

311/Customer Relationship Management (CRM) Laying the Foundation to Launch a Major Customer Service Initiative

Next Steps for Portland's 311/CRM Customer Service Call Center
Final Report
October 30, 2014



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Executive Summary

The City of Portland established its intent in October 2012 to create a 311 non-emergency call center to (1) reduce call wait times and increase the efficiency and effectiveness of its 9-1-1 emergency communications call center; (2) provide customers easy access to City services, and (3) provide tracking and monitoring capabilities that can serve as a tool to help improve City service delivery.

In 1980, the City initiated a 9-1-1 call center to provide Portland's public safety bureaus, Multnomah County Sheriff and other area public safety organizations centralized dispatching services. Currently, 9-1-1 receives nearly 1 million calls per year, with approximately 25% considered non-emergency. In 1994, Portland initiated the City, County Information and Referral (CCIR) service (503.823.4000), which provides information on more than 1,600 City and County services, handling approximately 100,000 calls per year. Other call centers exist within the City's various bureaus, such as Water and Transportation, each using a variety of non-integrated tools and platforms to assist staff with delivering services to customers.

To support the City of Portland's efforts, Stern Consulting, LLC and GEL Oregon, Inc., (the consulting team) were tasked with assessing the City's organizational readiness, capabilities, and capacity and provide a roadmap to implement a city-wide 311/CRM system, i.e., an integrated customer service call center utilizing 311 (a dedicated phone number) and customer relationship management software. In order to complete our task, the consulting team engaged elected officials, City staff from throughout the organization and citizens in an information gathering process using surveys, interviews and community focus groups. The information secured from these interactions, such as call volume activity, average talk time, redirected calls, existing systems and methods used to capture data, planned initiatives that may impact the organization or individual bureau's readiness, capacity and capabilities were aggregated, analyzed and validated. This process allowed us to make informed recommendations associated with a city-wide implementation, including estimated 311/CRM software costs, 311/CRM staffing and facility requirements, and associated costs through a full city-wide deployment as presented in the proposed roadmap.

Our findings indicate that a five-year, phased-in implementation of a city-wide 311/CRM system will require an estimated net incremental investment of \$4.8 million. We have also calculated a payback due to savings resulting from reduced talk time, redirected calls, and use of lower cost customer intake channels of 5.5 years, with annual savings thereafter of approximately \$800,000. Please note, that unless otherwise stated, cost information is in 2014 dollars and should be used for planning purposes only.

Lastly, based on our interviews, survey responses, and research, the consulting team believes Portland is at a key moment in that if the 311/CRM initiative is not moved forward timely on a city-wide basis, individual bureaus and offices may do so independently, which will increase costs and adversely impact the ability of the organization to implement a city-wide system. In summary, our recommendations for Portland are to:

- Move the 311/CRM initiative forward expeditiously
- Use a phased-in approach, leveraging the resources of Bureau of Emergency Communication (BOEC) and CCIR with a limited number of supportive bureaus that may, without 311/CRM, desire to pursue other CRM alternatives
- Use the Software as a Service (SaaS) platform, which provides increased vendor competition and lower costs to the City
- Establish goals to implement the initial phase within 18 months and the city-wide system by 2020
- Add no net new staff positions for the 311/CRM initiative

The consulting team believes the City is ready for this initiative, with the necessary capabilities and capacity and maybe most importantly, the passion to provide high quality customer service. However, in addition to these critical success factors, local political and cultural considerations are very important and the consulting team attempted to be equally cognizant of these factors throughout our engagement. Our goal in writing this report is to provide Portland with a roadmap that can be used to quickly implement a 311/CRM system, and through the rapid deployment and use of emerging technologies, become one of North America's most advanced constituent serving cities.

Our report, which should be viewed as a planning document, consists of the following sections:

[Research](#)

This section presents an overview of the research conducted to inform our recommendations including surveys and interviews and 311/CRM benchmark metrics.

[Findings Conclusions and Recommendations](#)

This section presents the key information learned and our conclusions and recommendations to implement a city-wide 311/CRM platform.

[Roadmap](#)

This section provides the City the next steps to move the 311/CRM initiative forward through to its final city-wide operation.

[Appendix](#)

This section includes charts and tables that provide additional information and context to the report.

Research

Survey and Interview Summary

The consulting team utilized several tailored surveys for various levels of staff, such as directors, managers/supervisors and front-line staff, in addition to functional areas including 9-1-1 and technology services. Additionally, four public focus group sessions were held throughout the City, with attendance by 14 citizens.

Surveys were designed to secure information to facilitate the consulting team's assessment and evaluation of existing customer service practices, activity levels, and the organizational and information technology infrastructure to support the organization as well as identify how the public accesses information and requests services. Additionally, surveys and interviews were designed to help assess the City's readiness, capability and capacity to implement a city-wide 311/CRM solution, i.e., the "future state", and inform our recommendations and the development of a project plan, i.e. "Roadmap", for a city-wide 311/CRM system.

In total, 123 surveys were received; 11 directors, 34 managers/supervisors, 72 front line staff, one 9-1-1 survey and five technology surveys completed by Bureau of Technology Services (BTS) staff. In addition, the consulting team interviewed 78 individuals including four elected officials, seven directors, 27 managers/supervisors, 38 front line staff and two 211 Agency managers.

Key questions used to determine the City's readiness, capabilities and capacity included:

- Understanding of basic metrics and information such as current call volume, existing communication channels, talk time and redirected calls
- How data is captured and used at the present time
- Understanding the organization's concerns about 311/CRM integration, perceived barriers to a successful implementation and perceived benefits of 311/CRM.

The most often cited responses to questions pertaining to readiness and change management included acknowledgement of the benefits of 311/CRM inclusive of; better decision making, increased cross bureau collaboration, increased productivity, and improved customer service.

Barriers/concerns mentioned most often included:

- Overall project cost
- Inadequate project funding, staffing and training and job loss
- Challenges between 9-1-1 and 311/CRM if 311/CRM is combined with BOEC
- Concerns about significantly different cultures (command and control vs. customer service)
- Determining which transactions will be handled by 311/CRM

Information related to customer interactions such as activity levels, talk times and redirected calls was not readily available in most bureaus. Also, how data is captured and used presently is inconsistent throughout the City because data capture, tracking and aggregation do not exist in

any standardized form. For additional information please see the appendix for Table 1 – [*Systems used to track customer interactions*](#), Table 2 - [*Estimated call volumes for Bureaus*](#) and Table 3 - [*Summary of Portland's key customer relationship management metrics*](#).

Benchmarking

Key 311/CRM benchmarking metrics, including analysis with City information, is presented to provide City decision makers actionable business intelligence. Metrics such as customer service channel costs, average talk time, abandonment rate, average calls per 100 residents, cost per call and average call redirection rate of 311/CRM systems demonstrate significant saving opportunities are available to the City.

For example, studies pertaining to customer service channel costs from information technology research firms including The Gartner Group and The Forrester Group indicate average transaction costs per walk-in of \$9.00 - \$12.00, while a mobile/web self-service transaction is approximately 1% - 2% of the cost of a walk-in transaction. Portland can save significant dollars and improve customer service by encouraging customers to lower cost channels. Please reference the appendix: Table 4 - [*Customer service channels cost per transaction*](#).

The primary channels used by customers for non-emergency services in Portland, excluding utility and revenue payments, include the use of live phone agents and email. Web and Interactive Voice Response (IVR), or phone self-service was also noted. However, such use was primarily calls after hours.

Based on the financial analysis and the estimated reduced average talk time, the City can expect to secure significant savings should they move to a centralized 311/CRM call center, and offer citizen self-service options. The consultants compared and analyzed the average 311/CRM call metrics with the estimated current state call metrics of the City of Portland (based on estimates derived from the survey/interview information), presenting the potential annual savings opportunities in customer service if the City achieves the 311/CRM average metric. The projected annual savings, if the City is able to reduce average talk time and redirected calls, total approximately \$626,545 (initial phase only, increasing to more than \$800,000 per year at build out). Please reference appendix: Table 5 - [*311/CRM service benchmark measures*](#).

The consulting team gathered benchmarking data from fourteen comparably sized cities in the United States; the seven cities ranking in population above and the seven cities ranking in population below the City of Portland. Based on this research, Portland appears to be the only city among the fifteen comparably sized cities that does not use 311/CRM or a centralized automated customer service request service. Nine (60%) of the cities utilize 311/CRM, one (7%) has initiated 311 for police non-emergency calls and four (27%) use a single phone number, similar to Portland's 503.823.4000 line, and have a centralized online automated customer service request process.

Findings, Conclusions and Recommendations

Technology – Software as a Service (SaaS) versus On-Premises

After securing information specific to Portland’s requirements, such as estimated call volume data, projected Soft-Launch candidates ([please refer to Table 8](#)), which facilitates estimates for the number of licenses needed, the consulting team solicited informal, confidential price quotes from vendors in the 311/CRM space. Quotes were requested for a Software as a Service (SaaS) solution, where the software is hosted off-site by the vendor, and an on-premises model, where the City hosts the application on-site. The consulting team reviewed and analyzed the responses received relative to the City’s current systems that are anticipated to be integrated with the 311/CRM system, BTS staff capacity and direction of the City’s information technology solutions. Based on the analysis, the consulting team’s recommendation is for the City to utilize a SaaS model for the following reasons:

- SaaS is less expensive. The 5-year cost including a 15% contingency as well as external consulting fees and additional infrastructure is:
 - SaaS - \$2.04 million
 - On-Premises - \$3.43 million
 - The Initial 5-year cost for BTS is estimated at approximately \$875,000
 - Ongoing BTS, on-site support of more than \$200,000/year is estimated
 - Additional hardware is estimated at \$265,000 over the first five years
- The software industry is trending toward SaaS deployments
- SaaS vendors have access to the latest security protocols to ensure the safety and integrity of the data
- SaaS provides the City more vendor options as there are more firms that sell and support SaaS compared to on-premises solutions
- The consulting team has noted that the City’s recent technology procurements include more SaaS deployments.
 - Microsoft Office 365 and Salesforce.com are among the recent deployments

Please reference appendix: Table 6 - [311/CRM Price Software Functionality Matrix by SaaS Vendor](#) to view a cross section of North American CRM vendors analyzed on two attributes; price and software functionality.

Call Center Staffing

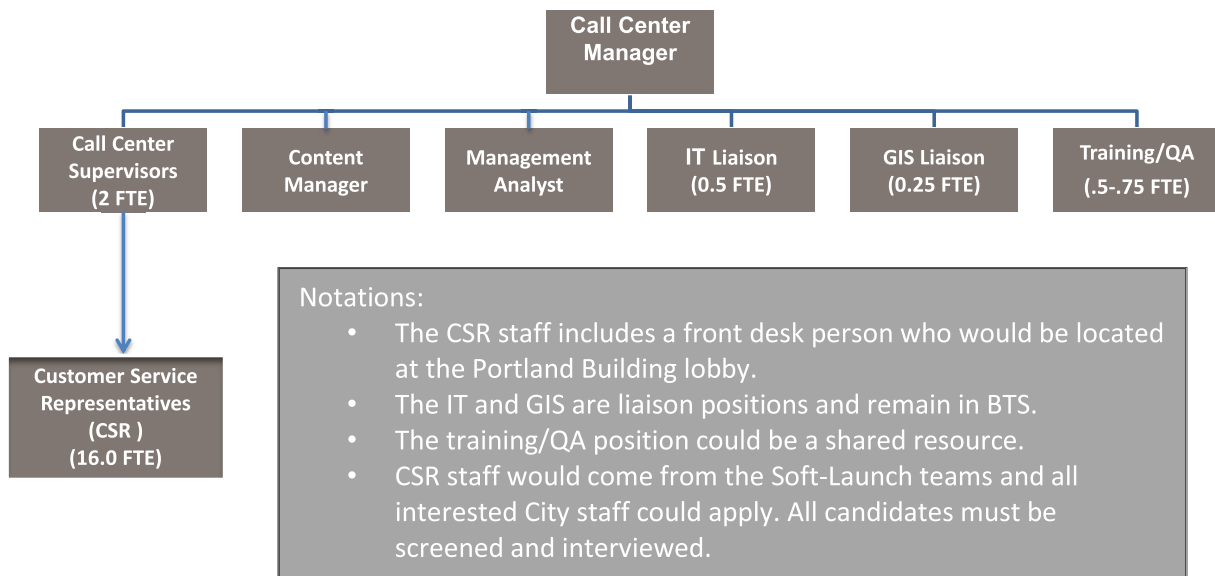
To help ensure a successful 311/CRM deployment, municipalities have used a phased-in approach. Typically, when municipalities try to bring too many bureaus or service departments into 311/CRM simultaneously, staff and financial resources are overextended. This results in implementations that fail to meet expectations, causing more costly and less successful projects. Based on employee interviews, the consulting team believes that a phased-in approach termed as “Soft-Launch” offers the greatest likelihood for success. Please reference appendix: Table 7 - [Bureau phased-in approach to the 311/CRM call center](#).

Regardless of where 311 resides, the graphic below presents the organizational structure of the 311/CRM team at launch. The projected call center staffing is based on an analysis of the following metrics:

1. Current call volumes for the Soft-Launch teams
2. Caller abandonment rate
3. Average talk time
4. Percentage of information-only calls
5. Percentage of redirected calls

After analyzing this data, the metrics were run through two different call center staffing models: a proprietary model developed by the consulting team, and the *Erlang C* model, a commonly utilized model in the call center industry. Based on the projected call center size, the City would be able to answer more calls with fewer staff in a centralized 311/CRM environment.

Projected call center organization chart – at Soft-Launch



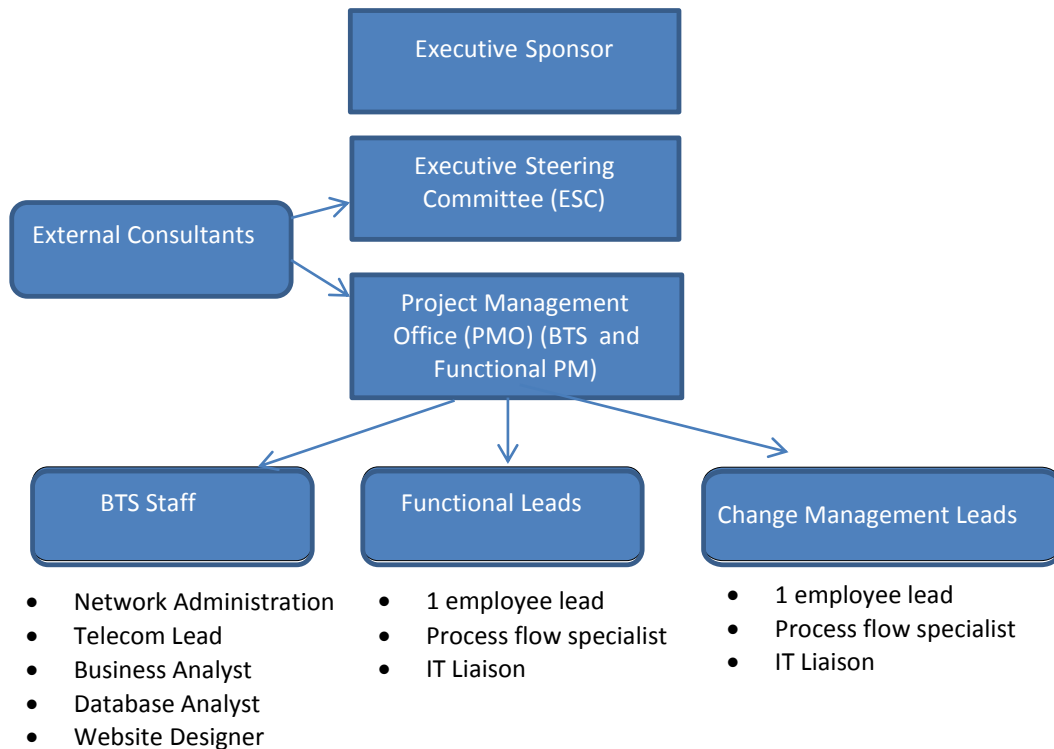
The 311/CRM team will increase in size as the phone calls of additional bureaus are added. Please Reference: Table 8 - *Forecasted 311/CRM staffing for start-up and first five years of operation*. Table 9 - [311/CRM call center – personnel cost summary by year](#). Table 10 - [Forecasted additional staff if a new or existing small bureau](#), (other than BOEC) is used for 311/CRM).

Significant resources will be needed to ensure a successful launch. Please reference appendix: Table 11: [FTE commitment chart for project implementation team](#). Table 12 - [On-going BTS support](#). Table 13 - [Project commitment required for the phase 2 launch](#). Table 14 - [Project commitment required for the phase 3 launch](#), which present the projected required full time equivalent positions (FTE) commitment over the 5-year period.

Following the initial launch, the project team will no longer need to exist, as the 311/CRM team will be running the operation. However, it is critical to have BTS remain engaged to support 311/CRM from a technical and integration maintenance perspective. Additional project resources will be required from the Phase 2 and 3 teams when they integrate into 311/CRM. After their integration is complete, the teams will disband. Please note that the BTS FTE commitment will be required on an ongoing basis.

During the project planning phase, a project implementation team will need to be created. The graphic below presents recommended organizational structure for the team.

Proposed 311/CRM Project Implementation Team



Organization Structure Analysis and Recommendation

As the consulting team reviewed and learned more of Portland's organization and culture, considered responses to survey questions and feedback from our interviews in relation to comparable sized organizations and their 311/CRM reporting structure the consulting team settled on three potential governance structure alternatives to evaluate:

1. **Unified Communications:** This alternative involves creation of a Unified Communications Bureau by expanding the existing Bureau of Emergency Communications to include non-emergency, i.e., the 311/CRM call center, and becoming a 9-1-1/311 unified communications center.
2. **Office of Neighborhood Involvement:** This alternative involves expanding the existing CCIR operation, within its present home, ONI, to become the City's 311/CRM call center.
3. **New Bureau:** This alternative involves creation of a new bureau to become the City's 311/CRM call center.

The consulting team anticipates that with each of these alternatives, a majority of the City's CCIR staff would likely fill 311/CRM positions and remaining open positions would come from throughout the City, with a high degree of confidence that CSR staff positions from Soft-Launch bureaus would fill many of the open positions. Further, the consulting team anticipates vacated CSR positions would become unnecessary as calls previously to those bureaus would be redirected to the 311/CRM call center.

Based on our research and discussions, the 311/CRM initiative's best chance for success is if the City can immediately leverage political support, call center expertise, technology and project management experience and success, and bureaus that have the capabilities, readiness and capacity to move the initiative forward. Based on these criteria, the consulting team believes BOEC has the most political support, call center expertise, and demonstrated technology and project management success and is best positioned to move the initiative forward now. Additionally, the consulting team believes the capabilities and capacity of the CCIR team should be utilized to the highest degree possible. The consulting team noted that the Soft-Launch bureaus: BOEC, ONI, Bureau of Environmental Services (BES), Fire and Rescue, and Portland Bureau of Transportation (PBOT), due to their high level of interest and their immediate need for solutions to help them address customer service requests, are ideal candidates for the initial phase of the implementation.

As for the long-term governance of 311/CRM, Unified Communications is a structure that is not commonly used due to a variety of issues, most notably the cultures of 9-1-1 and 311 are very different, span of control and distance separating teams and, with respect to Portland, inter-bureau collaboration may be more challenging given the commission governance structure.

The consulting team believes Portland leaders should continue to evaluate the governance structure and consider whether an opportunity to transition to a structure that leverages other key criteria, such as culture, span of control, reporting responsibilities, should be pursued. The governance structure evaluation should be done prior to the integration of additional bureaus,

or earlier, and should consider BOEC's Executive Director Turley's succession planning. The City is fortunate to have a champion for 311 like Director Turley. However, finding a successor with her background, expertise and passion for 311, that is also an accomplished 9-1-1 executive, may prove to be a difficult consideration to overcome. The consulting team's evaluation of the above alternatives is provided in appendix: Table 15 - [Governance alternative evaluation](#).

Facilities

Although locating the 311/CRM call center in downtown Portland is unlikely, the consulting team priced class A office space in downtown Portland for our cost estimates to provide the City conservative costs for its facility requirements. Class A office space in downtown costs approximately \$28/square foot (s.f.), including all utilities, based on interviews with commercial leasing agents. Our research indicates the City can expect to negotiate a move in allowance for renovations in year 1. The consulting team estimates \$20,000 would be included in the initial lease. Please reference appendix: Table 16 - [Facilities Cost Summary](#). The projected office space requirements for staffing will include the following:

- 5,000 square feet on a single floor
- Four offices, one break room, two conference rooms, and a training room
- Cubicles for up to 32 CSR and supervisory personnel

Overall Costs

Table 17 of the appendix ([311/CRM Project Cost Summary](#)) summarizes the total cost from project inception through the initial five years, assuming that the project initially resides in BOEC. Though the total cost is approximately \$14.6 million, the actual net new cost to the City is approximately \$4.8 million. This is because the City will be transitioning existing personnel to the 311/CRM positions. In addition, the operational costs associated with these personnel will also be transitioned to 311/CRM. Therefore the annual operating budget of 311/CRM is not a net new cost. Lastly, the operational start-up budget does not represent a net new cost to the City, because if the City did not launch 311/CRM, this cost would be incurred by the City, via bureaus that are actively looking to procure their own, non-integrated CRM solution such as PBOT. Should the City not pursue a concerted effort to implement 311/CRM, the net new costs will be significantly higher than the \$4.8 million calculated in Table 17 of the appendix, and the systems will have challenges communicating with each other. In addition, the cost table represented in Table 17 of the appendix assumes that an external consultant will be hired immediately to support the City through the procurement process and another external consultant will be hired as the business owner project manager.

The cost estimates presented in this report are based on the following:

1. Current City compensation schedules
2. The consulting team's expertise in building budgets and implementation of other 311/CRM call centers
3. 2014 pricing data from SaaS CRM vendors that may bid on this project.

In addition, the cost estimates are based on the recommendations outlined in this report. Actual costs will depend on the specifications and timeline chosen by the City.

Return on Investment (ROI)

Due to the City's current call intake and processing structure, the City can expect to achieve a significant 5-year ROI savings with 311/CRM. These savings will be driven by the following factors:

- More efficient processing of customer calls
- Significantly lower call redirection rate
- Significantly reduced average talk time (ATT) by the CSR
- Ability to process information and service requests through lower cost channels such as mobile and web self-service

Over the 5-year period, the project projected ROI from these factors is nearly \$4.0 million. Based on the net new costs the City will incur (Table 17), the consulting team projects that Portland will achieve a payback period of 5.5 years, after it launches 311/CRM.

Challenges

Based upon the consulting team's past implementation experience, the most significant challenges that organizations faced when launching 311/CRM, which the consulting team believes that Portland will face as well, include:

- Securing long-term executive support
- Addressing change management concerns of impacted staff and teams
- Focusing on job security issues; how the call intake role would evolve, and ensuring that bureaus/departments retain control over service delivery.

Roadmap

[Table 18](#) of the appendix presents a comprehensive project roadmap including inputs, activities and outputs through five major phases to launch the City's call center. Based on the consulting team's experience and the data collected during the assessment, it could take the City 12-18 months to transition from project inception to the 311/CRM call center launch. The timing depends on several variables including the City's ability to:

- Secure funding
 - Potential sources for the initiative include, but are not limited to, the City's Technology Innovation Fund and an allocation of a portion of the general fund carryover surplus
 - Identifying the appropriate on-going operational funding methodology that is supported internally is a critical success factor. Use of a task force may be helpful.
- Identify the executive sponsor and project manager
- Build the project team
- Secure director-level commitment
- Hire an external consultant

When building the call center, it is critical to have bi-lingual capabilities. Presently, BOEC contracts out for this service, which includes immediately connecting non-English speaking callers to individuals that have the appropriate language skills. A translation service should be utilized to address other citizen language needs.

Another key component of the 311/CRM call center, is that it will act as a back-up to BOEC's operations. As such, the 311/CRM call center should be located at least ten miles away from the existing BOEC call center, or on the west side of the Willamette River, to ensure that back-up/redundancy capabilities exist in case of a disaster. Though located in a different building, the 311/CRM Manager would report to the BOEC Director.

As the City moves to launch the teams in phases 2 and 3, they should repeat the same inputs, activities, and outputs that are identified in the Project Implementation and Soft-Launch steps. These steps will ensure that the information and service requests are appropriately designed and that the change management plans are properly executed.

The consulting team briefed several Multnomah County administrative officials involved with the CCIR service on the City's 311/CRM initiative.

Appendix

Table 1 - Systems used to track customer interactions (not inclusive of all bureaus)

Bureau	System(s) Utilized and Comments
Water	Cayenta software has some CRM features
Elected officials offices	Track It, written notes, spreadsheets, limited data is tracked
BOEC	CAD (Computer Aided Dispatch) system – all 9-1-1 call activity is tracked
BES	Communication log – populate database and GIS
BDS	Track It for email, Hansen/Sierra (In implementation) - has some CRM features
Auditor	Varied – from “ <i>we don’t collect information</i> ” to limited use of Salesforce.com
BIBS	Spreadsheets
Fire	Internal database
ONI	Track It, Internally created database
Parks and Recreation	Activenet Recreation Software, spreadsheets - includes some CRM features
PBOT	Track It, application built by BTS, other - CRM features vary

Table 2 - Estimated call volumes by Bureau

(Call volumes for Soft- Launch bureaus and other bureaus that were validated)

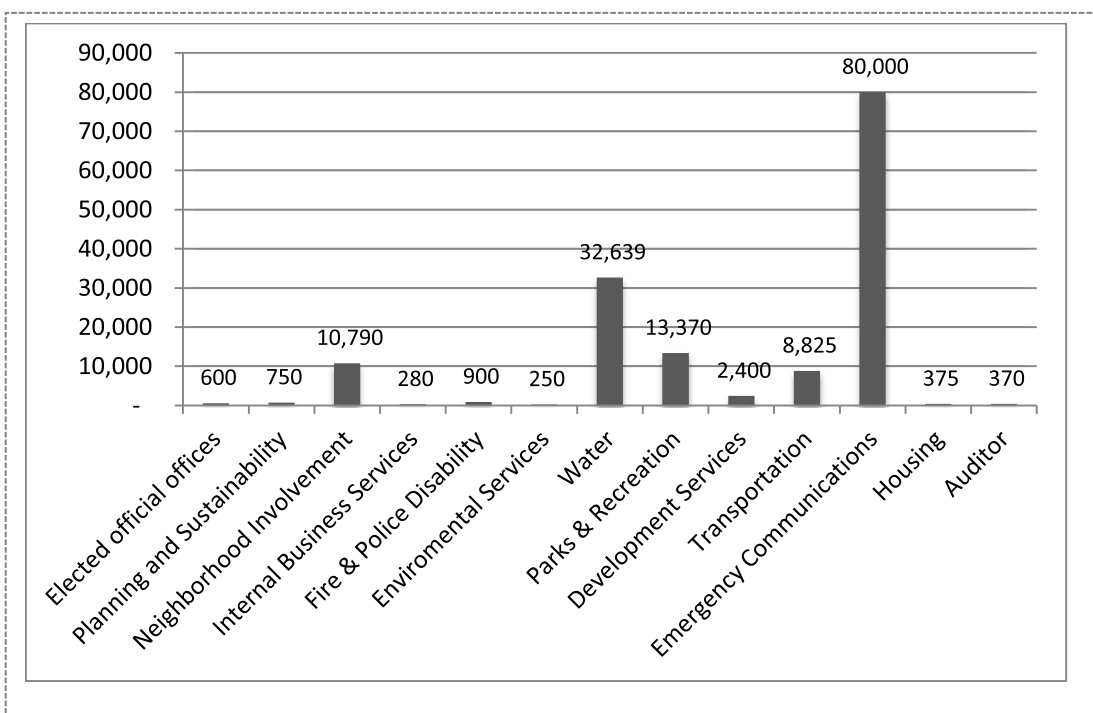


Table 3 - Summary of Portland's key customer relationship management (CRM) metrics

Description	Amount	Additional Detail
Number of existing major call centers	6	Water, PBOT, BDS, BOEC, Parks and Rec, CCIR.
Number of advertised phone numbers	137 on the City's website	The most listings are with PBOT
Estimated number of external calls received per month	152,000	Highest volume of calls – BOEC, Water, Parks and Rec, CCIR, PBOT
Estimated rate of calls redirected	19%	Estimated redirection rate for Soft-Launch 47%
Estimated number of FTE's handling calls	115	76 of these are from BOEC

Table 4 - Customer service channels cost per transaction

Channel	Cost Per Transaction
Walk-In	\$9.00 - \$12.00
Live Phone Agent	\$4.50 - \$5.30
Email	\$2.50 - \$3.00
Web Chat	\$1.50 - \$2.50
Phone Self Service (IVR)	\$0.45 - \$1.85
Mobile/Web Self -Service	\$0.10 - \$0.25

Table 5 - 311/CRM service benchmark measures applicable to Soft-Launch bureaus only.
(Please refer to the definition of Soft-Launch bureaus in call center staffing report page 6)

Metric	311/CRM Average*	Current State City of Portland (estimated)	Estimated Annual Savings
Average talk time	2.5 minutes	5 minutes	\$460,174
Abandonment rate	2.25%	2.25%	N/A
Annual average calls/ 100 residents	96	143	Cost savings shown in redirection rate
Cost per call	\$3.40	\$5.75	Cost savings included in average talk time
Average call redirection rate	3%	47% for the Soft-Launch teams.	\$166,371
Total			\$626,545

* Stern Consulting, Pew Foundation, PTI

Table 6 - 311/CRM Price Software Functionality Matrix by SaaS Vendor

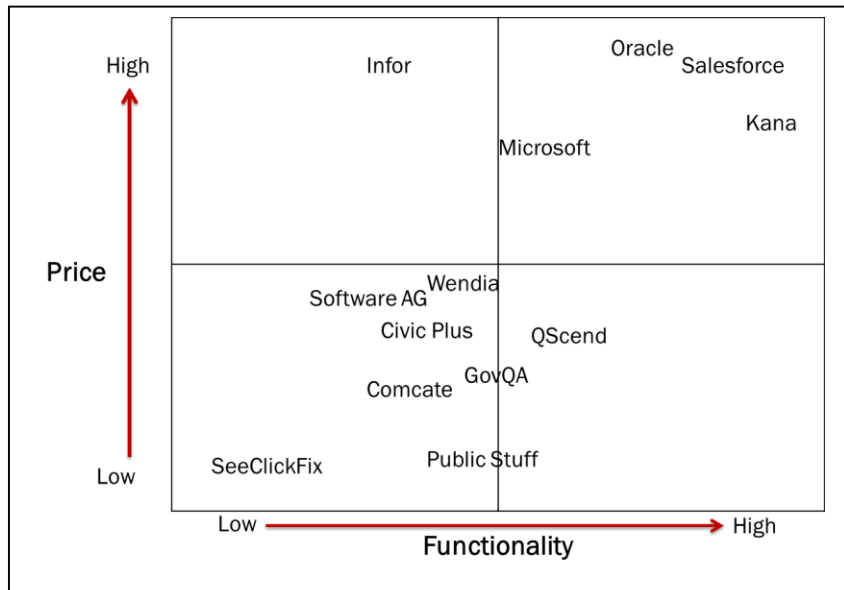


Table 7 - Bureau phased in approach to the 311/CRM call center

Phase	Bureaus
Soft-Launch	<ul style="list-style-type: none"> BOEC, PBOT, BES, Fire and Rescue, ONI
Two	Bureau of Development Services (BDS), Parks and Recreation and engage Multnomah County to determine level of interest
Three	<ul style="list-style-type: none"> Water All other bureaus based on services delivered

Table 8 - Forecasted 311/CRM staffing for start-up and first five years of operation

Position	Year 1	Year 2	Year 3	Year 4	Year 5
311/CRM Manager	1.0	1.0	1.0	1.0	1.0
311/CRM Supervisors	2.0	2.0	2.0	2.0	3.0
Customer Service Representative (CSR)	16.0	16.0	21.0	21.0	26.0
Management Analyst	1.0	1.0	1.0	1.0	1.5
Content Manager	1.0	1.0	1.0	1.0	1.5
Workforce Scheduler	N/A	N/A	0.5	0.5	1.0
QA/Trainer	N/A	N/A	1.0	1.0	1.5
Total FTE's – 311/CRM	21.0	21.0	27.5	27.5	35.5

Table 9 – 311/CRM call center – personnel cost summary by year

	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
311/CRM Call Center staff	\$1,599,409	\$1,599,409	\$2,069,268	\$2,069,268	\$2,703,723	\$10,041,077
Additional personnel - bureau other than BOEC	\$187,000	\$187,000	\$238,000	\$238,000	\$289,000	\$1,139,000

Table 10 - Forecasted additional staff if a new or existing small bureau (other than BOEC) is used for 311/CRM

Position	Year 1	Year 2	Year 3	Year 4	Year 5
Financial/budget analyst	1.0	1.0	1.5	1.5	2.0
Administrative Assistant	1.0	1.0	1.0	1.0	1.0
Total FTE's new or existing bureau.	2.0	2.0	2.5	2.5	3.0

Table 11 - FTE commitment chart for project implementation team

Note that the business owner project manager role will be filled through the City's selection process. This position should not be filled by a BTS resource.

Project Member Title	% FTE	Number	Total
Business Owner Project Manager	0.80	1	0.80
BTS Project Manager	0.25	1	0.25
Change Management leads	0.125	5	0.625
Functional Leads	0.15	5	0.75
Additional BTS Personnel			
Telecom lead	0.10	1	0.10
Business analyst	0.10	1	0.10
GIS analyst	0.10	1	0.10
Database analyst	0.15	1	0.15
Website designer	0.15	1	0.15
Human Resources Liaison	0.10	1	0.10
Commissioner Staff/Liaison	0.10	5	0.50
Executive Steering Committee Members	0.05	14	0.70
Executive Sponsor	0.02	1	0.02
Total FTE Commitment			4.345

Table 12 - On-going BTS support (this is an on-going requirement)

Project Member Title	% FTE	Number	Total
Telecom lead	0.10	1	0.10
Business analyst	0.10	1	0.10
GIS analyst	0.05	1	0.05
Database analyst	0.05	1	0.05
Website designer	0.10	1	0.10
Total FTE Commitment			0.40

Table 13 - Project commitment required for the phase 2 launch

Project Member Title	% FTE	Number	Total
Change Management leads	0.125	3	0.375
Functional Leads	0.15	3	0.45
Additional BTS Personnel			
Telecom lead	0.05	1	0.05
Business analyst	0.05	1	0.05
GIS analyst	0.05	1	0.05
Database analyst	0.05	1	0.05
Website designer	0.10	1	0.10
Human Resources Liaison	0.10	1	0.10
Commissioner Staff/Liaison	0.05	5	0.25
Executive Sponsor	0.02	1	0.02
Total FTE Commitment			1.495

Table 14 – Projected project commitment required for the phase 3 launch

Project Member Title	% FTE	Number	Total
Change Management leads	0.125	4	0.5
Functional Leads	0.1	5	0.5
Additional BTS Personnel			
Telecom lead	0.05	1	0.05
Business analyst	0.05	1	0.05
GIS analyst	0.05	1	0.05
Database analyst	0.05	1	0.05
Website designer	0.10	1	0.1
Human Resources Liaison	0.10	1	0.1
Commissioner Staff/Liaison	0.05	5	0.25
Executive Sponsor	0.02	1	0.02
Total FTE Commitment			1.67

Table 15 - Governance alternative evaluation and considerations

Description	Unified Communications 9-1-1/311/CRM	Office of Neighborhood Involvement (ONI) 311/CRM	New Bureau (Similar to Budget Office) 311/CRM
Present/anticipated reporting hierarchy.	- 9-1-1 reports to commissioner.	- ONI reports to the Mayor.	- 311/CRM reports to all members of Council. - Same model as CBO and City Attorney
Comparable organizations	- Very few unified communications. - Minneapolis and Chicago use this approach - Dallas was initially structured in this manner and changed due to cultural issues.	- Most commonly utilized and successful structure is direct report to the Mayor or City Manager and/or Administrator	- Elected officials oversight of specific bureaus is unique. - Like budget office, 311/CRM reporting to full council provides greatest opportunity for accountability
Serve as tool for collaboration. Break down existing barriers	- May be limited or reduced compared to other alternatives	- I and R line helped facilitate bureau-wide knowledge sharing. - 311/CRM could expand this inter-bureau relationship	- Based on feedback of staff, current CBO and City Attorney this structure has promoted collaboration. - The consulting team anticipates results would be similar for 311/CRM.
Workplace Culture	- 311 and 9-1-1 have different cultures. - Implications may be mitigated due to separate locations.	- I and R's culture is consistent with 311/CRM	- This structure will allow the creation of a "new" culture, influenced by existing I and R staff
Ability to reorganize and report to full elected body	- Potentially, likely with other changes	- Yes, possibly with limited changes	- Not applicable
Readiness	- Motivated and experienced call center executive - Facilities for start-up training	- Interested / knowledgeable call center manager. - Executive who is familiar with impact of 311/CRM	- Requires recruitment for leadership position
Capacity	- Existing 9-1-1 responsibilities - Repurpose I and R staff - Internally recruit, hire and train manager and staff	- Expand I and R Responsibilities - Internally recruit, hire and train staff	- Repurpose I and R staff - Internally recruit, hire and train staff
Capabilities	- Call center experience - Successful IT project implementation	- Call center experience	- Call center experience of I and R staff (and other City staff recruited to 311/CRM)

Description	Unified Communications 9-1-1/311/CRM	Office of Neighborhood Involvement (ONI) 311/CRM	New Bureau (Similar to Budget Office) 311/CRM
Pros	<ul style="list-style-type: none"> - Motivated executive - Call center leadership Experience - IT project implementation Experience - Support of leadership 	<ul style="list-style-type: none"> - Accountability to all elected officials and bureaus - ONI is a small bureau - 311/CRM would increase resources and breadth of bureau operations - Existing I and R service viewed favorably. 	<ul style="list-style-type: none"> - Recruit internally for director position - Accountability to all elected officials and bureaus is maximized. - Best positioned to realize organization wide success
Cons	<ul style="list-style-type: none"> - Existing 9-1-1 responsibilities - Cultural differences 311/CRM and 9-1-1 - Accountability to all elected officials and bureaus reduced. - Public perception that 311/CRM will handle police non-emergency calls only - Internal resistance 	<ul style="list-style-type: none"> - Lack executive experience leading call center - Lack executive and staff experience implementing IT projects - Additional administrative staff to support bureau 	<ul style="list-style-type: none"> - Additional bureau - May take additional time to recruit leader, initiate project - Additional administrative staff to support bureau
Neutral	<ul style="list-style-type: none"> - Use existing staff with call center experience 	<ul style="list-style-type: none"> - Use existing staff with call center experience 	<ul style="list-style-type: none"> - Use existing staff with call center experience

Table 16 - Facilities Cost Summary

Assumptions

- Additional build-out expenses are driven by additional staffing as follows:
 - Year 1 \$75,000
 - Year 3 \$40,000
 - Year 5 \$40,000
- Rent is increased 3% per year beginning in year 4, and again in year 5

Item	Year 1	Year 2	Year 3	Year 4	Year 5
Rental fee	\$140,000	\$140,000	\$140,000	\$144,200	\$148,526
Renovations	\$75,000	-	\$40,000	-	\$40,000
Maintenance	-	\$10,000	\$10,000	\$10,000	\$10,000
Totals	\$215,000	\$150,000	\$190,000	\$154,200	\$198,526

Table 17 - 311/CRM project cost summary through city-wide implementation

Description	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
311 call center staff	-	\$1,599,409	\$1,599,409	\$2,069,268	\$2,069,268	\$2,703,723	\$10,041,077
Additional BOEC personnel	-	-	-	-	-	-	-
Software and services	-	\$860,000	\$247,000	\$219,500	\$217,000	\$239,500	\$1,783,000
External consultant - implementation services	\$140,000	\$120,000	\$12,000	\$12,000	\$12,000	\$12,000	\$308,000
Business Owner Project Manager	-	\$100,000	\$50,000	-	-	-	\$150,000
Occupancy and renovations	-	\$150,000	\$150,000	\$190,000	\$154,200	\$198,526	\$842,726
Operational start-up budget	-	\$270,000	-	-	-	-	\$270,000
Annual operational budget	-	-	\$220,000	\$303,025	\$303,025	\$343,930	\$1,169,980
Totals	\$140,000	\$3,099,409	\$2,278,409	\$2,793,793	\$2,755,493	\$3,497,679	\$14,564,783
Less:							
Total compensation of transferred personnel	\$0	\$1,394,204	\$1,394,204	\$1,710,159	\$1,710,159	\$2,139,409	\$8,348,136
Operating costs	\$0	\$270,000	\$220,000	\$303,025	\$303,025	\$343,930	\$1,439,980

Total net incremental cost of 311/CRM year 0-5 = \$4,776,667

The net increment cost excludes compensation for personnel that are anticipated to be transferred from their existing positions to 311/CRM and the operational start-up and annual operating budgets, which would otherwise be incurred in the employee's present bureau.

Call center staffing costs were calculated utilizing the City of Portland's compensation schedules for the various positions and applying benefits consistent with amounts budgeted in the City's fiscal year 2014-15 budget (~30%). Costs for positions are slightly above the average of the mid-point of the salary range and the high end of the salary range, based on longevity of the City's employees.

Operating costs were determined based on the consulting teams experience with other 311/CRM call centers. The consultants validated the operating cost estimates with similar activities within the City, such as the human resources bureau, which is like 311/CRM, labor intensive. The consultants estimated operating costs for 311/CRM is approximately 15% of personal services costs, which compares with the City's human resources materials and services budget of 13%.

Table 18 - Comprehensive Roadmap

1. Project Planning	2. RFP Development	3. Vendor Evaluation and Selection	4. Project Implementation	5. Soft Launch
INPUTS				
<ul style="list-style-type: none"> Director and Commissioner-level support Funding mechanisms Identify executive sponsor and project manager 	<ul style="list-style-type: none"> Standard templates Procurement team involvement Consultant best practices 	<ul style="list-style-type: none"> Submitted responses Vendor evaluation templates Consultant feedback on submissions City contract and SOW templates Procurement team involvement Council approval 	<ul style="list-style-type: none"> Refined project plan Technical specifications Design blueprint Business process inventory & models Test plan 	<ul style="list-style-type: none"> End-user procedures Training plan Cutover plan Readiness assessment Training & production environments
ACTIVITIES				
<ul style="list-style-type: none"> Build the project team Define project team roles & responsibilities Secure project funding Develop project charter Hire external consultant Validate business case Define technology plan Assess change readiness and define change management plan Define project risks & build risk plan Develop project plan Build call center staffing plan Begin identifying call center locations Establish project infrastructure 	<ul style="list-style-type: none"> Conduct workshops to define soft launch team requirements Build RFP based on existing templates, best practices and soft launch bureau input Issue RFP Conduct vendor conference 	<ul style="list-style-type: none"> Review all submissions Score/rank responses Invite top ranked vendor for on-site demos Build on-site demo agenda and conduct demo sessions Evaluate presentations Conduct reference checks and site visits Select vendor Initiate contract and SOW negotiations Finalize contract and SOW Secure council approval Determine call center location and begin build-out Initiate recruiting, screening, and hiring of call center personnel 	<ul style="list-style-type: none"> Conduct business process design (iterative) workshops Design & configure application Define management reporting & information requirements Develop end-user procedures Develop & test customizations, reports, forms, automated data conversions & interfaces Define and execute test plan Cleanse & convert data Refine & execute technology plan Refine & execute change management plan Develop training materials Conduct solution walkthroughs & sign-off 	<ul style="list-style-type: none"> Conduct end-user training Execute technology plan Execute final go-live testing Conduct readiness assessment Conduct client QA meeting(s) Perform cutover & Go-Live Hire staff & launch call center Conduct post go-live support Execute transition plan Define phases 2 and 3 teams Maintain project management infrastructure Measure realization of business case Conduct close-out & review Conduct vendor communication Maintain council communication
OUTPUTS				
<ul style="list-style-type: none"> Detailed project plan Technical plan Change management plan Risk plan Design environment & standards 	<ul style="list-style-type: none"> Completed set of requirements 311/CRM RFP Vendor conference 	<ul style="list-style-type: none"> Completed contract and SOW Vendor project implementation plan Vendor technical plan 	<ul style="list-style-type: none"> End-user procedures Training plan Cutover plan Training & production environments System test sign-off 	<ul style="list-style-type: none"> Live environment Improvement & optimization opportunities Future phase plan Business case measures Implementation sign-off

Acknowledgements

The consulting team wishes to acknowledge the assistance it received throughout the project, and which could not have completed without the support and active engagement of the Executive Sponsor, BOEC Director Lisa Turley and BOEC Project Manager, Laura Wolfe. Additionally, Erika Namioka Nobel, of Commissioner Novick's office was very helpful to this effort, tracking down information and scheduling meetings among other efforts. All three were members of the Executive Steering Committee, who we would also like to thank for their time, insights, and critical feedback. Lastly, we wish to extend our appreciation to all City staff that participated in surveys, interviews, gathered information for this effort and to the citizens that took their time to provide us their feedback.

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