equipment has greater image quality and manipulation functionality, improved passenger baggage collection area and easy image archiving and retrieval
- MPI has increased the number of detector dogs and dog handlers in Auckland, Wellington and Christchurch.

Collaboration and looking for opportunities for continuous improvement are part of the way agencies' deliver their core border services. Agencies' key priority at October 2014 is to complete current initiatives such as JBMS. The vision of joined up services is also being delivered through SmartGate, sharing information, rationalising facilities at the ports and airports through initiatives such as shared service desks, shared facilities and bringing operational staff together in one place, coordinating cargo inspections and agency interactions with arriving commercial and private craft where possible, and co-warranting inspectors to undertake tasks on behalf of each other. Agencies are also planning to examine opportunities to improve the timeliness and scope of pre-arrival passenger information.

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Appendix 6: Case Study from Births, Deaths, Marriages and Civil Unions Registration Service

As included in the *Kiwis Count* March 2013 Quarterly Report

Births, Deaths and Marriages has been on a journey of customer service improvement since July 2005 when we moved to an online notification system for multiple death registrations. This service was expanded in February 2012 to cater for single death registrations. More than 80% of deaths are now registered online with death certificates issued within 24 hours. We also allow for any factual errors on an online death registration to be advised directly by the funeral director, without the usual supporting evidence being required.

A 'systems thinking' approach for processing registrations was adopted in 2011 which altered the way our work is now processed. This has delivered significant service improvement to customers.

Prior to systems thinking a customer was contacted by letter if there was a query about an application request or an event registration, such as birth notification. Now the customer is contacted by phone. This allows for a more streamlined approach. Customers are advised at the time that their call is recorded. This allows for a call to be reviewed if a dispute arises with the registered information provided.



Customer phone calls to our contact centre regarding registrations are forwarded directly to the processing team, which in turn leads to a speedier resolution.

These changes have resulted in a faster turnaround time for registering births, deaths, marriages and civil unions. Customers are now issued with their documents, such as certificates, much quicker.

Online receipt of birth notices from hospitals and midwives is also available. We receive approximately 65% of birth notices online, often very soon after the birth has occurred. When the birth notification form is received from the parent, the online notification is already in our system and we can quickly issue a birth certificate.

Registration of Marriages and Civil Unions has remained unchanged since 2007. We are currently working on ways to streamline these processes and the first changes will occur with the implementation of same sex marriage legislation in August 2013.



