

CUSTOMER RELATIONSHIP MANAGEMENT IN GOVERNMENT: THE CASE OF THE GOVERNMENT EMPLOYEES PENSION FUND OF SOUTH AFRICA

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ABSTRACT

The concept of customer relationship management is premised on fostering lasting relationships in order to provide improved services to customers. Electronic service delivery has become a way of life to many whilst others are excluded as a result of what is referred to as the digital divide. As technologies evolve they are assimilated into the workplace. Whilst private companies have adopted many technologies to improve services to clients, governments have realised their importance and are increasingly adopting them to enhance service delivery. Many cumbersome public administrative strategies have been translated into electronic format. E-administration, of which customer relationship management forms an integral part, is an effort by Government to manage and improve the relationship with the citizen as client. Whilst the paper is premised on the case of the Government Employees Pension Fund of South Africa, the principle of e-administration is common for across Government departments. E-administration is typified by various service access points for clients. These access points range from the telephone, through to the computer and contact service areas. The service access points of the Government Employees Pension Fund are analysed in relation to building serviceable relationships with customers.

INTRODUCTION

The paper on customer relationship management (CRM) aims to provide analysis on the value that customer relationship management solutions can add to an organisation. Customer relationship management systems, be they operational (manual), electronic and/or mobile, provide significant opportunities to enhance service delivery in

both the private and the public sectors. The paper proffers an explanation of what customer relationship management entails and how its implementation could improve service delivery. In so doing, it is necessary to define the concept of client, a term more readily used in the private sector business environment.

Batho Pele (People First) is the official customer relationship management programme of the South African Government. The Batho Pele programme is an attempt by the South African Government to expunge any intransigence that may exist amongst public servants. The concept and practice of Batho Pele will be explored and assessed in relation to the Government Employees Pension Fund.

The Government Employees Pension Fund of South Africa, the Fund that administers pensions on behalf of civil servants, will provide a good case for the implementation of a customer relationship management model. The model for a customer relationship management system will, whilst considering the integration of the front and back office systems, be employed as a tool to provide new service offerings, such as investment advice, to clients. Furthermore, given that the Government Employees Pension Fund is attempting to implement new technologies in an effort to deliver improved services, electronic and mobile customer relationship management are vital. This paper will consider the relationship between the implementation of the new technologies at the Government Employees Pension Fund and a customer relationship management model.

Customer relationship management models lend themselves to seamless operations especially since they connect logistics, manufacturing and accountability. Customer relationship management solutions connect demand internally with operations and externally with clients. A customer relationship management solution serves as a vital tool to keep updated information on clients, revenue and resources. An integrated customer relationship management solution helps institutions to add value for their clients. One important aspect of client relationship management that will be pursued in this paper is that of marketing.

The concept of mobile customer relationship management, given especially that workers (clients) have become more mobile, is an important initiative that needs to be implemented by the Government Employees Pension Fund. This paper will pursue the idea of implementing the concept of mobile customer relationship within the Government Employees Pension Fund.

Updated information will also allow the Call Centre agents to provide accurate, real time information to the client. The Call Centre needs to be able to provide the latest information relating to an enquiry. Many pensioners are not computer literate and many pensioners simply do not have access to computers with e-mail facilities. In the event that information technology is not accessible, the client of the Government Employees Pension Fund can access information via the Call Centre. It is therefore imperative that workflow systems are engineered in such a fashion that a client is able to access information and services via various access or touch points and that a record of such interaction can be accessed by any of the staff members to be able to provide instant, accurate answers to clients.

It is envisaged that the interactive web page will allow clients to effect address changes by using their pension numbers as access codes. Other online services would include the dissemination of information – frequently asked questions, formulae in terms of which amounts payable are determined and a web calculator.

Customer relationship management is about people. People are at the centre of the business that the Government Employees Pension Fund offers. The people that are involved are the service providers as well as the client. It is therefore prudent to put people at the centre of the processes that dictate service provision. Customer relationship management is furthermore about developing new and better ways of delivering services to clients.

THEORIES OF PUBLIC ADMINISTRATION AND CUSTOMER RELATIONSHIP MANAGEMENT

In an effort to provide improved services to clients, electronic administrative systems should replace the classical administrative machinery, the foundation of which can be traced back to the late 19th and the early 20th century – a period commonly referred to as the industrialisation period. Whilst there were management theorists prior to and after, Frederick Taylor and Henry Ford, are deemed to be the main proponents of Scientific Management and mass production, respectively. Taylor's concept of Scientific Management was based on the minute sequencing of tasks into specialised components. Each of the specialised components of labour contributed to the creation of additional layers of hierarchy in the factory, all which had to perform individual tasks in a sequenced and rote manner.

A cursory analysis of the administrative and management structures of the Government Employees Pension Fund reveals the characteristics of a typical bureaucracy as espoused by traditional theorists such as Max Weber, Henry Ford and Frederick Taylor. The rigid, rules-based regimen of the Government Employees Pension Fund with its highly entrenched hierarchical complexion is the realisation of a typical early twentieth century management and administrative theory. The Government Employees Pension Fund displays elements of both, Taylor's Scientific Management and Weber's Ideal Types.

Max Weber's theory on Ideal Types is realised in the Government Employees Pension Fund through the formal division of labour. The official tasks of the individuals within the Government Employees Pension Fund are separate but complementary. One individual may, for example, perform a purely administrative function such as calculating a pension benefit whilst another may be expected to confirm and yet another will be expected to perform the payment. These actions are specialised and limited to one individual (Interview, Makan, 29 April 2004). Bureaucrats have no control over the rules and written procedures that they implement (Breiner, 1996:32). The principle of bureaucrats not having control over the rules that they implement holds true for the Government Employees Pension Fund. The formal Rules of the Government Employees Pension Fund form the basis in terms of which payments are made to clients, leaving no room for discretion. Why certain formulae are used at the Government Employees Pension Fund and how they are

derived at are not the domain of the bureaucrats. The bureaucrat interprets, implements and ensures that the administrative process is completed within a prescribed period.

Ford's theory of management is based on the concept of the assembly line that is geared toward ensuring mass production. The concept of the assembly line as propounded by Ford eradicates the need for the worker to move to the work. The work, instead, moves to the worker with the express aim of making production faster and more efficient. A similar system of transferring work is being used by the Government Employees Pension Fund in that an employee performs one task and passes the physical file to the next employee so that the next task can be completed. This process is followed until the whole cycle is complete. The resultant effect is that uni-skilled specialists are created. This fore-going situation does not allow for any creativity beyond what is within the employee's area of expertise, hence Linden's (1994:28) assertion that Fordism, given its tendency toward fragmented roles for individuals, contributes to the de-skilling of the worker. Young (web site, visited, 16 September 2003) notes that the need for strategising, thought and planning on the part of the worker is negated. These foregoing, coupled with the enforced reduction of workers' movements, ensure that maximum time is devoted to the production process. When workers become specialists as opposed to generalists, they tend to be limited to the function that they perform. A case in point is when one particular specialist is absent from work, that another cannot readily step into the functionality to perform the duty. Production consequently slows down as a direct result of the strict separation of duties. Modern organisations have similar structures, many of which have been assimilated into electronic systems.

The United Nations Division for Public Economics and Public Administration (2002) identifies a framework for e-governance that consists of three pillars. These pillars are (a) e-government – inter-organisational relationships, (b) e-administration – intra-organisational relationships and (c) e-governance – interaction between citizens, government organisations, public and elected officials. Heese (2003) notes that e-administration is the transaction of user-oriented services offered by public institutions that are based on information and communication technologies. Priya (2004) concurs by noting that e-administration deals particularly with improving the internal workings of the public sector. Priya (2004) identifies three areas of e-administration that are extremely important. They are, cutting process costs, managing process performance and making strategic connections within government. Just as the traditional theories of administration and management sought to improve processes, electronic administration seeks to improve electronic processes in an effort to provide services quickly and more efficiently. The challenge for electronic processes to succeed is to ensure that electronic systems can communicate with each other across various barriers.

E-government is not just another way of conducting business, instead, it is a transformation on a scale that will fundamentally alter the manner in which public services are delivered and managed. The adoption of e-government is evolutionary and it has the potential to create a no gap relationship where public organisations deliver modernised, seamless services to their citizens. E-government is therefore about building integrated partnerships between governments, citizens and other entities (Deloitte Research, 2000:4). One

way of building integrated partnerships is by providing electronic administrative systems to facilitate delivery.

Worthington-Smith (ed.)(2001:215) asserts that e-government is to the state what e-business is to the private sector. E-government has led to streamlined work processes both within (internal) organisations and between (external) government departments and other organisations. Further internal uses of e-government should extend to procurement and even recruitment. E-government leads to the building of systems that provide for and service the needs of citizens and business partners alike (Worthington-Smith (ed.) 2001:215). E-government is not merely a website with a collection of pages (i.e. static), it is indeed an integral (interactive) service component which provides information and a full array of services to citizens and business partners when and where such services may be needed. E-government is furthermore about providing direct (electronic) links between clients (citizens) and service providers (government departments).

It therefore transpires that e-administrative systems have the potential to transform the way in which Government provides services and information to people. E-government is about efficiencies – time, accuracy, convenience of access, interactive, responsive and transformation. All these are so provided that clients have access to and are able to make use of the technologies that facilitate e-government.

THE RELATIONSHIP BETWEEN THE CITIZEN AS CUSTOMER AND GOVERNMENT

Customer relationship management is a strategy – implementable electronically or manually – to learn more about customers' needs and behaviours in an effort to provide a more comprehensive and effective service offering (Deck, 2004). Fielding (2004) draws a link between e-government and customer relationship management programmes to indicate that such a co-existence has as its goal to manage and disseminate information more prudently in an effort to enhance service delivery. Humphreys (2002:13) postulates that over the past twenty years there has been a steadily growing entrenchment of the idea of consumerism in the public sector and that governments have increasingly resorted to customer research, communication, public relations and marketing.

It is being suggested that the thesis that there exists a client relationship between citizens and government is unique (Deloitte Research, 2000). Unlike with services and goods offered by the private sector, where several vendors can offer the same good or service, the customer satisfaction index and the pricing levels are determinants as to whether the client will use his or her spending power. If citizens, however, want to access the services offered by Government, they have no choice but to go to the Government agency that offers the service. E-government offers the opportunity for Government to be more responsive to the needs of clients. E-government systems by themselves are, however, not enough because of limited access to the internet (Deloitte Research, 2000). Customer relationship management ensures that there are additional channels of access to services for the customer. Customer relationship management further ensures that

there is an integrated continuum of service provision between the front and back office environments (Hewson Group Report, March 2002).

The Government Employees pension Fund is the biggest pension fund in South Africa and the 26th biggest in the world (Government Employees Pension Fund, Annual Report, 2003-2004). The nature of the clients of the Government Employees Pension Fund is such that they also need to be informed about the new systems and the new service offerings that are available to them. Without this approach to tagging the clients along, as it were, the gap between the systems that the Government Employees Pension Fund is developing (for the clients' benefit), will widen. There needs to be an extensive process of education and orientation to mitigate the widening of the gap between the Government Employees Pension Fund and its clients. The Government Employees Pension Fund needs to establish a critical mass of clients that are prepared to engage it on a regular basis in order to ensure that there is constant feedback on the levels of service delivery.

The idea of a relationship between the citizen as client and the Government was emphasised when the African National Congress-led Government in South Africa proclaimed the slogan of a People's Contract as their manifesto during the 2004 general election (Mbeki, 2004). The idea of entering into a contract with the people is not unique since it dates back to the philosophies of Plato, Hobbes, Locke and Rousseau (Bullock (ed) 1988:783). Bullock (ed)(1988:783) espouses that there is an unwritten contract between members of society to behave with reciprocal responsibility in their relationship under the governance of the state. Bullock (ed)(1988:783) further postulates that people could change the state if it did not adhere to its part of the contract. The contract that the African National Congress-led Government entered into when it received an overwhelming mandate during the 2004 general election was one the portended to extend the delivery of services to those people who may not have access to such services.

The Government Employees Pension Fund is in the unique position of being the largest pension fund in South Africa (Government Employees Pension Fund, Annual Report, 2003-2004). It is also the only pension fund in South Africa that administers pensions on behalf of civil servants. The Government Employees Pension Fund therefore has a constant source of contributing members. It is a condition of service that civil servants should contribute to the Government Employees Pension Fund (Government Employees Pension Law and Rules, 1996, Proclamation 57 of 1996). It is in this fore-going context that the Government Employees Pension Fund does not necessarily have to market itself and its product offerings to attract clients. The Government Employees Pension Fund also does not have to compete on the basis of private sector principles to attract new and additional clients. Given this scenario, it is extremely easy for the Government Employees Pension Fund to become complacent towards clients. The client has no other option but to return to the Fund for administrative support.

An added dimension is that the Government Employees Pension Fund is in the invidious position that not many civil servants are aware that they are contributing to the Fund, per se. Civil servants are aware that they are contributing, but they do not know at what levels, they not know what their benefits are and they do not know how to access the benefits. This ostensible lack of interest makes it difficult for the Government

Employees Pension Fund to have constant dialogue with its contributing members. Contributing members and/or beneficiaries begin to show interest – the extent of which is often limited to financial benefits – when they are able to extract benefits from the Fund as a result of retirement, death, illness or dismissal. It is also such that contributing members, from the time of the initial contribution to the time of retirement, often transfer from one government department to another or may move from one physical address to another without informing the Government Employees Pension Fund of such changes. A female member may furthermore have altered her status and name due to marriage, a member may have experienced a divorce and there may be additional beneficiaries in the form of children, all of which may not have been communicated to the Government Employees Pension Fund (Makan, 3 September 2004).

Customer relationship management at the Government Employees Pension Fund is all the more important in that the programme should be pro-active in attempting to foster continual interaction with the client. The Government Employees Pension Fund needs to foster such interaction based on the principles of the Batho Pele (People First) programme of the South African Government. Without an integrated approach to service delivery and customer relationship management, the Government Employees Pension Fund will not succeed in its efforts to provide constantly high levels of service.

BATHO PELE: THE CUSTOMER RELATIONSHIP MANAGEMENT PROGRAMME OF THE PUBLIC SECTOR IN SOUTH AFRICA

The paper on customer relationship management would not be complete without considering the South African Government's attempt to implement the Batho Pele (People First) programme. The main tenets of the Batho Pele programme hinge on effective service delivery. The principle of Batho Pele is premised on the idea that Government has clients that need to be assisted in a client-centred approach to service delivery. Worthington-Smith (2003:217) notes that each citizen (client) has to interact with Government departments on an array of administrative issues between birth and death – birth, education, marriage, social benefits, tax, property, health, to mention but a few. The structures and procedures of Government and Government departments are overwhelming to the best of citizens.

The Batho Pele programme seeks to engender a professional, career-oriented ethic amongst public servants. Fraser-Moleketi (2004) notes that the adoption of an ethical, constructive and problem-solving approach to working life is important. The professional ethic, underscored by human resource development strategies for public servants, has to have as its goal the prioritisation of clients and their needs. Human resource development will not only provide staff with the knowledge of the Government Employees Pension Fund to enable them to provide a professional and self-assured service, it will also provide staff with the necessary sensitivities to deal with clients.

The notion of Batho Pele was first mooted in 1997 (Department of Public Service and Administration, 2003). Batho Pele is a Government initiative to get South African civil servants to be service oriented, to strive for excellence and to continually strive to improve

service levels to clients. The Batho Pele programme espouses eight principles – consultation, service standards, access, courtesy, information, openness and transparency, redress and value for money (Department of Public Service and Administration, 2003). Whilst the eight principles of Batho Pele are noble, their implementation in public service departments has proven to be difficult. Because of the relatively low levels of success of the Batho Pele programme, it was deemed necessary to revitalise the programme. The four pillars of the Batho Pele revitalisation strategy – the strategy developed to intensify the Batho Pele campaign, especially in back office operations of Government – seem to be more applicable to the Government Employees Pension Fund. The four pillars of the revitalisation strategy are re-engineering and improving the back office operations of Government, re-engineering and improving the front office operations of Government, internal communications and external communications (Department of Public Service and Administration, 2003). The Government Employees Pension Fund has established a number of channels of interacting with clients. These channels of communications include electronic means (via the web site), direct contact via the walk-in centres, remote telephonic contact and written interaction by means of the newsletters. All these channels of communication, however, seem quite remote to staff members who operate in the back office environment of the Government Employees Pension Fund. Because there is no or little direct contact between back office staff and the client, back office staff tend to become intransigent to the needs of their front office colleagues and consequently toward the client. It is, however, such that front office staff depend on the efficiency of the back office staff to be able to provide an effective service to the client. Effective channels of communication are therefore paramount to efficient service delivery.

NODES OF ACCESS TO THE GOVERNMENT EMPLOYEES PENSION FUND

The Government Employees Pension Fund, as part of its drive to promote multiple points of access for clients, has developed a customer relationship management strategy that ensures access for all clients irrespective of their disposition. Chen and Popovich (2003) point to the fact that customer relationship management is about people, processes and technology. Technology facilitates the processes that exist between the points of access or touch points in the organisation. Chen and Popovich (2003) further point to the fact that customer relationship management is not just about technology, it is instead an integrated customer-driven and cross-functional process that maximises relationships and is not limited to one part of the organisation. As has been intimated, the back office staff of the Government Employees Pension Fund do not necessarily subscribe to the notion of customer relationship management because of their lack of direct interaction with the client.

Customer relationship management applications are not always successful in their implementation in organisations. Customer relationship management, especially if technology is the enabler, could be expensive. A failed customer relationship management project could result in dissatisfied clients, loss of employee confidence and loss of time and

effort (Chen and Popovich, 2003). If the vast majority of employees in the organisation do not embrace the implementation of customer relationship management strategies then these are virtually guaranteed to fail. Customer relationship management strategies often require organisational re-alignment, staff training and other extensive effort that could cost the company extensively in terms of financial and other resources (Newell, 2003:65-67).

The Government Employees Pension Fund established a customer relationship management strategy with a view to ensuring that clients are kept abreast of developments. There may be new product offerings such as funeral benefits, there may be procedural changes especially those pertaining to risk management and there may be information pertaining to, for example, pensions increases that need to be disseminated. The idea is that if the client is kept informed about developments at the Government Employees Pension Fund, then it releases the operations staff to concentrate on administrative matters. Consequently, the Government Employees Pension Fund established a Client Relationship Management Section in September 2002 (Government Employees Pension Fund, Annual Report, 2001-2002). The establishment of a Client Relationship Management Section at the Government Employees Pension Fund in September 2002 is probably both an indictment and a vindication. An indictment because a customer relationship management section was established at such a late stage in the history of the Fund and a vindication in the sense that it was indeed deemed necessary to establish it. The Customer Relationship Management Section of the Government Employees Pension Fund comprises the Call Centre, the Walk-in Centres (one at the head office and the others at the satellite locations of Bisho, Polokwane and Mmabatho) and the Switchboard (Government Employees Pension Fund, Annual Report, 2001-2002). These points of access to service or touch points can be delineated along the lines of electronic and what could be described as walk-in service and yet other that could be described as written correspondence.

The Call Centre

The first of the electronic touch points of the Government Employees Pension Fund is the Call Centre. At the time of its establishment, the Call Centre comprised 12 staff members. All the staff at the Call Centre were transferred from the Operations Sections of the Government Employees Pension Fund. At the time of the establishment of the Call Centre of the Government Employees Pension Fund, it was generally viewed as an add-on. There were no integrated systems and the Call Centre was essentially not given the necessary resources to make it operate optimally. Furthermore, the concept of a call centre for a Government department is relatively new. The concept of a Call Centre for Government departments imply that people who access the services offered by Government by this means, are indeed the clients of Government. As the Call Centre's business activities and knowledge of its existence expanded, further agents were recruited from within the Government Employees Pension Fund. The reason for the internal recruitment was that it would take time to train outside people on the complex rules and benefit structures of the Government Employees Pension Fund (Hattingh, 3 September 2004).

The project to replace the Government Employees Pension Fund's legacy-based information technology system with a new, state-of-the-art pension administration system, Project Pekwa, had a profound effect on the client services environment. The systems infrastructure in the Call Centre was upgraded in order for them to be integrated into the broader Government Employees Pension Fund operations. The dissemination of information is the key result area of the Call Centre. With the new integrated system, the Call Centre is able to generate a workflow enquiry electronically and that is dealt with and responded to electronically. The previous paper-based approach of generating enquiries was fraught with inefficiencies and flaws. The inefficiencies of the old paper-based system relate to a document physically having to be carried to the operations section that deals with the case. The paper could get lost and there would be no record of the enquiry, thus prompting additional phone calls from the client (Government Employees Pension Fund, 2002).

Whilst it is prudent to answer and deal with a call to the Call Centre at the initial time of contact, there are calls that are more complex in nature. The Call Centre has established a team of individuals who investigate the more complex cases and who then make a follow-up call to the client. This follow-up team ensures that the agent does not spend too much time on one call, thereby ensuring that service to clients is timeous and accurate.

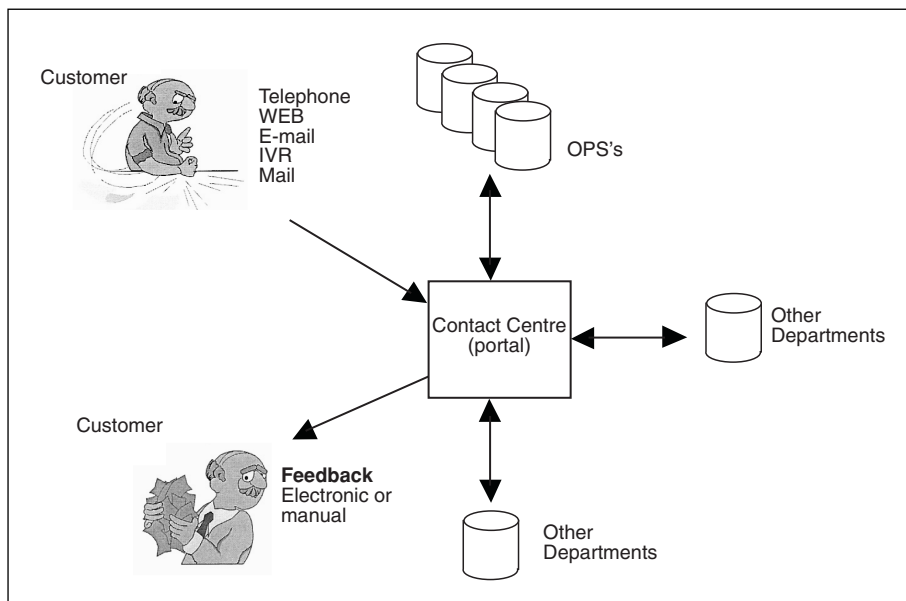
The Government Employees Pension Fund has a toll-free telephone number that can be used by all members and pensioners to access services. The toll-free number is a further effort by the Government Employees Pension Fund to provide points of access to clients. The toll-free number ensures that those clients who do not have access to telephones in their homes or who cannot afford a long-distance call, can still access services.

Improved efficiency in the Call Centre of the Government Employees Pension Fund has resulted in the Operations Sections having to answer fewer calls thus improving operational efficiencies. The fact that the staff who are involved in the operations can actually concentrate on what they are supposed to is important for service delivery. The Call Centre furthermore has a standing policy not to transfer calls to the operations sections. This policy is in congruence with the idea of limiting the time spent on the telephone by operational staff (Hattingh, 3 September 2004).

Information security plays a vital role in an effort to protect the integrity of the Government Employees Pension Fund and in attempting to protect the clients. E-government information security has been a constant source of concern for the Government Employees Pension Fund. Electronic security mechanisms have been at the nexus of the South African Government's agenda. The Government Employees Pension Fund therefore has to ensure that the person conducting the telephonic transaction is indeed the member or pensioner. Information security is not always a simple matter when telephonic conversations are involved. Sometimes the Call Centre agent has to use his or her discretion to conduct a transaction. Often a pensioner may be indisposed to conduct a telephonic discussion but needs some assistance from the Government Employees Pension Fund, in which case it is extremely difficult not to provide such assistance if a spouse or family member makes the call. In order to protect the integrity of the Government Employees Pension Fund, its information and its clients from possible fraudulent activities, a voice logger was installed. The voice logger is an instrument that records all the

conversations that are conducted between the Call Centre agent and the client. This recording is kept in a safe environment and it could be used in the case of any dispute or discrepancy. The voice logger is also used as a tool for staff development and training. Trainers and staff can, for example, listen to selected calls as examples of what to do and what not to do. Electronic devices such as the voice logger consequently enhance the effort to improve e-service delivery at the Government Employees Pension Fund. Whilst the idea of a Call Centre in a Government department may seem rather novel, it entrenches the idea of the citizen as a client. The idea of clients of Government goes beyond the concept of the Call Centre. Switchboards provide an added point of access or touch point for clients of the Government Employees Pension Fund. Diagram 1 is a representation of the typical nodes of access in a customer relationship management model for the Government Employees Pension Fund.

Diagram 1: Points of Access for Clients of the Government Employees Pension Fund



Adapted from a Presentation on Contact Centres, Rausch, 2003

Switchboard Links

The switchboard of the Government Employees Pension Fund has been developed in such a manner that it integrates with the Call Centre and the rest of the Government Employees Pension Fund. If a client calls the Government Employees Pension Fund via

the switchboard, the call can automatically be routed, upon the choice exercised by the client as guided by the tele-prompt.

Another innovation is the interactive voice response facility that the Government Employees Pension Fund has linked to its telephone enquiry facility. The interactive voice response facility allows the Government Employees Pension Fund to provide continued service even if there is nobody to answer a call. The client, in the event that the Call Centre or the switchboard is closed, can leave a message and the Government Employees Pension Fund could return the call the next day. This electronic interactive voice response facility allows the Government Employees Pension Fund to provide services to clients beyond normal office hours. The walk-in centres of the Government Employees Pension Fund are, however, bound by normal office hours (Settler, 3 September 2004).

The Walk-In Centre

The Walk-in Centre and the regional offices of the Government Employees Pension Fund provide a similar service with the difference being that the regional offices are remote while Walk-in Centre is situated on the site of the main administrative offices of the Government Employees Pension Fund.

The Walk-in Centre and the regional offices are at the front-end of the Government Employees Pension Fund's service delivery apparatus. The Walk-in Centre and the regional offices provide services directly to clients. They are one-stop offices where documentation can be submitted, where transactions are performed and where immediate feedback can be provided to the client. The Walk-in Centre and the regional offices are electronically linked to the back office systems of the Government Employees Pension Fund hence providing the capability of real-time transactions. The remote sites of the Government Employees Pension Fund provide a link between the provincial departments and the head office. The remote sites are often used for field contact with clients. The regional offices provide individual and corporate clients the opportunity to interact directly with the Government Employees Pension Fund without them having to travel the vast distance to the Pretoria-based head office of the Fund. The regional offices are linked to the head office on a wide area network system that provides real time assistance to clients who may need services.

At an administrative level, the Walk-in Centre and remote regional offices are at a disadvantage when it comes to scanning and indexing of documentation. These contact centres do not have the capability of generating a workflow system enquiry. All documents from these centres have to be transferred to the Scanning and Indexing Section at the head office where the necessary workflow processes are initiated. This practise leaves the Government Employees Pension Fund vulnerable in the sense that documentation can be misplaced in the process. If documents are scanned as they are brought in to these contact points, the electronic image is immediately ready for processing. The tracing number in the form of a barcode is immediately appended to the original document which makes it easier to track. If the original document should go astray, the scanned

image provides enough grounds for the administrative process to be continued to the satisfaction of the client (Lindeque, 3 September 2004).

Walk-in Centre and regional office staff are quite unique in that they are multi-skilled. Given that the Walk-in Centre is on the premises of the Government Employees Pension Fund, it is resourced in a manner that allows it to respond to enquiries pertaining to all the sections. These enquiries include tax, life certificate, civil pension, special pension and medical. Although multi-skilling of agents has taken place, there are still specialists in the various fields who can deal with the more complicated enquiries pertaining to a specific area.

Client advisers in the Walk-in Centre and the regional offices are provided with practical training on how to deal with customers. Given that the Walk-in Centre and the regional offices interact with clients at the coalface and given the Government Employees Pension Fund pays people's pensions, it is important that they be trained to deal with clients in a sympathetic and an empathetic manner.

The Government Employees Pension Fund has four Walk-in Centres, three remote sites and one at its head office, that need to be assessed in terms of service delivery. The services provided at these Walk-in Centres will be assessed with regard to electronic service delivery. There are currently two divergent views with regard to the remote or regional offices. The one view is that the remote offices should be closed down and that all the relevant administrative support should be coordinated from the head office in Pretoria. The second view is that regional offices should be expanded to other areas of the country. The expansion of the regional offices to other areas of the country will take services to the people. E-government systems are used to link the remote sites to the head office. An alternative to providing services to provinces where there is no regional office, is to place a trained Government Employees Pension Fund employee in the Government department to assist with the normal administrative functions of the Fund. In so doing the trained resource would know what the administrative requirements of the Fund are and this can lessen the extent of delays. Electronic links between the Government Employees Pension Fund and the Government departments need to be fostered in order to improve service delivery.

Web-site Access to the Government Employees Pension Fund

The most likely point of access for a client in an e-government environment is the use of internet technology. The Government Employees Pension Fund has clients in very many countries across the world and the application of internet technology can only enhance communication channels with such clients.

The web site of the Government Employees Pension Fund is currently static. The site provides information to clients. The information relates to the rules of the Government Employees Pension Fund, the Government Employees Pension Law, Members' Booklet, annual reports, newsletters, frequently asked questions and answers to these. The average number of hits per day during weekdays on the Government Employees Pension

Fund's website are 6172 and 893 during weekends – averaging out at 4663 hits per day (Government Employees Pension Fund, Management Information System Report, 2004).

An interactive web site would allow clients of the Government Employees Pension Fund to access more service offerings. Amongst these could be change of address details and banking details. The Government departments, as clients of the Government Employees Pension Fund, can also access the web site to request quotations and admit new members. The Government Employees Pension Fund has appointed two individuals to deal with e-mailed enquiries. The Fund receives approximately 1500 e-mailed enquiries per month. The nature of these enquiries range from address changes to updating personal information to complaints/compliments, *inter alia*. Interesting to note is that approximately 40% of the clients who interact with the Government Employees Pension Fund via e-mail are pensioners (Kisten, 6 September 2004). This indicates that pensioners are embracing the technologies that allow them to access the Government Employees Pension Fund via the electronic means. The total number of approximately 1500 e-mailed enquiries, whilst small in terms of the total number of pensioners and contributing members, still represents a significant shift in the manner in which pensions are being administered and in the manner in which services are being accessed.

Operations Support Services

The Operations Support Services Section of the Government Employees Pension Fund provides back-up support to the rest of the organisation. Those clients who choose not to access the Government Employees Pension Fund through any of the electronic nodes on offer normally do so in the more traditional manner – that of mailing documents to the Fund. All the clients of the Government of the Government Employees Pension Fund, however, have to at some point mail documents to the Fund for administrative purposes. The core function of the Operations Support Services Section is to ensure that all documents are converted into electronic images by means of scanning them (Government Employees Pension Fund, Annual Report, 2001-2002). The documents are then electronically routed to indexers who check their authenticity. Once this process has been finalised, an electronic workflow process is initiated. The indexer has to determine which electronic workflow process to initiate. This is dependent on the nature of the document and the required administrative process that should be completed.

This relatively new section at the Government Employees Pension Fund is a clear step away from the traditional, hard file-based approach to disseminating and distributing work to the Operations Sections. The electronic mechanisms – scanning, indexing and workflow – while not customer-facing, are developed to improve service delivery in terms of improved turn-around times and accuracy of calculations.

Other Points of Access to the Government Employees Pension Fund

One form of electronic document that comes into the Government Employees Pension Fund is the facsimile (fax). Faxes come into the offices of the Government Employees Pension Fund at various points. This results in a lack of coordination of the official doc-

uments entering the Government Employees Pension Fund. These documents are, in many cases, not traceable since they are faxed to machines that are not necessarily situated in the sections where the administrative process is to be initiated. The standalone fax machines therefore provide disjointed levels of service. The Government Employees Pension Fund has, however, implemented a Rightfax (fax to personal computer) facility for selected users. The Government Employees Pension Fund has set itself a goal to channel all incoming faxes into the workflow system. This initiative was seen as a manner to channel all faxes into the system without them having to be transcribed into hard format thus reducing the risk of them going astray and improving efficiencies.

When the fax utility is fully operational it is envisaged that documents received in this manner would automatically be entered into the workflow system as electronic data. There are, however, those faxed documents that are unacceptable to the Government Employees Pension Fund since they essentially become a copies of a certified copy. Even though the copy may be certified as per the requirement, a fax is essentially viewed as being a copy of the certified copy (Makan, 3 September 2004).

Conventional mail still continues to be the pre-eminent form of submitting documents to the Government Employees Pension Fund. The documents received in this format are scanned and converted into electronic images for processing. It is nevertheless time-consuming and labour intensive to open, prepare – unfold, remove staples, place in order – and scan the documents.

The Government Employees Pension Fund also tries to make contact with clients by going out to their premises. Presentations are prepared electronically and presented to clients as the case may be. The Government Employees Pension Fund presenters use information and communication technologies to disseminate information to clients.

Promotion of Access to Information Office

The Government Employees Pension Fund, in line with the South African Constitutional principle of access to information, set about implementing legislation in the form of the *Promotion of Access to Information Act* (Act 2 of 2000). The purpose of this legislation is to address Section 32 (2) of the *Constitution of the Republic of South Africa* (Act 108 of 1996), which provides that any person has a right to gain access to information held by a public or private body. There are, however, some exclusions most notably that related to state security.

One of the main requirements specified in the *Promotion of Access to Information Act* (Act 2 of 2000) is the compilation of an information manual that provides guidelines on the types and categories of information that is available. The information manual of the Government Employees Pension Fund is available on the web site in Zulu, Xhosa, Afrikaans, Northern Sotho and English (<http://www.gepf.co.za>).

The significance of the of the publication of the pre-conditions of the *Promotion of Access to Information Act* (Act 2 of 2000) appearing on the web site of the Government Employees Pension Fund, is that it affords clients the opportunity to view and to submit requests in electronic format. This is just one further example of how the Government

Employees Pension Fund is trying to harness the power of information and communication technology to provide services to clients. The fact that the manual is published in five different languages attests to the Government Employees Pension Fund's commitment to providing services in as many languages as possible.

Language Policy of the Government Employees Pension Fund

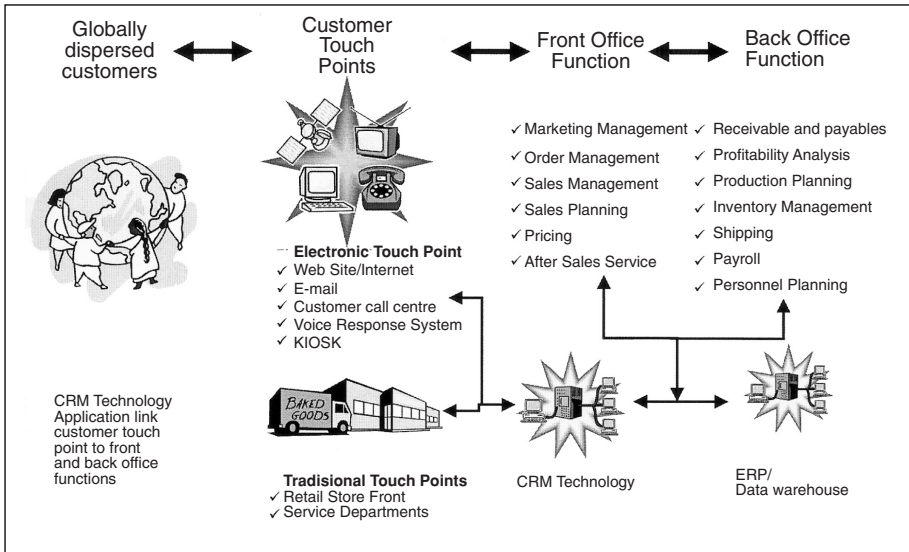
The Government Employees Pension Fund does not have a formal language policy but in order to develop an effective customer relationship management programme, language needs to be integral. Historically the Government Employees Pension Fund has recorded language preference statistics on the then two official languages – English and Afrikaans – of South Africa. At the point of amalgamation of the disparate pension funds into the Government Employees Pension Fund, the Fund acquired clients of all walks of life and from all persuasions. The founding provisions of the *Constitution of the Republic of South Africa* (Act 108 of 1996) guarantees the official status of 11 languages and it further notes that the Pan South African Language Board will be established to ensure compliance with the said Constitutional principles. To ensure that the Government Employees Pension Fund provides a customer service in the preferred language of a client, the contact centres have the capability to provide verbal responses in the language of choice of the client.

One concern is that the new e-government system, that is, the Comprehensive Pension Administration Application Software (COMPASS) and workflow, in the Government Employees Pension Fund are in English only. Given that the Government Employees Pension Fund serves customers from all the official language groupings in South Africa, it needs to develop the capacity to respond to clients in the language of their choice, especially where written correspondence is concerned. The Government Employees Pension Fund is collaborating with the Pan South African Language Board to develop procedures on how to communicate with clients in as many languages as is possible.

Customer Relationship Management for the Future

Mobile customer relationship management (mCRM) is mooted to be the next step in the process of implementing customer relationship management solutions (De Waal, 2002). Whilst the implementation of mobile solutions may still be a long way off, it is seen as the answer to staying in touch with the person who is constantly on the move. The Government Employees Pension Fund will do well to be able to transmit messages via short message service (SMS) to clients of the Fund. The possibilities are, needless to say, a far way off.

Diagram 2: Customer Relationship Management Technology: The Links between customer touch points, front and back office



From: Chen and Popovich, 2003

CONCLUSION

The aim of the paper is to provide an analysis of the initiatives around customer relationship management in South Africa and in the Government Employees Pension Fund. Definitions of customer relationship management are offered in an effort to situate the concept and practice within South Africa and in the Government Employees Pension Fund. The customer relationship management strategy of Batho Pele (People First), as espoused by the South African Government, is assessed in the paper. The analysis around customer relationship management considers the link between the citizen as client and government, the provider of services.

Additional analysis provided in this paper on customer relationship management relates to how the Government Employees Pension Fund has implemented a strategy that emphasises multi-nodal access to services for clients. The multi-nodal access to services offered by the Government Employees Pension Fund takes cognisance of the ability of clients to use electronic systems, the availability of electronic systems and knowledge of benefit structures of the Government Employees Pension Fund. The nodes of access or touch points of the Government Employees Pension Fund are identified and analysed in terms of their levels of effectiveness to service delivery. The assessment of the points of the Government Employees Pension Fund emphasises an integrated approach to services being offered by the Government Employees Pension Fund.

The language of interaction between clients and the Government Employees Pension Fund is important since clients are able to access information in their language of choice. The matter of promotion of access to information by clients of the Government Employees Pension Fund is key to providing services.

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