May 12, 2014

Honorable Eric Garcetti, Mayor
Honorable Members of the Los Angeles City Council
Honorable Mike Feuer, City Attorney

Re: Performance Audit of Los Angeles 3-1-1

I. THE VISION: ONE CALL TO CITY HALL

Imagine that a resident of our City comes home at night and discovers an old sofa in front of her house. She phones L.A.’s 3-1-1 call center and reaches a knowledgeable and helpful operator. Within moments, the resident is informed by the operator that two other neighbors have already reported the discarded sofa, that the Bureau will be by the next day to remove it, and that her Councilmember is investigating the problem because this is the second such item dumped nearby this month.

What I’ve just described is the City’s vision for the future of Los Angeles’ 3-1-1 system. In 2010, then-Councilman Garcetti said, “In government, you can’t wait for people to come to you – you need to give residents the tools to empower themselves in the most convenient way.” That sentiment is a perfect summation of the 3-1-1 system’s potential, and I could not agree more.

II. THE REALITY: CUSTOMER SERVICE DISCONNECT

A team of auditors from my office has studied the 3-1-1 system. As their report details, the idea of empowering people through the 3-1-1 system does not appear to align with the way the system currently functions. What could be a technologically advanced, user-friendly direct link between residents and businesses and the City is instead an outdated switchboard.

It is time for us to commit ourselves to fully integrating the 3-1-1 system into citywide systems and to bringing this important tool into the 21st century.
III. AUDIT FINDINGS

A. Current services

1. Phone – The 3-1-1 phone system is intended to provide Angelenos with the opportunity to speak to a real person to get their questions answered and their problems resolved. Every year, more than a million calls are placed to Los Angeles’ 3-1-1 system. Among the most common requests are bulky item pickups, Building and Safety permit inspections, graffiti removal and non-emergency police services. Operators can offer help with an array of non-emergency, non-DWP-related issues in English, Spanish and more than 150 other languages through the use of translation services. Support for the hearing- and speech-impaired is also provided.

2. Mobile and online requests – To augment online access to 3-1-1, in February, 2013, the City launched its “MyL.A. 311” mobile application*. Since it was launched, the app has been downloaded more than 23,000 times, according to the Information Technology Agency (ITA), which oversees the 3-1-1 system. More than 49,000 service requests were initiated through it--almost 6,000 in April, 2014. That’s a small percentage of the total requests received by the City, but it suggests a growing trend toward more mobile and online 3-1-1 service requests.

B. The customer experience

1. Hours of operation – L.A.’s 3-1-1 call centers are open daily, but only from 7:45 a.m. to 4:45 p.m. By contrast, of the eight benchmark cities to which we compared Los Angeles, five have 24-hour operations and, on average, their 3-1-1 switchboards are open 135 hours per week; L.A.’s is open just 63 hours per week.

2. Customer wait time – Callers to the system face lengthy wait times before their calls are answered. L.A. callers waited an average of 3 minutes and 45 seconds to speak to an operator. That is less than ITA’s target time of four minutes. But it is also three and a half times longer than callers to the average of benchmark agencies wait. New York’s average wait time was just 26 seconds during the surveyed period.

3. Abandoned calls – In 2012, 30% of calls were abandoned (dropped, hung up or disconnected). In San Francisco, that number is 14%. In Charlotte, just 3% of calls are abandoned. The decreased ability to answer calls promptly inevitably makes callers less likely to use 3-1-1 again.

4. Transferred calls – While the stated intent of a fully integrated 3-1-1 system was to provide a one-stop venue for customer service, 3-1-1 operators transfer nearly 45% of calls to other City departments--meaning that more than four in ten calls

* Due to the app’s recent roll-out, there was insufficient history to assess its performance in the current audit.
were not resolved by the 3-1-1 operator. That is partly because ITA does not have the institutional ability to process many interdepartmental services. Operators regularly transfer calls around City Hall until callers get an answer— or simply hang up in frustration. Data from 2013 illustrate this problem. When ITA hired a significant number of additional operators, call waiting times and abandonment rates were reduced. Nevertheless, the call transfer rate dropped just three points to 42 percent.

C. Comparing costs

1. **Overall costs** – The system’s motto is “One Call to City Hall.” Yet 12 years after 3-1-1 went live, there are still nine separate departmental contact centers (excluding proprietary departments) in the City that field calls from the public—separate from the 3-1-1 call center. The salary costs alone to operate 3-1-1 and the nine other call centers is $9.23 million.

   The experiences of cities like New York, which consolidated more than 40 separate call centers and hotlines into its 3-1-1 system, indicate that Los Angeles could achieve efficiencies and significant savings through call center consolidation.

2. **Costs per call** – Each answered call costs, on average, $6.30, according to budgeted numbers. While some of the other studied cities’ call centers had larger operating budgets, all of them had lower costs per answered call, ranging from $6.13 (Sacramento) to $2.79 (Houston). Moreover, with limited operating hours, a relatively smaller 3-1-1 staff and long wait times, the 3-1-1 system volume of calls received decreased by more than 14% from FY 2010-11 to FY 2012-13.

D. Measuring performance

Given the costs inherent in running the 3-1-1 system, are we getting our money’s worth? Unfortunately, the City’s Information Technology Agency has never designed a comprehensive data-collection system to track call outcomes and results. And yet, measuring outcomes is vital if we are going to create a positive, effective relationship with city residents and businesses. Consider, for example, a scenario in which the City receives five calls about a large pothole in one neighborhood. With simple and accurate data tracking, an operator would be able to tell the fifth caller that the City already received multiple calls about the pothole and, more importantly, exactly when the caller might expect to see the pothole fixed.

E. Data collection and use

The auditors noted that the 3-1-1 system is not currently linked to a shared database with Council offices at the time of the audit. Such a database or tracking system would help to mitigate duplicative constituent responses and to increase coordination across various City Hall offices. We are pleased, however, that ITA just announced that,
beginning in 2015, City Council staff will be able to enter and track constituent requests using the same database as 3-1-1 operators.

IV. CONTROLLER’S PROPOSALS

When examining benchmarks, auditors in my office looked at other large cities across the nation. What we found was that effective 3-1-1 programs consolidate call centers, offer easy-to-use online self-help services and provide a unified portal staffed by people who can resolve constituent questions truly with one call to city hall. The auditors determined that the most notable programs, like those of New York and Washington, D.C., are run by their City’s executive branches—which have made them more nimble and responsive to public pressures.

In considering management and oversight, it is crucial to remember that ITA’s core mission is to support other City departments—not to provide constituent services. What’s more, despite some of the good thinking that went into ITA’s oversight of 3-1-1, the agency has been hobbled by budget restrictions, especially in recent years. For example, in 2011-12, ITA had funding for just 28 operators.

A. Executive leadership – 3-1-1 needs a sustained level of executive authority and accountability. We recommend that the program and operations be overseen, and more directly linked, to an elected office, City department or other oversight entity in the City whose core mission is focused on customer service and constituent relations, and where cross-departmental collaboration is ensured.

B. Data & technology – The focus of our audit was the 3-1-1 phone system. This system is vitally important because it allows constituents to speak to real people and make a human connection with operators. Though we can never replace that human connection, the next phase of 3-1-1 must leverage technology to allow citizens to initiate complaints, ask questions and even help one another solve problems. When implemented correctly, such new tech offerings will allow a traveler to Los Angeles to report a broken streetlight just as easily and intuitively as she might in her home city. Also, we should study and regularly keep up with other cities’ apps and websites so we can adapt best practices and keep our own interfaces up to date.

C. Performance & reporting – To improve accountability, and to help the 3-1-1 system adapt to changes in the landscape, we recommend that 3-1-1 implement quarterly and annual performance reporting through a metrics-driven system that is shared with policymakers and the public.

D. Training – If we truly believe in the concept of “One Call to City Hall,” then we must empower 3-1-1 employees to respond to more calls and solve more constituent needs. With this in mind, we recommend enhanced training so that 3-1-1 representatives can effectively answer a broader range of constituent calls.
V. CONCLUSION

I encourage the Council and Mayor to examine the opportunities to provide 3-1-1 with more direct and constituent-focused oversight and management; to bring the system up to speed with the latest technological standards; to recommit the City to using the 3-1-1 system to collect and share data among constituent-focused offices; and to make Los Angeles the most resident, business and visitor-friendly city that it can be.

Sincerely,

RON GALPERIN
Los Angeles City Controller